

**MELIUS METALS CORP.**

**CORPORATE GOVERNANCE  
MATERIALS**

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**Melius Metals Corp.**

**DIRECTORS’  
MANDATE**

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**Melius Metals Corp.  
(the “Corporation”)**

**DIRECTORS’ MANDATE**

**Directors’ Responsibilities**

The directors of the Corporation (the “**Directors**”) are responsible for the stewardship of the Corporation. To discharge this obligation, the Directors, directly and through the applicable committees of the board of Directors (the “**Board**”), should assume responsibility in the following areas:

**Strategic Planning Process**

- Provide input to management on emerging trends and issues.
- Adopt, review and approve, if appropriate, management’s strategic plans on an annual basis.
- Review and approve the Corporation’s budget, financial objectives, plans and actions, including significant capital allocations and expenditures.

**Monitoring Tactical Progress**

- Monitor corporate performance against the strategic and business plans, including assessing operating results to evaluate whether the business is being properly managed.
- Analyze and discuss information relating to the Corporation’s achievement of objectives.
- Assess and oversee the nature and scope of monitoring activities and management’s evaluation and remediate deficiencies.

**Risk Assessment**

- Identify the principal risks of the Corporation’s businesses and ensure that appropriate systems are in place to manage these risks.
- Oversee management’s assessment of risks to the achievement of the Corporation’s objectives, including the potential impact of significant changes, fraud and management override of internal control.

**Senior Level Staffing**

- Select, monitor and evaluate the Chief Executive Officer and other senior executives, and ensure the adoption of a management succession plan.
- Approve a position description for the Chief Executive Officer, including limits to management’s responsibilities and corporate objectives which the Chief Executive Officer is responsible for meeting, all upon recommendation from the Corporate Governance and Nominating Committee.

- Satisfy itself as to the integrity of the Chief Executive Officer and other executive officers.
- Satisfy itself that the Chief Executive Officer and other executive officers create, maintain and foster a culture of integrity throughout the Corporation.
- Engage in succession planning, including appointing, training and monitoring senior management.

### **Integrity**

- Provide oversight to the Chief Executive Officer and other executive officers in the development and performance of control activities.
- Ensure the integrity of the Corporation's internal control and management information systems.
- Ensure ethical behaviour and compliance with applicable laws and regulations, audit and accounting principles, and the Corporation's own governing documents, and accountability to the Board.
- Satisfy itself as to the integrity of the Chief Executive Officer and other executive officers and that the Chief Executive Officer and other executive officers create a culture of integrity throughout the organization.

### **Material Transactions**

- Review and approve material transactions not in the ordinary course of business.
- Review any potential related party transaction or non-arm's length transaction regardless of materiality.

### **Monitoring Directors' Effectiveness**

- Assess their own effectiveness in fulfilling the above and Directors' responsibilities, including monitoring the effectiveness of individual Directors.
- Define, maintain, and periodically evaluate the skills and expertise needed among its members to enable them to ask probing questions of senior management and take commensurate actions.

### **Disclosure Policy and Code of Business Conduct**

- Adopt, monitor and periodically review the effectiveness of a corporate disclosure policy and a code of business conduct.
- Make determinations with respect to waiving compliance with the code of business conduct by Directors and executive officers.
- The Board may delegate responsibility for making determinations with respect to waiving compliance with the code of business conduct to a committee of the Board.

### **Feedback from Shareholders**

- Develop measures for the receipt, by Directors, of feedback from shareholders.

### **Expectations of Directors**

- Directors are expected to attend all meetings.
- The specific dates of Board meetings to approve interim and annual financial results shall be scheduled at the commencement of each fiscal year.
- Additional meetings of the Board shall be called on an as-required basis.
- Directors are expected to review materials to be presented at Board meetings prior to such meetings. Such materials are to be circulated with sufficient advanced notice to allow Board members adequate review time. However, for unscheduled meetings, shorter notice may be necessary.

### **Corporate Governance**

- Develop the Corporation's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Corporation.
- The Board may delegate this responsibility to a committee of the directors, which committee shall have a majority of "Independent" directors (as such term is defined in National Policy 58-201 – *Corporate Governance Guidelines*) and the remaining members of which, if any, shall be "non-management" directors.

### **Other**

- Perform such other functions as prescribed by law or assigned to the Directors in the Corporation's constating documents, policies and guidelines.

### **Currency of this Mandate**

This mandate was last approved by the Board on \_\_\_\_\_.

**Melius Metals Corp.**

**ROLE AND MANDATE OF  
THE CHAIRMAN**

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**MELIUS METALS CORP.  
(the “Corporation”)**

**ROLE AND MANDATE OF THE CHAIRMAN**

The responsibilities of the chairman (the “**Chairman**”) of the board of directors (the “**Board**”) of the Corporation consist of the following principal components:

**Providing Leadership to Enhance Director Effectiveness**

The Chairman should be explicitly accountable for ensuring that the Board carries out its responsibilities effectively. This involves:

- ensuring that the Board works as a cohesive team and providing the leadership essential to achieve this; and
- ensuring that the resources available to the Board (in particular timely and relevant information) are adequate to support its work.

**Managing the Board**

The Chairman should be responsible for:

- ensuring that where functions are delegated to appropriate committees, the functions are carried out and results are reported to the Board. Examples of such functions could include:
  - ensuring that appropriate human resource management practices (including succession, development and compensation plans) are in place for senior management of the Corporation;
  - ensuring that succession planning for the Board is carried out;
  - ensuring an adequate orientation and training program for new Board members;
  - once potential candidates are identified, approaching potential candidates to explore their interest in joining the Board; and
  - ensuring that the conduct of Board meetings provides adequate time for serious discussion of relevant issues and that the Corporation is building a healthy governance culture.

**Assessing the Chief Executive Officer**

The Chairman should assist the Board in assessing the performance of the Chief Executive Officer.

**Representing the Corporation to External Groups**

The Chairman could take a leadership role in representing the Corporation and maintaining effective communication and relationships with external groups such as shareholders and other stakeholders including local community groups and governments.

**Currency of this Mandate**

This mandate was last approved by the Board on \_\_\_\_\_.



**Melius Metals Corp.**

**MANDATE OF THE CHIEF  
EXECUTIVE OFFICER**

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**MELIUS METALS CORP.**  
**(the “Corporation”)**

**MANDATE OF THE CHIEF EXECUTIVE OFFICER**

**Purpose**

The primary objectives of the role of the Chief Executive Officer (“**CEO**”) are to lead the management of the Corporation’s business and affairs and to lead the implementation of the resolutions and policies of the board of directors (the “**Board**”) of the Corporation.

**Accountabilities and Responsibilities**

The CEO is specifically charged with the responsibility for managing the strategic and operational agenda of the Corporation and for the execution of the directives and policies of the Board. The roles and responsibilities of the CEO include, among other things:

- (a) developing, together with the Board, the Corporation’s strategic direction and executing and monitoring same;
- (b) directing the overall business operations of the Corporation;
- (c) ensuring that the Board is kept appropriately informed of the overall business operations of the Corporation and major issues facing the Corporation;
- (d) having ultimate accountability for the development and execution of the strategy and policies of the Corporation and communicating them to the Board and shareholders of the Corporation;
- (e) having responsibility for the day-to-day operations of the Corporation, including the annual planning process, capital management, financial management, acquisitions, divestitures, etc., all of which must be accomplished within the strategic framework of the Corporation established by the Board;
- (f) having responsibility for the employment, compensation, job descriptions, performance assessment, leadership development and succession planning of human resources;
- (g) representing the Corporation to its major shareholders, including investment and financial communities, governments, customers and the public;
- (h) bringing material decisions to the Board for their review and approval, including:
  - (i) acquisition or initiation of new properties or undertakings or the assumption of any commitment, obligation or liability other than in the ordinary and normal course of business;
  - (ii) issuance or sale of securities of the Corporation and/ or rights, options or warrants to acquire securities of the Corporation;
  - (iii) declaration or payment of a dividend or other distribution in respect of any securities of the Corporation;

- (iv) any transaction, contract, agreement, undertaking or arrangement with a person with whom the Corporation and/or members of management do not act at arm's length or who is otherwise a "related party" as such term is defined under applicable legislation;
  - (v) disposition of assets or cancellation of debt other than in the ordinary and normal course of business; and
  - (vi) any other transaction, contract, agreement, undertaking, commitment or arrangement, not in the ordinary and normal course of business or which is or would be material in relation to the Corporation;
- (i) presenting to the Board any material business issues resulting from communications with shareholders.

**Financial Information**

The CEO, along with the Chief Financial Officer, is responsible for establishing and maintaining appropriate standards for all financial, management and regulatory reporting. Such standards must include preparing reports in a manner that meets audit, Board and regulatory authority requirements. Reports must be accurate, complete and timely.

**Currency of this Mandate**

This mandate was last approved by the Board on \_\_\_\_\_.

**Melius Metals Corp.**

**AUDIT COMMITTEE  
CHARTER**

**MELIUS METALS CORP.**  
**(the “Corporation”)**

**AUDIT COMMITTEE CHARTER**

(Implemented pursuant to National Instrument 52-110 – *Audit Committees*)

National Instrument 52-110 – *Audit Committees* (the “**Instrument**”) relating to the composition and function of audit committees was implemented for reporting issuers and, accordingly, applies to every Canadian Securities Exchange (the “**Exchange**”) listed company, including the Corporation. The Instrument requires all affected issuers to have a written audit committee charter which must be disclosed, as stipulated by Form 52-110F2, in the management information circular of the Corporation wherein management solicits proxies from the security holders of the Corporation for the purpose of electing directors to the board of directors. The Corporation, as an Exchange listed company is, however, exempt from certain requirements of the Instrument.

This Charter has been adopted by the board of directors of the Corporation (the “**Board**”) in order to comply with the Instrument and to more properly define the role of the Committee in the oversight of the financial reporting process of the Corporation. Nothing in this Charter is intended to restrict the ability of the Board or the Committee to alter or vary procedures in order to comply more fully with the Instrument or any other such requirement of the Exchange, as applicable from time to time.

**PART 1**

**Purpose:**

The purpose of the Committee is to:

- (a) improve the quality of the Corporation’s financial reporting;
- (b) assist the Board to properly and fully discharge its responsibilities;
- (c) provide an avenue of enhanced communication between the directors and external auditors;
- (d) enhance the external auditor’s independence;
- (e) ensure the credibility and objectivity of financial reports; and
- (f) strengthen the role of the directors by facilitating in depth discussions between directors, management and external auditors.

**1.1 Definitions**

“**accounting principles**” has the meaning ascribed to it in National Instrument 52-107 – *Acceptable Accounting Principles, Auditing Standards and Reporting Currency*;

“**Affiliate**” means a Corporation that is a subsidiary of another Corporation or companies that are controlled by the same entity;

“**audit services**” means the professional services rendered by the Corporation's external auditor for the audit and review of the Corporation's financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements;

“**Charter**” means this audit committee charter;

“**Committee**” means the Audit Committee established by and among certain members of the Board for the purpose of overseeing the accounting and financial reporting processes of the Corporation and audits of the financial statements of the Corporation;

“**Control Person**” means any individual or company that holds or is one of a combination of individuals or companies that holds a sufficient number of any of the securities of the Corporation so as to affect materially the control of the Corporation, or that holds more than 20% of the outstanding voting shares of the Corporation except where there is evidence showing that the holder of those securities does not materially affect the control of the Corporation;

“**financially literate**” has the meaning set forth in Section 1.2;

“**immediate family member**” means a person's spouse, parent, child, sibling, mother or father-in-law, son or daughter-in-law, brother or sister-in-law, and anyone (other than an employee of either the person or the person's immediate family member) who shares the individual's home;

“**Instrument**” means National Instrument 52-110 – *Audit Committees*;

“**MD&A**” has the meaning ascribed to it in National Instrument 51-102;

“**Member**” means a member of the Committee;

“**National Instrument 51-102**” means National Instrument 51-102 – *Continuous Disclosure Obligations*; and

“**non-audit services**” means services other than audit services.

## **1.2 Meaning of Financially Literate**

For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

## **PART 2**

### **2.1 Audit Committee**

The Board has hereby established the Committee for, among other purposes, compliance with the Instrument.

### **2.2 Relationship with External Auditors and Other Parties**

The Corporation will require its external auditor to report directly to the Committee and its Members shall ensure that such is the case.

Each Member shall be entitled, to the fullest extent permitted by law, to rely on the integrity of those persons and organizations within and outside the Corporation from whom he or she receives information, and the accuracy of the information provided to the Corporation by such other persons or organizations.

### **2.3 Committee Responsibilities**

1. The Committee shall be responsible for making the following recommendations to the Board of directors:
  - (a) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation; and
  - (b) the compensation of the external auditor.
2. The Committee shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting. This responsibility shall include:
  - (a) reviewing the audit plan with management and the external auditor;
  - (b) reviewing with management and the external auditor any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgements of management that may be material to financial reporting;
  - (c) questioning management and the external auditor regarding significant financial reporting issues discussed during the fiscal period and the method of resolution;
  - (d) reviewing any problems experienced by the external auditor in performing the audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management;

- (e) reviewing audited annual financial statements, in conjunction with the report of the external auditor, and obtaining an explanation from management of all significant variances between comparative reporting periods;
  - (f) reviewing the post-audit or management letter, containing the recommendations of the external auditor, and management's response and subsequent follow up to any identified weakness;
  - (g) reviewing interim unaudited financial statements before release to the public;
  - (h) reviewing all public disclosure documents containing audited or unaudited financial information before release, including any prospectus, the annual report and management's discussion and analysis;
  - (i) reviewing the evaluation of internal controls by the external auditor, together with management's response;
  - (j) reviewing the terms of reference of the internal auditor, if any;
  - (k) reviewing the reports issued by the internal auditor, if any, and management's response and subsequent follow up to any identified weaknesses; and
  - (l) reviewing the appointments of the chief financial officer and any key financial executives involved in the financial reporting process, as applicable.
3. The Committee shall pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by the issuer's external auditor.
  4. The Committee shall review the Corporation's financial statements, MD&A, and annual and interim earnings press releases before the Corporation publicly discloses this information.
  5. The Committee shall ensure that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, and shall periodically assess the adequacy of those procedures.
  6. When there is to be a change of auditor, the Committee shall review all issues related to the change, including the information to be included in the notice of change of auditor called for under National Instrument 51-102, and the planned steps for an orderly transition.
  7. The Committee shall review all reportable events, including disagreements, unresolved issues and consultations, as defined in National Instrument 51-102, on a routine basis, whether or not there is to be a change of auditor.
  8. The Committee shall, as applicable, establish procedures for:



- (a) the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters; and
  - (b) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.
9. As applicable, the Committee shall establish, periodically review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer, as applicable.
10. The responsibilities outlined in this Charter are not intended to be exhaustive. Members should consider any additional areas which may require oversight when discharging their responsibilities.
11. While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Corporation's financial statements and disclosures are complete and accurate and in accordance with generally accepted accounting principles and applicable rules and regulations, each of which is the responsibility of management and the Corporation's external auditors.

#### **2.4 *De Minimis* Non-Audit Services**

The Committee shall satisfy the pre-approval requirement in subsection 2.3(3) if:

- (a) the aggregate amount of all the non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent (5%) of the total amount of fees paid by the issuer and its subsidiary entities to the issuer's external auditor during the financial year in which the services are provided;
- (b) the Corporation or the subsidiary of the Corporation, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
- (c) the services are promptly brought to the attention of the Committee and approved by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee, prior to the completion of the audit.

#### **2.5 Delegation of Pre-Approval Function**

1. The Committee may delegate to one or more independent Members the authority to pre-approve non-audit services in satisfaction of the requirement in subsection 2.3(3).
2. The pre-approval of non-audit services by any Member to whom authority has been delegated pursuant to subsection 2.5(1) must be presented to the Committee at its first scheduled meeting following such pre-approval.

### **PART 3**

#### **3.1 Composition**

1. The Committee shall be composed of a minimum of three Members.
2. Every Member shall be a director of the issuer.
3. A majority of the Members shall not be employees, Control Persons or executive officers of the Corporation or any affiliate of the Corporation.
4. If practicable, given the composition of the Board, every Member shall be financially literate.
5. If practicable, given the composition of the Board, every Member shall be independent.
6. The Board shall appoint or re-appoint the Members after each annual meeting of shareholders of the Corporation.

### **PART 4**

#### **4.1 Authority**

Until the replacement of this Charter, the Committee shall have the authority to:

- (a) engage independent legal counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the Committee;
- (c) communicate directly with the internal and external auditors; and
- (d) recommend the amendment or approval of audited and interim financial statements to the Board.

### **PART 5**

#### **5.1 Disclosure in Information Circular**

If management of the Corporation solicits proxies from the security holders of the Corporation for the purpose of electing directors to the Board, the Corporation shall include in its management information circular the disclosure required by Form 52-110F2 (Disclosure by Venture Issuers).

**PART 6**

**6.1 Meetings**

1. Meetings of the Committee shall be scheduled to take place at regular intervals and, in any event, not less frequently than quarterly.
2. Opportunities shall be afforded periodically to the external auditor, the internal auditor and to members of senior management to meet separately with the Members.
3. Minutes shall be kept of all meetings of the Committee.
4. The quorum for meetings shall be a majority of the Members, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak to and to hear each other. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present.

**6.2 Currency of this Charter**

This Charter was last approved by the Board on \_\_\_\_\_.

**Melius Metals Corp.**

**CORPORATE GOVERNANCE AND  
NOMINATING COMMITTEE  
CHARTER**

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**MELIUS METALS CORP.**  
**(the “Corporation”)**

**CORPORATE GOVERNANCE AND NOMINATING  
COMMITTEE CHARTER**

**Purpose**

The overall purpose of the Corporate Governance and Nominating Committee (the “**Committee**”) of the Corporation is to develop and monitor the Corporation’s approach to: (i) matters of governance, and (ii) the nomination of directors to the board of the Corporation (the “**Board**”).

**Composition, Procedures and Organization**

The Committee shall consist of at least three members (the “**Members**”) of the Board, all of whom should be, in the determination of the Board, “independent” (as such term is defined in National Policy 58-201 – *Corporate Governance Guidelines*, as amended from time to time).

The Board, at its organizational meeting held in conjunction with each annual meeting of shareholders, shall appoint the Members for the ensuing year. The Board may at any time remove or replace any Member and may fill any vacancy in the Committee. Any Member ceasing to be a director shall cease to be a Member.

Unless the Board shall have appointed a chair of the Committee, the Members shall select a chair from amongst their number. The chair shall be “independent” and shall not have a second, or casting, vote in addition to the chair’s initial vote.

The Committee shall meet at such times and at such locations as the chair of the Committee shall determine. Any Member may request a meeting of the Committee.

**Duties of the Committee**

The duties of the Committee are as follows:

- (a) to develop and monitor the Corporation’s overall approach to corporate governance issues and, subject to approval by the Board, to implement and administer a system of corporate governance which reflects superior standards of corporate governance practices and to continue to develop the Corporation’s approach to corporate governance issues;
- (b) to undertake an annual review of corporate governance issues and practices as they affect the Corporation and make a comprehensive set of recommendations to the Board during each calendar year;

- (c) to advise the Board or any committees of the Board of corporate governance issues which the Committee determines ought to be considered by the Board or any such committee;
- (d) to review with the Board on a regular basis but not less than annually, the Mandate of the Board of Directors, the charter of each of the committees of the Board and the methods and processes by which the directors fulfill their respective duties and responsibilities, including without limitation:
  - (1) the number and content of meetings of the directors;
  - (2) the number of meetings of the independent directors at which members of management are not present;
  - (3) the annual schedule of issues to be presented to the Board at its meetings or those of its committees;
  - (4) material which is to be provided to the Board generally and with respect to meetings of the Board or its committees;
  - (5) resources available to the Board; and
  - (6) the communication process between the Board and management;
- (e) to recommend to the Board a system which enables a committee or an individual director to engage separate independent legal counsel and advisors at the expense of the Corporation in appropriate circumstances and, upon the approval by the Board of such a process, to be responsible for the management and administration thereof;
- (f) to develop a position description for the chairman of the Board (the “**Chairman**”) and to assess the performance of the Chairman, if applicable;
- (g) to develop and implement an orientation and educational program for new recruits to the Board in order to familiarize new directors with the business of the Corporation, its management and professional advisers and its facilities as well as to inform such recruits of the contribution they are expected to make including, but not limited to, the commitment of time and energy that the Corporation expects from its directors;
- (h) to develop and implement a process for assessing the effectiveness of the Board, individual directors, Board committees and the chairs thereof and to report and make recommendations to the Board thereon;
- (i) to review the effectiveness of the charters of the Audit Committee and the Corporate Governance and Nominating Committee of the Corporation as they relate to matters affecting governance;
- (j) to report annually to the Corporation’s shareholders, through the Corporation’s annual management proxy circular or annual report to shareholders, on the Corporation’s approach to corporate governance;

- (k) to adopt and implement a communications policy for the Corporation as well as a black-out policy for directors, executives and employees of the Corporation;
- (l) to recommend to the Board for adoption a business code of conduct to ensure ethical behavior and compliance with laws and regulations, to monitor compliance with such code of conduct and to consider and, if deemed appropriate, provide waivers from compliance with the code;
- (m) to provide continuing education opportunities for all directors, so that individuals may maintain or enhance their skills and abilities as directors, as well as to ensure their knowledge and understanding of the Corporation's business remain current;
- (n) to adopt a process to determine what competencies and skills the Board, as a whole, should possess given the nature of the business of the Corporation;
- (o) to assess the competencies and skills of each existing director, with a view to assessing the Board as a whole for the purpose of, in part, facilitating effective decision making by the Board;
- (p) to identify and recommend qualified individuals to become new members of the Board, giving due consideration to: (i) the competencies and skills that the Board considers to be necessary for the board, as a whole, to possess; (ii) the competencies and skills that the board considers each existing director to possess; and (iii) the competencies and skills each new nominee will bring to the boardroom;
- (q) to recommend the slate of directors to be nominated for election at the annual meeting of shareholders; and
- (r) to monitor and assess the relationship between the Board and management, defining the limits to management's responsibilities and making such recommendations as it may deem necessary with a view to ensuring that the Board is able to function independently of management.

### **Selection Criteria for Directors**

The Committee shall determine the appropriate criteria for selecting and assessing potential new members of the Board and shall select candidates for nomination to the Board accordingly. The Committee shall engage in the following activities to ensure an effective process for selecting candidates for nomination:

- (a) develop criteria for the selection of new directors;
- (b) identify the desired competencies, expertise, skills, background and personal qualities that are sought in potential candidates;
- (c) annually review these criteria to determine whether any amendments are required or whether there are any gaps in the skills of the existing directors;

- (d) identify and recommend individuals qualified and suitable to become directors, taking into consideration any identified gaps; and
- (e) maintain a list of suitable candidates for the Board.

The following characteristics are necessary for new candidates being considered for nomination, as well as for existing directors:

- (a) a reputation for integrity and ethical behaviour;
- (b) a demonstrated ability to exercise judgment and communicate effectively;
- (c) financially knowledgeable;
- (d) prominence in the individual's area of expertise;
- (e) previous experience relevant to the operations of the Corporation; and
- (f) sufficient time to dedicate to Board and committee work.

### **Other Corporate Governance and Nomination Matters**

In addition, the Board may refer to the Committee such other matters and questions relating to corporate governance and nomination as the Board may from time to time see fit.

### **Access to Personnel & Information**

The Committee shall have access to such officers and employees of the Corporation, to the Corporation's independent auditors and its legal counsel, to separate legal counsel and advisors and to such information respecting the Corporation as it considers necessary or advisable in order to perform its duties and responsibilities.

### **Directors May Request Meeting**

Any Director of the Corporation may request the chair of the Committee to call a meeting of the Committee and may attend at such meeting or inform the Committee of a specific matter of concern to such Director, and may participate in such meeting to the extent permitted by the chair of the Committee.

The times of and places where the meetings of the Committee shall be held and the calling of and procedure at such meetings shall be determined from time to time by the Committee.

### **Currency of this Charter**

This Charter was last approved by the Board on \_\_\_\_\_.



**Melius Metals Corp.**

**COMPENSATION COMMITTEE  
CHARTER**

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**MELIUS METALS CORP.**  
**(the “Corporation”)**

**COMPENSATION COMMITTEE CHARTER**

**Purpose**

The overall purpose of the Compensation Committee (the “**Committee**”) of the Corporation is to develop and monitor the Corporation’s approach to the compensation of officers of the Corporation.

**Composition, Procedures and Organization**

The Committee shall consist of at least three members of the board of directors of the Corporation (the “**Board**”), all of whom should be, in the determination of the Board, “independent” (as that term is defined by National Policy 58-201 – *Corporate Governance Guidelines*, as amended from time to time).

The Board, at its organizational meeting held in conjunction with each annual meeting of shareholders, shall appoint the members of the Committee (the “**Members**”) for the ensuing year. The Board may at any time remove or replace any Member and may fill any vacancy in the Committee. Any Member ceasing to be a director shall cease to be a Member.

Unless the Board shall have appointed a chair of the Committee, the Members shall select a chair from amongst their number. The chair shall be “independent” and shall not have a second, or casting, vote in addition to the chair’s initial vote.

The Committee shall meet at such times and at such locations as the chair of the Committee shall determine. Any Member may request a meeting of the Committee.

**Duties of the Committee**

1. The duties of the Committee are as follows:
  - (a) to develop and monitor the Corporation’s overall approach to compensation issues and, subject to approval by the Board, to implement and administer a system of compensation providing for short and longer term incentives, and which reflects superior standards of compensation practices and to continue to develop the Corporation’s approach to compensation issues;
  - (b) to undertake an annual review of compensation issues and practices as they affect the Corporation and make a comprehensive set of recommendations to the Board during each calendar year;
  - (c) to advise the Board or any committees of the Board of compensation issues which the Committee determines ought to be considered by the Board or any such committee;

- (d) to recommend to the Directors human resources and compensation policies and guidelines;
- (e) to ensure that the Corporation has in place programs to attract and develop management of the highest calibre and a process to provide for the orderly succession of management, including receipt on an annual basis of any recommendations of the Chief Executive Officer and Chief Financial Officer in this regard;
- (f) to develop a position description for the chair of the Committee and to periodically review and, if necessary, update such position description;
- (g) to develop a position description for the Chief Executive Officer and to ensure that policy guidelines and systems are in place to provide for a comprehensive annual review of the performance of the Chief Executive Officer;
- (h) to review and approve corporate goals and objectives relevant to the compensation of the Chief Executive Officer and other senior officers and to evaluate the Chief Executive Officer and other senior officers' performance in light of these goals and objectives;
- (i) subject to any contractual arrangements, to set the annual salary, bonus and other benefits, direct and indirect, of the Chief Executive Officer and to approve compensation for all other directors and such senior officers as may be designated by the Committee from time to time after considering the recommendations of the Chief Executive Officer, all within any human resources and compensation policies and guidelines approved by the directors;
- (j) to review periodically the adequacy and form of the compensation of the directors of the Corporation with a view to ensuring that such compensation realistically reflects the responsibilities and risks of being a director;
- (k) to implement and administer human resources and compensation policies approved by the directors concerning the following:
  - (i) executive compensation, employment and related contracts, stock option plans, deferred share plans and other incentive and equity-based plans; and
  - (ii) proposed personnel changes involving officers reporting to the Chief Executive Officer;
- (l) to grant stock options to eligible participants under the Corporation's stock option plan;
- (m) from time to time to review with the Chief Executive Officer, the Corporation's broad policies on compensation for all employees and overall labour relations strategies;

- (n) to consider any other questions or matters of compensation referred to it by the directors;
- (o) to develop and implement a process for assessing the effectiveness of the compensation policies and practices of the Corporation and to report and make recommendations to the Board thereon; and
- (p) to report annually to the Corporation's shareholders, through the Corporation's annual management proxy circular or annual report to shareholders, on the Corporation's approach to compensation and to review executive compensation disclosure before the Corporation publicly discloses such information.

### **Other Compensation Matters**

In addition, the Board may refer to the Committee such other matters and questions relating to compensation as the Board may from time to time see fit.

### **Access to Personnel & Information**

The Committee shall have access to such officers and employees of the Corporation, to the Corporation's independent auditors and its legal counsel, to separate legal counsel and advisors and to such information respecting the Corporation as it considers necessary or advisable in order to perform its duties and responsibilities.

### **Directors May Request Meeting**

Any Director of the Corporation may request the chair of the Committee to call a meeting of the Committee and may attend at such meeting or inform the Committee of a specific matter of concern to such Director, and may participate in such meeting to the extent permitted by the chair of the Committee.

The times of and places where the meetings of the Committee shall be held and the calling of and procedure at such meetings shall be determined from time to time by the Committee.

### **Currency of this Charter**

This Charter was last approved by the Board on \_\_\_\_\_.

**Melius Metals Corp.**

# **INSIDER TRADING POLICY**

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## Executive Summary

- If you possess material, non-public information relating to Melius Metals Corp. (the “**Corporation**”) you may not: (i) use such information to purchase or sell any securities of the Corporation; or (ii) pass any such information on to others.
- You may not trade your securities in the Corporation during the period commencing on the **first** day of the month following each quarter or year-end and ending at the close of business on the **first** trading day following the dissemination by the Corporation of such quarterly and annual results.
- **You may not trade in the Corporation’s securities without providing prior notification to the Chief Financial Officer.**
- You should not trade in call or put options or short-sell the securities of the Corporation and should acquire these securities only as a long-term investment.
- **Failure to comply with this policy will result in disciplinary action, which may include termination of employment, the imposition of fines and/or the possibility of imprisonment.**
- This policy should be viewed as the minimum criteria for compliance with insider trading laws. Additional guidance should be sought when uncertainty exists regarding a contemplated transaction.
- This policy applies to persons or companies who acquire information from a source known by them to be in a *special relationship* with the Corporation (including spouses and close friends).
- Reporting insiders are required to file insider reports through the SEDI website ([www.sedi.ca](http://www.sedi.ca)). It is your responsibility to ensure that all of your trades are updated on the SEDI website.
- Any inquiry as to the application of these policies should be directed to the Chief Financial Officer of the Corporation.

## Introduction

It is a cornerstone of the capital markets in Canada that all persons investing in securities listed on a public stock exchange have equal access to information that may affect their investment decisions. Public confidence in the integrity of the capital markets requires timely disclosure of material information concerning the business and affairs of companies, like Melius Metals Corp. (the “**Corporation**”), whose shares are listed on the Canadian Securities Exchange (the “**Exchange**”), thereby placing all market participants on an equal footing. Please note that the term “Corporation” as used herein shall include Melius Metals Corp. and all of its subsidiaries from time to time.

## Material Information

*Material information* is any information relating to the business and affairs of the Corporation that results in or would reasonably be expected to result in a significant change in the market price or value of the Corporation’s securities.

*Material information* consists of both *material facts* and *material changes* relating to the business and affairs of the Corporation.

*Material fact* means a fact that would reasonably be expected to have a significant effect on the market price or value of the securities. *Material change* means: (i) a change in the business, operations or capital of the issuer that would reasonably be expected to have a significant effect on the market price or value of any of the securities of the issuer, or (ii) a decision to implement such a change made by the board of directors or other persons acting in a similar capacity or by senior management of the issuer who believe that confirmation of the decision by the board of directors or such other persons acting in a similar capacity is probable.

The *Securities Act* (British Columbia) requires the disclosure of any *material change* by filing a report with the British Columbia Securities Commission as soon as reasonably practicable and, in any event, within ten (10) days of the date on which such change occurs. The provisions of the *Securities Act* (British Columbia) are supplemented by Exchange Policy 5 – Timely Disclosure, Trading Halts and Posting Requirements (“**Policy 5**”), which requires that *material information* concerning the business and affairs of a listed company such as the Corporation be disclosed immediately after management of the Corporation becomes aware of the existence of such information. Where information is previously known, it must be disclosed immediately upon it becoming apparent that the information is material. Senior management of the Corporation will determine what information is material according to the above definitions and will bear responsibility for compliance with the timely disclosure obligations under applicable securities laws and requirements of the Exchange.

Examples of developments in the business and affairs of the Corporation which are likely to require immediate public disclosure in accordance with Policy 5 include, but are not limited to, the following:

1. changes in share ownership that may affect control of the Corporation;
2. changes in corporate structure, such as reorganizations and amalgamations;

3. take-over bids or issuer bids;
4. major corporate acquisitions or dispositions;
5. changes in capital structure;
6. borrowing of a significant amount of funds;
7. public or private sale of additional securities;
8. development of new products and developments affecting the Corporation's resources, technology, products or market;
9. entering into or loss of significant contracts;
10. firm evidence of significant increases or decreases in near-term earnings prospects;
11. changes in capital investment plans or corporate objectives;
12. significant changes in management;
13. significant litigation;
14. major labour disputes or disputes with major contractors or suppliers;
15. events of default under financing or other agreements;
16. any material change in the Corporation's inventory or its ability to continue production, including the details with respect to any license renewals; and
17. any other developments relating to the business and affairs of the Corporation that might reasonably be expected to influence or change an investment decision of a reasonable investor.

**Definition of "Trade"**

The *Securities Act* (British Columbia) defines "trade" or "trading" to include:

1. any sale or disposition of a security for valuable consideration, whether the terms of payment be on margin, instalment or otherwise, but does not include a purchase of a security or, except as provided in clause (4), a transfer, pledge or encumbrance of securities for the purpose of giving collateral for a debt made in good faith;
2. any participation as a trader in any transaction in a security through the facilities of any stock exchange or quotation and trade reporting system;
3. any receipt by a registrant of an order to buy or sell a security;



4. any transfer, pledge or encumbrancing of securities of an issuer from the holdings of any person or company or combination of persons or companies described in clause (c) of the definition of “distribution”<sup>1</sup> for the purpose of giving collateral for a debt made in good faith; and
5. any act, advertisement, solicitation, conduct or negotiation directly or indirectly in furtherance of any of the foregoing.

### **Persons in a “*Special Relationship*” with the Corporation**

The restrictions on insider trading set out in Section 76 of the *Securities Act* (British Columbia) apply to any person or company in a “*special relationship*” with a reporting issuer. For the purposes of this policy, persons in such a relationship with the Corporation include:<sup>2</sup>

1. directors, officers and employees of the Corporation;
2. insiders of the Corporation;
3. a person or company that is or proposes to engage in any business or professional activity with or on behalf of the Corporation; and
4. a person or company that learns of a *material fact* or *material change* from another person or company and knows or ought reasonably to have known that the other person or company is in a *special relationship* with the Corporation.

Thus, each of the employees and the insiders of the Corporation are in a *special relationship* with the Corporation. As such, the provisions of this policy apply to each of them and they are all restricted from trading on the basis of *material information* regarding the business and affairs of the Corporation that is not generally disclosed. The policies set out herein are designed to assist the employees and insiders of the Corporation in complying with applicable securities laws.

Please note that persons who learned of a *material fact* or *material change* while in a *special relationship* with the Corporation, but who are no longer in such a *special relationship*, are similarly prohibited from purchasing or selling securities of the Corporation, unless the material fact or material change has been generally disclosed.

The potential scope of a chain of tippees is significantly expanded by the inclusion in the definition of *special relationship*, persons or companies who acquire information from a source known to them to have a *special relationship* with the Corporation. It would, for example, also capture spouses and close friends.

The Corporation has established a firm rule prohibiting all persons who have access to confidential information from making use of such information in trading in the Corporation’s securities before

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<sup>1</sup> Clause (c) of the definition of “distribution” in the *Securities Act* (British Columbia) refers to a “trade in previously issued securities of an issuer from the holdings of any control person”.

<sup>2</sup> Additional persons considered to be in a *special relationship* with the Corporation will include those who are insiders, affiliates or associates of the Corporation, a person or company proposing to make a take-over bid of the Corporation, and a person or company proposing to become a party to a reorganization, amalgamation, merger or similar business arrangement with the Corporation.

such information has been fully disclosed to the public and a reasonable period of time for dissemination of the information has passed. (See – “General Restrictions on Trading by Persons in a *Special Relationship* with the Corporation”).

### **Confidentiality**

No one in a *special relationship* with the Corporation may inform or ‘tip’ another person or company of a previously undisclosed *material fact* or *material change* with respect to the business and affairs of the Corporation, other than in the necessary course of business. Such tipping is in direct contravention of British Columbia securities laws and exposes the disclosing party to potential sanctions. Unless specifically authorized by senior management, you must maintain undisclosed material information regarding the business and affairs of the Corporation in strict confidence. The following questions should be considered prior to any disclosure being made:

1. Is the information a *material fact* or a *material change*?
2. Has the information in question been generally disclosed?
3. Is the disclosure in the necessary course of business?

Further, no one in a *special relationship* with the Corporation who has knowledge of an undisclosed *material fact* or *material change* with respect to the Corporation may recommend or encourage another person or company to purchase or sell securities of the Corporation, other than in the necessary course of business. Providing such recommendations or encouragement is in direct contravention of British Columbia securities laws and exposes the recommending or encouraging party to potential sanctions. The following questions should be considered prior to any recommendation or encouragement being made:

1. Do you have knowledge of a *material fact* or a *material change*?
2. Has the information in question been generally disclosed?
3. Is the recommendation or encouragement in the necessary course of business?

Where you are uncertain about any of the above questions, a member of Senior Management should be contacted prior to the disclosure of any information.

### **Restrictions on Trading by Persons in a *Special Relationship* with the Corporation**

Persons or companies in a *special relationship* with the Corporation and who either possess or have access to *material information* regarding the business and affairs of the Corporation are prohibited from trading until the *material information* has been fully disclosed to the public and a reasonable period of time has passed for the information to be disseminated. This prohibition applies not only to trading in the securities of the Corporation but also to trading in other securities whose value might be affected by changes in the price of the Corporation’s securities. Furthermore, persons or companies in a *special relationship* with the Corporation who possess material non-public information relating to the Corporation may not pass any such information

onto others or recommend or encourage others to purchase or sell securities of the Corporation (*tippees*).

Persons or companies in a *special relationship* with the Corporation who, while acting for the Corporation, obtains material non-public information which relates to any other company, including customers or suppliers of the Corporation, may not buy or sell securities of that company or otherwise misuse such information.

Subject to certain limited exceptions, the applicable corporate law statutes specifically prohibit insiders from engaging in the following transactions:

- (a) selling short; or
- (b) trading in call or put options.

You should also refrain from frequent buying and selling of the securities of the Corporation for the purpose of realizing the short-term profits and should acquire securities only as a long-term investment.

As noted above under the heading “Confidentiality”, persons or companies in a *special relationship* with the Corporation must not discuss or disclose any non-public information about the Corporation or its activities that may have an impact on the value of the Corporation’s shares.

The restrictions on trading based on *material information* apply not only when such information is non-public, but also for a limited time after such information has been made public. The Corporation’s shareholders and the investing public must be afforded time to receive and digest *material information*.

As a general rule, you should consider material information to be non-public from the time that you become aware of it until at least one (1) business day after it has been released by the Corporation to the public and, accordingly, you should not engage in any share transactions until the second business day after *material information* has been released to the public. If the information is complex or is not widely disseminated, you should consider waiting for an even longer period of time.

The restrictions on trading set forth above apply not only to a person with material information but also to members of that person’s household. They are responsible for the compliance by such persons of these restrictions and should, if necessary, review this policy with them and the general prohibitions on insider trading.

The foregoing prohibition does not include the exercise of stock options granted under the Corporation’s stock option plan but does include the sale of the underlying securities. Please note that a “same day cashless exercise” of stock options funded by a broker is considered a sale of shares for this purpose.

## **Financial Instruments**

Insiders of the Corporation are prohibited from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities of the Corporation granted as compensation to such insiders or held, directly or indirectly by such insiders.

### **“Blackout” Procedures**

Persons or companies in a *special relationship* with the Corporation may not trade their securities in the Corporation during the period commencing on the first day of the month following each quarter or year-end and ending at the close of business on the first trading day following the dissemination by the Corporation of such quarterly and annual results (the “**Regular Blackout Period**”).

For the purposes hereof, the open or close of business shall be defined as the open or close of trading on the Exchange.

Note that the Corporation must release its interim financial statements no later than 60 days following the end of each fiscal quarter and must release its audited annual financial statements no later than 120 days following the end of its financial year end.

**Notwithstanding the above, all insiders of the Corporation must provide prior notification to the Chief Financial Officer before trading in any securities of the Corporation.**

All persons or companies subject to this Blackout Policy shall also observe additional “blackout periods” due to material developments which may arise, as specified from time to time by the Chief Executive Officer, Chief Financial Officer or Chairman, during which times trading shall be prohibited (the “**Special Blackout Period**”).

Senior Management of the Corporation shall take reasonable precautions to ensure that access to undisclosed *material information* is restricted to those employees, officers, directors and others who must have access to such information for the purpose of performing the duties expected of them by the Corporation.

### **Waiver of Blackout Policy**

The board of directors of the Corporation (the “**Board of Directors**”) may waive in whole or in part the Regular Blackout Period in its discretion, provided that no Special Blackout Period is then in effect.

### **Securities of Other Companies**

In the course of the Corporation’s business, an Insider may obtain “inside information” about another publicly traded entity. Applicable securities laws prohibit trading in securities of that entity while in possession of such inside information or communicating such inside information to

another person. The restrictions set out in this policy apply to any Insider with respect to trading in the securities of, and communicating inside information about, any such other entity.

### **Responsibility**

The policies and procedures set forth herein present only a general framework within which a person or company in a *special relationship* with the Corporation may purchase and sell securities of the Corporation without violating securities laws.

### **You bear the ultimate responsibility for complying with securities laws.**

You should therefore view this policy and the attendant procedures as the minimum criteria for compliance with insider trading laws and should obtain additional guidance when uncertainty exists regarding a contemplated transaction.

### **Sanctions**

Failure to comply with this policy or the procedures set out herein may result in the Corporation taking appropriate disciplinary action, which may include termination of employment.

Canadian securities laws provide that breach of the prohibition against trading in securities with knowledge of undisclosed material information or providing undisclosed material information to others, in addition to civil liability for damages, may result in imprisonment for up to five years and/or a fine of up to the greater of: (i) \$5 million; and (ii) an amount equal to three times the profit obtained or loss avoided by reason of the contravention. Penalties may also be levied by Canadian securities regulatory authorities for not complying with the requirements to file insider reports.

The securities commissions in the relevant jurisdictions also have broad powers to, among other things, obtain a court order that a person comply with or cease contravening the applicable provisions of securities legislation, deny the availability of certain exemptions for trades in securities or order that trading in a reporting issuer's securities cease.

### **Reporting Insiders**

Certain persons and companies who are in a *special relationship* with the Corporation are also considered "reporting insiders" of the Corporation and, as such, have certain reporting obligations.

Pursuant to National Instrument 55-104 *Insider Reporting Requirements and Exemptions* ("NI 55-104"), only insiders of a reporting issuer who fall within the definition of a "reporting insider" are required to file reports. "Reporting insider" is defined in NI 55-104 to include, among others:

- the CEO, CFO or COO of the reporting issuer, of a significant shareholder<sup>3</sup> of the reporting issuer or of a major subsidiary of the reporting issuer;

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<sup>3</sup> "Significant shareholder" is defined in NI 55-104 as "a person or company that has beneficial ownership of, or control or direction over, whether direct or indirect, or a combination of beneficial ownership of, and control or direction over, whether direct or indirect, securities of an issuer carrying more than 10 per cent of the voting rights attached to all the issuer's outstanding voting

- a director of the reporting issuer, of a significant shareholder of the reporting issuer or of a major subsidiary<sup>4</sup> of the reporting issuer;
- a person or company responsible for a principal business unit, division or function of the reporting issuer;
- a significant shareholder of the reporting issuer;
- a significant shareholder based on post-conversion beneficial ownership of the reporting issuer's securities and the CEO, CFO, COO and every director of the significant shareholder based on post-conversion beneficial ownership;
- the reporting issuer itself, if it has purchased, redeemed or otherwise acquired a security of its own issue, for so long as it continues to hold that security; or
- any other insider that: (i) in the ordinary course receives or has access to information as to material facts or material changes concerning the reporting issuer before the material facts or material changes are generally disclosed; and (ii) directly or indirectly exercises, or has the ability to exercise, significant power or influence over the business, operations, capital or development of the reporting issuer.

In addition to complying with the restrictions imposed on persons and companies in a *special relationship* with the Corporation, reporting insiders of the Corporation will be required to electronically file insider reports through the System for Electronic Disclosure by Insiders (“SEDI”). Such reports are due within **ten** (10) days of becoming a reporting insider and thereafter within **five** (5) days of the date of a trade.

Before a reporting insider can file their insider reports on SEDI, they must register with CSA Inc. and file an insider profile. Reporting insiders can take these steps themselves or use an agent to register and file their insider profiles and insider reports for them. For more detailed information on how to register and file insider reports on SEDI, please see **Appendix A – SEDI Filing by Insiders**.

Failure to file a report on time will result in late fees being levied on the reporting insider and may cause future regulatory filings by the Corporation to be reviewed or cleared on an untimely basis by securities regulators, thereby impairing the Corporation's access to capital markets.

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securities, excluding, for the purpose of the calculation of the percentage held, any securities held by the person or company as underwriter in the course of a distribution.”

<sup>4</sup> “Major subsidiary” is defined in NI 55-104 as “a subsidiary of an issuer if: (a) the assets of the subsidiary, as included in the issuer's most recent annual audited or interim balance sheet, or, for a period relating to a financial year beginning on or after January 1, 2011, a statement of financial position, are 30 per cent or more of the consolidated assets of the issuer reported on that balance sheet or statement of financial position, as the case may be, or (b) the revenue of the subsidiary, as included in the issuer's most recent annual audited or interim income statement, or, for a period relating to a financial year beginning on or after January 1, 2011, a statement of comprehensive income, is 30 per cent or more of the consolidated revenue of the issuer reported on that statement.”

**Further Inquiries**

Any inquiry as to the application of these policies should be directed to the Chief Financial Officer of the Corporation.

**Acknowledgement**

Each Reporting Insider must complete the form of acknowledgement attached hereto as Appendix B and return same to the Chief Financial Officer, as soon as possible.

**Currency of this Mandate**

This policy was last approved by the Board of Directors on \_\_\_\_\_.

## APPENDIX A

### SEDI FILING BY REPORTING INSIDERS

All reporting insiders of reporting issuers (other than mutual funds) (“**SEDI Issuers**”) are required to file their insider reports through the System for Electronic Disclosure by Insiders (“**SEDI**”). SEDI is the insider trade reporting system available over the internet at [www.sedi.ca](http://www.sedi.ca).

*As a reporting insider of a SEDI Issuer, you need to:*

1. *register on SEDI; and*
2. *create an insider profile.*

*And then on a continuous basis:*

- *file insider reports within five (5) days of any change in ownership*
- *amend your profile if there is a change in the information disclosed*

### **SEDI Registration**

Before you can file your insider reports on SEDI, you must register with CSA Inc. You can take these steps yourself or use an agent to register and file your insider profile and insider reports for you.

*In order to register, you (or your agent) need to:*

1. *go to the SEDI web site ([www.sedi.ca](http://www.sedi.ca)) and click on 'Register as a SEDI User'*
2. *follow the screen instructions and complete Form 55-102F5 - Register as a SEDI user*
3. *print the completed form that is dated and time stamped, and sign it in the space provided*
4. *fax or send it to the SEDI operator, CSA, at the address provided on Form 55-102F5 (email: [sedi@csa-acvm.ca](mailto:sedi@csa-acvm.ca))*

*CSA will then process your registration and activate your SEDI user account.*

*In order for any of your filings to be valid, you must complete this registration process and have your account activated by CSA as a SEDI user.*



## **Password and User ID**

You will be issued a password and a SEDI user ID after you complete, certify and submit your SEDI user registration on the system. The password is tied to the SEDI user ID and allows you, as that user, to log on to SEDI.

## **Insider Profiles**

Before filing any insider reports you (or your agent) must complete and file an insider profile identifying yourself as a reporting insider and your relationship to one or more SEDI Issuers. The insider profile will consist principally of the same information that is currently required on the paper insider report. If: (i) there is a change to your name; (ii) there is a change in your relationship to a SEDI Issuer; or (iii) you cease to be a reporting insider of any SEDI Issuers, amendments to such profile must be filed within 10 days. Any other change will not be required to be filed until your next SEDI filing. Once the profile is created the insider reports must be filed through SEDI.

## **Access Code**

In order to provide reporting insiders with the ability to control the information filed by others on their behalf, SEDI will issue each reporting insider an access code upon the filing of the insider profile. Any filing of information through SEDI on behalf of any reporting insider or issuer will require the use of the access code in order to complete a valid filing. Reporting insiders will have the ability to obtain a new access code at any time in order to retain ultimate control over filings made on their behalf.

## **Public Access**

Except for certain confidential personal and other information, the public will be able to access: (i) insider profiles; (ii) summary reports of insider information consisting of insider profiles and insider reports; and (iii) information relating to SEDI issuers consisting of issuer profiles and supplements and issuer event reports through the SEDI website.

## **Additional Information**

The Canadian Securities Administrators Staff Notice 55-315 – *Frequently Asked Questions about National Instrument 55-104 Insider Reporting Requirements and Exemptions* can be reviewed at [http://www.osc.gov.on.ca/documents/en/Securities-Category5/csa\\_20100430\\_55-315\\_faq-55-104.pdf](http://www.osc.gov.on.ca/documents/en/Securities-Category5/csa_20100430_55-315_faq-55-104.pdf). For a complete listing of requirements, please consult National Instrument 55-102 System for Electronic Disclosure by Insiders. Additional information is posted on the SEDI website at [www.sedi.ca](http://www.sedi.ca).

**APPENDIX B**  
**ACKNOWLEDGEMENT**

**TO: Melius Metals Corp.**

(Attention: Chief Financial Officer)

**RE: INSIDER TRADING POLICY DATED {{DATE}}**

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The undersigned hereby acknowledges receipt from you of a copy of the above-referenced policy and confirms that the undersigned has read and is familiar with and agrees to be bound thereby.

**DATED {{APPROVALDATE}}**

\_\_\_\_\_  
Name:

Melius Metals Corp.

**CODE OF  
BUSINESS CONDUCT**

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**Melius Metals Corp.  
(the “Corporation”)**

**CODE OF BUSINESS CONDUCT**

The Code of Business Conduct (the “**Code**”) of the Corporation is a guide that highlights key issues and identifies policies and resources to help service providers, employees, consultants, officers and directors of the Corporation (“**Representatives**”) reach appropriate decisions. The Code is neither a contract nor a comprehensive manual that covers every situation that might be encountered.

**Responsibility and Accountability**

All Representatives have the personal responsibility to make sure that their actions conform to the Code and the laws that apply to their work. Any questions or concerns about illegal or unethical acts should be discussed with management (which for the purposes of this Code shall include, but not be limited to, any senior officer of the Corporation or the immediate supervisor of an employee). Failure to abide by the Code or the law may lead to appropriate disciplinary measures, up to and including dismissal.

All Representatives to be provided with the Code upon hire or engagement and are expected to read the entire Code and affirm, on an annual basis, their understanding of the Code.

Only the Corporate Governance and Nominating Committee of the board of directors of the Corporation (the “**Board**”) may, in its sole discretion, grant waivers from the provisions of this Code for the benefit of the directors or executive officers of the Corporation. Employees seeking a waiver from a provision of the Code must request such waiver from a member of the Corporate Governance and Nominating Committee.

**Additional Responsibilities of Employees in Positions of Senior Management**

Employees in positions of senior management are expected to lead according to high standards of ethical conduct, in both words and actions. Managers are responsible for promoting open and honest two-way communications with Representatives. Managers must be role models who show respect and consideration for everyone involved with the Corporation. Managers must be diligent in looking for indications that unethical or illegal conduct has occurred. Anyone having a concern about unethical or illegal activities is expected to inform their manager and take appropriate and consistent action.

**Responsibility to Employees**

All employees, officers and directors of the Corporation will treat each other with respect and fairness at all times, valuing the difference of diverse individuals with various backgrounds. Employment decisions will be based on business reasons, such as qualifications, talents and achievements, and will comply with all applicable employment laws.

### ***Harassment***

Abusive, harassing or offensive conduct is unacceptable, whether verbal, physical or visual. Examples of unacceptable conduct include, but are not limited to, derogatory comments based on racial or ethnic characteristics and unwelcome sexual advances. Representatives are encouraged to speak out when a coworker's conduct makes them uncomfortable and to report harassment when it occurs.

Threats or acts of violence or physical intimidation are prohibited.

### ***Safety and Health***

All Representatives are responsible for maintaining a safe workplace by following safety and health rules and practices and are further responsible for immediately reporting accidents, injuries, and unsafe equipment, practices or conditions to a supervisor or other designated person. The Corporation strives to keep its workplaces free from hazards.

In order to protect the safety of all employees, all Representatives must report to work free from the influence of any substance that could prevent them from conducting work activities safely and effectively.

### **Responsibility to Business Partners**

Neither the Corporation nor the Representatives will do business with others who are likely to harm the Corporation's reputation, including, for example, those who intentionally and continually violate laws including, but not limited to, environmental, employment, safety and anti-corruption statutes. All arrangements with third parties must comply with the policies of the Corporation as outlined in the Code and applicable laws. Neither the Corporation nor the Representatives will use a third party to perform any act prohibited by law or by this Code.

### ***Agents and Consultants***

Commission rates or fees paid to agents, consultants or other similar parties must be reasonable in relation to the value of the product or work that is actually being done.

### ***Consultants/Subcontractors***

Consultants and subcontractors play a vital role in the fulfillment of many of the Corporation's activities. In some cases subcontractors are highly visible to customers. It is therefore very important to ensure that consultants and subcontractors of the Corporation preserve and strengthen the Corporation's reputation by acting consistently with the Code.

### ***Joint Ventures and Alliances***

All Representatives will strive to ally with businesses that share the commitment of Representatives to ethics and also work to make the standards of any joint ventures compatible with those of the Corporation.

### **Responsibility to Shareholders**

All Representatives must be committed to managing business operations of the Corporation in the best interests of all shareholders and to act in what they perceive to be the best interests of shareholders.

Corporate opportunities should not be used by a Representative for personal gain and should only be considered with a view to the best interests of the Corporation and its shareholders.

All Representatives have a responsibility to protect the assets of the Corporation from loss, damage, misuse or theft. Assets of the Corporation may only be used for business purposes and other purposes approved by management and in any case may never be used for illegal purposes.

### **Proprietary Information**

All Representatives will safeguard all proprietary information. Proprietary information includes any information that is not generally known to the public and is of value to the Corporation, or would be of value to competitors of the Corporation. It also includes information that suppliers and customers have entrusted to us. The obligation to preserve proprietary information continues even after employment ends.

### **Inside Information and Securities Trading**

No one is permitted to trade in securities of the Corporation or any other kind of property based on knowledge stemming from their position or employment with the Corporation where that information has not been reported publicly. Trading or “tipping” others who might make an investment decision based on inside job information violates several laws including provincial securities legislation. For example, using non-public information to buy or sell shares, other securities of the Corporation or the stock of a supplier or customer of the Corporation is prohibited both by law and this Code. Reference should be made to the Corporation’s Insider Trading Policy for complete details regarding trading in the Corporation’s securities.

### **Accuracy of Records of the Corporation**

Honest and accurate recording and reporting of information is essential in order to make responsible business decisions. All financial books, records and accounts of the Corporation must accurately reflect transactions and events, and conform both to the applicable accounting principles as well as to the internal controls of the Corporation.

### **Business Communications**

All business records and communications should be clear, truthful and accurate. Business records and communications may become public through litigation, government investigations or the media. Representatives should avoid exaggeration, colorful language, guesswork, legal conclusions, and derogatory remarks or characterizations of people and businesses. This applies to communications of all kinds, including e-mail and “informal” notes or memos. Records should always be retained and destroyed according to record retention policies of the Corporation.

### **Responsibility to Competitors**

Representatives must never use any illegal or unethical methods to gather competitive information. Stealing proprietary information, possessing trade secret information that was obtained without the owner’s consent, or inducing such disclosures from past or present employees of other businesses, is prohibited.

If information is obtained by mistake that may constitute a trade secret or confidential information of another business, or if there are questions about the legality of information gathering, either management or, where appropriate, the Corporation’s legal counsel should be consulted immediately.

### **Personal Community Activities**

Representatives are free to support community, charity and political organizations and causes of their choice, as long as it is made clear that their views and actions are not those of the Corporation. Outside activities must not interfere with job performance.

No Representative may pressure another employee to express a view that is contrary to a personal belief, or to contribute to or support political, religious or charitable causes.

### **Environment**

All Representatives will respect the environment by complying with all applicable environmental laws. The Corporation is committed to the protection of the environment by minimizing the environmental impact of the Corporation’s operations and operating its business in ways that will foster a sustainable use of the world’s natural resources. Representatives must notify management if hazardous materials come into contact with the environment or are improperly handled or discarded.

### **Responsibility to Governments**

#### ***Compliance With the Law***

All Representatives are required to comply with all applicable laws and regulations where and when doing business on behalf of the Corporation. Representatives are also responsible for checking with management or, where appropriate, the Corporation’s legal counsel, if there are any questions or concerns about the legality of an action. Representatives shall comply with all applicable antitrust and competition laws. Representatives shall never commit or condone an illegal act or authorize others, such as contractors or agents, to act illegally and shall always avoid acting in a manner that could

lead others to question the Corporation's commitment to complying with all applicable laws.

### ***Political Activities***

No one may, except with approval from the Corporate Governance and Nominating Committee, make any political contribution on behalf of the Corporation or use the Corporation's name, funds, property, equipment or services for the support of political parties, initiatives, committees or candidates. This includes any contribution of value. Additionally, engaging in lobbying activities or pursuing government contacts on behalf of the Corporation, should be approved and coordinated with the Corporate Governance and Nominating Committee.

### **Conflicts of Interest**

#### ***General Guidance***

Business decisions and actions must be based on the best interests of the Corporation, and must not be motivated by personal considerations or relationships. Relationships with prospective or existing suppliers, contractors, customers, competitors or regulators must not affect the independent and sound judgment made on behalf of the Corporation. General guidelines to assist in understanding several of the most common examples of situations that may cause a conflict of interest are listed below. However, employees are required to disclose to management any situation that may be, or appear to be, a conflict of interest. When in doubt, it is best to disclose.

#### ***Outside Employment***

Representatives may not work for or receive payments for services from any competitor, customer, distributor, consultant, subcontractor or supplier of the Corporation without approval of management. The skills acquired by Representatives and used for the benefit of the Corporation must not be used in such a way that could hurt the business of the Corporation.

#### ***Board Memberships***

Employees of the Corporation serving on boards of directors or similar bodies for an outside company or government agency require the approval of management. Such approval must be obtained in advance.

#### ***Family Members and Close Personal Relationships***

No Representative may use his or her personal influence to persuade the Corporation to do business with a company in which their family members or friends have an interest.

#### ***Investments***

No Representative may allow his or her investments to influence, or appear to influence, their independent judgment on behalf of the Corporation. This could happen in many



ways, but it is most likely to create the appearance of a conflict of interest if a Representative has an investment in a competitor, supplier, customer, or distributor and the decisions of the Representative may have a business impact on this outside party. If there is any doubt about how an investment might be perceived, it should be disclosed to management.

No Representative is permitted to buy, directly or indirectly, or otherwise acquire rights to any property or materials while possessing knowledge that the Corporation may be interested in pursuing such an opportunity and the information possessed by the Representative is not yet public.

### ***Receiving Gifts***

Representatives are prohibited from accepting kickbacks, lavish gifts or gratuities. Representatives may accept items of nominal value, but may not accept anything that might make it appear that their judgment regarding the Corporation would be compromised.

In certain rare situations, where it would be impractical or harmful to refuse or return a gift, the situation is to be discussed with management.

### **Fraud or Bribery**

Fraud is an intentional act or omission designed to deceive another person or to obtain a benefit that one is not entitled to. Bribery is an intentional offer of monetary or other benefit to another person, government official, organization, or company in order to secure or to attempt to secure a benefit in the performance of a duty, to obtain or retain business, or to obtain any other improper advantage in conducting the Corporation's business.

Fraud can include a wide range of activities, such as falsifying records or timesheets, creating false benefits claims and misappropriating the Corporation's assets (including both physical assets and non-physical assets such as proprietary information and corporate opportunities) for personal gain.

Bribery can take different forms, such as cash payments; employment; bartering transactions; directing business to a particular individual or business; undue hospitality; or providing services or other benefits to a person, organization, or company or to those related to a particular person, organization, or company.

Representatives may not engage in fraudulent activities in the course of their work, may not bribe, offer a bribe, or condone bribery by others in the course of their work and must always ensure that the Corporation's assets are used only for legitimate business purposes and that all contracts for goods and services are made at a rate that reflects reasonable market conditions.

Neither the Corporation nor its Representatives may directly or indirectly give, offer or agree to give or offer a payment, a gift, or a benefit of any kind to a government official

for the purpose of influencing an official act or decision or related to retaining or obtaining business or directing business to any person.

The *Foreign Corrupt Practices Act* of the United States of America and the *Corruption of Foreign Public Officials Act* of Canada make it illegal for a person to directly or indirectly give, offer or agree to give or offer a payment, a gift, or a benefit of any kind to a foreign official, a foreign political party or party official, or any candidate for foreign political office or to any person for the benefit of such a foreign person in order to obtain or retain an advantage in the course of business. The definitions of foreign officials and party officials apply to all such officials regardless of rank or position and can include families, members of royal families, and officials of state-owned businesses.

Before making a gift, payment, or providing anything of value to a government official, whether domestic or foreign, Representatives will: (i) always make sure they understand the laws that apply in the country where they work and make sure that they comply with these laws; (ii) always make sure they understand the laws of other countries that may apply to the situation and make sure that they comply with these laws; (iii) always seek advice from the Corporation's Chief Financial Officer (at the contact information set out below) if they have any uncertainty regarding the application of the law to the action they are considering or how to comply with the applicable laws; (iv) always seek approval of the Corporation's Chief Financial Officer before giving or offering to give any gifts or other benefit to any government official that is of more than nominal value; and (v) always properly and accurately reflect in the Corporation's financial records the nature of all payments made to or other benefits provided to any government official.

Representatives will always keep accurate records reflecting transactions with government officials sufficient to allow the Corporation to maintain an adequate system of internal controls over such transactions in compliance with the *Foreign Corrupt Practices Act* of the United States of America and the *Corruption of Foreign Public Officials Act* of Canada.

## **Entertainment**

### ***Receiving Entertainment***

Representatives may accept entertainment that is reasonable in the context of the business and that advances the Corporation's interests. For example, accompanying a business associate to a local cultural or sporting event, or to a business meal, would in most cases be acceptable.

Entertainment that is lavish or frequent may appear to influence one's independent judgment on behalf of the Corporation. Where an invitation appears inappropriate, the offer must be turned down or the true value of the entertainment paid. Accepting entertainment that may appear inappropriate should be discussed with management in advance if possible.

### ***Providing Entertainment***

Representatives may provide entertainment that is reasonable in the context of the business. Any concern regarding the appropriateness of providing entertainment should be discussed with management in advance.

Applicable law may prohibit entertainment of government officials. Obtain approval from management in each instance.

## **Travel**

### *Acceptance of Travel Expenses*

Employees may accept transportation and lodging provided by a supplier or other third party, if the trip is for business and is approved in advance by management. All travel accepted must be accurately recorded in travel expense records.

### *Providing Travel*

Unless prohibited by applicable law or the policy of the recipient's organization, the Corporation may pay the transportation and lodging expenses incurred by customers, agents or suppliers in connection with the business of the Corporation. The visit must be for a business purpose, for example, on-site examination of equipment, contract negotiations or training.

Management must approve all travel by government officials that is sponsored or paid for by the Corporation in advance.

## **How to Get Help**

All questions about the Code should, in the first place, be directed to a supervisor or manager. Should it be inappropriate in the circumstances to discuss the issue with a supervisor, an alternate member of management or, where appropriate, the Corporation's legal counsel should be consulted.

## **Reporting Violations**

### *Reporting Responsibility*

It is the responsibility of all employees, officers and directors of the Corporation to report any violations or suspected violations of the Code and any concerns regarding accounting, financial statement disclosure, internal accounting or disclosure controls or auditing matters (a "**Complaint**") in accordance with the provisions set out herein.

The Corporation has an open door policy and encourages employees to share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, an employee's supervisor is in the best position to address an area of concern. However, if you are not comfortable speaking with your supervisor or you are not satisfied with your supervisor's response, you are encouraged to speak with anyone in management whom you are comfortable approaching.

For suspected fraud or securities law violations, or when you are not satisfied or uncomfortable with following the Corporation's open door policy, individuals should contact the Corporation's Chief Financial Officer directly.

Supervisors and managers are required to report all Complaints to the Corporation's Chief Financial Officer who has specific and exclusive responsibility to investigate all Complaints. A sample Complaint Form is attached hereto as Exhibit A, which is recommended for use by the person receiving the Complaint.

### ***No Retaliation***

No employee, officer or director of the Corporation who in good faith makes a Complaint shall suffer harassment, retaliation or adverse employment consequences. An employee that retaliates against someone who has made a Complaint in good faith is subject to discipline up to and including termination of employment.

### ***Role of the Chief Financial Officer in Compliance Matters***

The Corporation's Chief Financial Officer is responsible for investigating all reported Complaints. If you are not comfortable speaking with the Chief Financial Officer or the Chief Financial Officer is unavailable and the matter is urgent, you may contact the Chief Executive Officer.

### ***Accounting and Auditing Matters***

The Chief Financial Officer has direct access to the Audit Committee at any time and is required to report to the Audit Committee at least annually on his or her compliance activity.

The Audit Committee shall address all reported Complaints. The Chief Financial Officer shall immediately notify the Audit Committee of any Complaint and work with the Audit Committee until the matter is resolved.

### ***Acting in Good Faith***

Anyone filing a Complaint must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code or constitutes a questionable accounting or auditing matter. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offence.

### ***Confidentiality***

The Corporation will treat all Complaints as confidential and privileged to the fullest extent permitted by law. The Corporation will exercise particular care to keep confidential the identity of any person making a Complaint under this procedure until a formal investigation is launched. Thereafter, the identity of the person making the Complaint may be kept confidential, if requested, unless such confidentiality is

incompatible with a fair investigation, unless there is an overriding reason for identifying or otherwise disclosing the identity of the person or unless such disclosure is required by law. In this instance, the person making the Complaint will be so informed in advance of his or her being identified with the Complaint. Where disciplinary proceedings are invoked against any individual following a Complaint, the Corporation will normally require the name of the person making the Complaint to be disclosed to the person subject to such proceedings.

The Corporation encourages individuals to put their name to any Complaint they make, but any person may also make anonymous Complaints. In responding to an anonymous Complaint, the Corporation will pay due regard to fairness to any individual named in the Complaint, the seriousness of the issue raised, the credibility of the information or allegations in the Complaint, the likelihood of confirming the allegation from a reliable source and the prospects of an effective investigation and discovery of evidence.

Investigations will be conducted as quickly as possible, taking into account the nature and complexity of the Complaint and the issues raised therein.

### ***Handling of Complaints***

The Chief Financial Officer will notify the sender and acknowledge receipt of a Complaint, if it has not been filed anonymously, as soon as reasonably practicable. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

The Corporation reserves the right to modify or amend this Code at any time as it may deem necessary.

### **Currency of the Code**

This Code was last approved by the Board on \_\_\_\_\_.

**EXHIBIT A**

**COMPLAINT FORM**

Case Number: \_\_\_\_\_ Name: \_\_\_\_\_  
Tel: \_\_\_\_\_ E-mail: \_\_\_\_\_  
Department: \_\_\_\_\_ Supervisor: \_\_\_\_\_

Type of Violation:  Legal  Accounting/Auditing  Breach of Code  Retaliation

Date Caller became aware of potential violation: \_\_\_\_\_

Violation is:  Ongoing  Completed  Unclear whether ongoing or completed

Department suspected of violation: \_\_\_\_\_

Individual(s) suspected of violation: \_\_\_\_\_

Describe all of the relevant facts of the violation:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

How did Caller become aware of the violation:

\_\_\_\_\_  
\_\_\_\_\_

Steps taken by Caller prior to contact:

\_\_\_\_\_  
\_\_\_\_\_

Who, if anyone, may be harmed or affected by the violation?

\_\_\_\_\_

If violation is legal, estimate amount of loss to the Corporation as a result of violation:

Actual: \_\_\_\_\_ Potential: \_\_\_\_\_

If the violation relates to accounting/auditing matter, estimate the amount of the misreporting and indicate the affected category (or categories) of misreporting:

Amount \_\_\_\_\_

Category:  Assets  Liabilities  Expenses  
 Revenues  Valuation  Equity

Provide any suggestions for remedying the violation:

\_\_\_\_\_  
\_\_\_\_\_

Do you wish to be contacted by the investigation officers regarding the status of the investigation?

Yes  No

**Melius Metals Corp.**

**DISCLOSURE  
POLICY**

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**MELIUS METALS CORP.**  
**(the “Corporation”)**

**DISCLOSURE POLICY**

**Statement of Policy**

1. The Corporation is committed to a policy (the “**Policy**”) of full, true and plain public disclosure of all material information in a timely and widely disseminated manner, in order to keep shareholders and all members of the investing public equally informed about the Corporation’s operations, and to raise awareness of the Corporation’s approach to disclosure and promote compliance among the directors, officers, spokespersons and other employees and agents of the Corporation.
2. The principal means by which the Corporation will fulfill its obligation to disclose all material information in a timely manner will be by way of the issuance of press releases. The Corporation will prepare all press releases in a factual and balanced manner, neither over-emphasizing favourable news nor under-emphasizing unfavourable news, with material information that constitutes unfavourable news being disclosed as promptly and completely as favourable news. In addition, the Corporation will use its best efforts to ensure that all press releases contain sufficient detail to enable investors to make informed investment decisions concerning the Corporation’s securities.
3. The Policy extends to the conduct of directors, officers, spokespersons and other employees and agents of the Corporation, all disclosure in documents filed with securities commissions and stock exchanges in Canada and all methods that the Corporation uses to communicate to the public, such as written statements made in the Corporation’s annual and quarterly reports, news releases, letters to shareholders, speeches by senior management and information contained in electronic media, including social media and the Corporation’s website, as applicable, as well as oral statements made in group and individual meetings with financial analysts and investors, telephone calls with financial analysts and investors, interviews with the media and press conferences (regardless of whether written or oral, each a “**Disclosure Document**” and collectively, the “**Disclosure Documents**”).
4. The Policy statement outlines the Corporation’s approach to the determination and dissemination of material information and the circumstances under which the confidentiality of information will be maintained. It also provides guidelines in order to achieve consistent disclosure practices across the Corporation.

**Disclosure Committee**

1. The current members of the Disclosure Committee (the “**Committee**”) include: ● and ●.
2. The Committee is responsible for implementing the Policy and overseeing the Corporation’s disclosure practices, including monitoring deadlines for specific filings and compliance with the Policy, and the education of directors, officers, spokespersons and



other employees and agents of the Corporation with respect to disclosure issues and the Policy.

3. The Committee is responsible for receiving, documenting, evaluating and ascertaining an appropriate and timely response, if applicable, to complaints or concerns received from internal or external sources regarding the Policy, financial reporting or other disclosure issues.
4. The Committee will apply its best judgment in determining the appropriate disclosure for the Corporation of any particular information. The Committee will refer to internal and external experts as appropriate.
5. The Committee sets benchmarks for a preliminary assessment of materiality and will determine when developments justify public disclosure. The Committee will meet as conditions dictate. It is essential that the Committee be kept fully apprised of all pending material Corporation developments in order to evaluate and discuss those events and to determine the appropriateness and timing for public release of information. Employees are asked to alert any member of the Committee if they become aware of any development that may be material to the Corporation or any misrepresentation contained in any disclosure made by the Corporation. If it is deemed that the information should remain confidential, the Committee will determine how that inside information will be controlled.

### **Spokespersons**

1. The primary spokesperson for the Corporation is the Chief Executive Officer (collectively, the **"Spokesperson"**). The Spokesperson may, from time to time, designate others to speak on behalf of the Corporation or to respond to specific inquiries from the investment community or the media.
2. All public disclosures of information about the Corporation will be made or approved by the Spokesperson. All communications with analysts will be made by the Spokesperson. Employees, other than the Spokesperson, are not to respond to inquiries from the investment community or the media unless specifically asked to do so by a Spokesperson. All such queries should be referred to a Spokesperson.
3. If there is any doubt about the appropriateness of supplying information to an outside party, an employee should contact a Spokesperson for advice.
4. Although the Spokesperson is responsible for communication with the media, the securities regulators, the financial community, analysts and investors on behalf of the Corporation, the board of directors (the **"Board"**) and/or certain committees of the Board will review certain public disclosure of the Corporation prior to its release. In particular: (a) the Committee will review all material disclosure documents prior to their release or filing, (b) the Audit Committee and the Board will review the Corporation's annual and interim financial statements and related financial reporting, including management's discussion and analysis and financial press releases prior to their release; (c) the Board, and if necessary, the Audit Committee, will review the Corporation's annual information

form prior to its release; (d) the Board will review the Corporation's information circular prior to its release; and (e) the vice-president (or similar position) of finance of each business or equivalent position will conduct a detailed financial and operational review of all financial security filings in compliance with the internal procedures to support the CEO/CFO certification of the Corporation under National Instrument 52-109 - *Certification of Disclosure in Issuers' Annual and Interim Filings*. Therefore, prior to the release of any such information, the Committee shall ensure that it and, as applicable, the Board and/or the appropriate committee of the Board has reviewed and approved of such information being released.

### **Material Information**

1. Under Canadian securities law, the term “material fact” means any fact, where used in relation to securities issued or proposed to be issued, that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of any of the Corporation’s securities.
2. Securities law and securities commission and stock exchange policies require immediate disclosure of all material facts through news media. Examples of developments in the business and affairs of the Corporation which are likely to require immediate disclosure include the following:
  - (a) any issuance of securities by way of statutory exemption or prospectus;
  - (b) any change in the beneficial ownership of the Corporation’s securities that affects or is likely to affect the control of the Corporation;
  - (c) any change of name;
  - (d) a take-over bid, issuer bid or insider bid;
  - (e) any significant acquisition or disposition including a disposition of assets, property or joint venture interests;
  - (f) any stock split, stock consolidation, stock dividend, exchange, call of securities for redemption, redemption, capital reorganization or other change in capital structure;
  - (g) the borrowing or lending of a significant amount of funds or any mortgaging, hypothecating or encumbering in any way of any of the Corporation’s assets, or an event of default under a financing or other agreement;
  - (h) any acquisition or disposition of the Corporation’s own securities;
  - (i) the development of a new product or any development which affects the Corporation’s resources, technology, products or markets;
  - (j) the entering into or loss of a material contract;

- (k) firm evidence of a material increase or decrease in near-term earnings prospects;
- (l) a significant change in capital investment plans or corporate objectives;
- (m) any change in the Board or senior officers;
- (n) significant litigation;
- (o) a material labour dispute or a dispute with a major contractor or supplier;
- (p) a reverse takeover, change of business, merger, amalgamation or other material information relating to the business, operations or assets of the Corporation;
- (q) a declaration or omission of dividends (either securities or cash);
- (r) any oral or written employment, consulting or other compensation arrangements between the Corporation or any subsidiary of the Corporation and any director or officer of the Corporation, or their associates, for their services as directors or officers, or in any other capacity;
- (s) any oral or written management contract, any agreement to provide any investor relations, promotional or market making activities, any service agreement not in the normal course of business or any related party transaction, including a transaction involving non-arm's length parties;
- (t) any amendment, termination, extension or failure to renew any agreement where disclosure of the original agreement or transaction was required pursuant to applicable securities laws or stock exchange rules;
- (u) any change in listing classification, including any movement by the Corporation between stock exchanges or an exchange's tiers;
- (v) notice of suspension review or suspension of trading of the Corporation's securities; and
- (w) any other developments relating to the business and affairs of the Corporation that would reasonably be expected to significantly affect the market price or value of any of the Corporation's securities or that would reasonably be expected to have a significant influence on a reasonable investor's investment decisions.

### **Confidential Material Information**

1. In isolated and restricted circumstances,<sup>1</sup> officials of the Corporation may temporarily withhold information from public disclosure for legitimate business purposes where it is

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<sup>1</sup> The withholding of material information on the basis that disclosure would be unduly detrimental to the Corporation must be infrequent and can only be justified where the potential harm to the Corporation or investors caused by immediate disclosure can reasonably be considered to outweigh the undesirable consequences of delaying disclosure, keeping in mind at all times the

determined that immediate public disclosure would be unduly detrimental to the Corporation's interests. The information, if it constitutes a material fact, must still be filed with Canadian securities regulators in the form of a confidential material change report filed with the applicable Canadian securities regulators, the Corporation's stock exchange and the Investment Industry Regulatory Organization of Canada ("IIROC") on a confidential basis.<sup>2</sup> The Corporation will only withhold information consistent with the circumstances outlined in Canadian securities laws.

2. At any time when material information is being withheld from the public in accordance with this section, the Corporation must ensure that the information is kept completely confidential and any person in possession of undisclosed material information is prohibited from purchasing or selling the Corporation's securities or "tipping" such information until the material information is publicly disclosed.
3. It is expected that the Corporation's directors, officers, employees and agents will keep the Corporation and its Spokespersons fully apprised of all significant corporate developments in order for the Spokespersons to determine their materiality and the appropriateness of and timing for public release of the information, or whether the information should remain confidential. Employees must not divulge material non-public information to anyone outside the Corporation, as only the Spokespersons are authorized to speak on behalf of the Corporation.

### **Timing of and Procedure for Disclosure**

1. All of the Corporation's news releases including releases of material facts and information will be managed by the Chief Executive Officer.
2. The Corporation will ensure that its legal counsel reviews all news releases where the subject matter has been determined by the Corporation to be material, in order to ensure that the Corporation's disclosure complies with the Policy and complies with applicable securities laws and stock exchange requirements.
3. Previously undisclosed material information may be shared confidentially with those in a "special relationship", including third parties who are bound by agreement of confidentiality and obligation to not make use of such information in trading in securities where such third party has a need to know such information to perform a service or duty, such as legal advice, financial services, credit rating, private lending or extension of credit.

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requirements for immediate disclosure. While recognizing that there must be a trade-off between the legitimate interest of the Corporation in maintaining confidentiality and the right of the investing public to disclosure of material information, securities regulators and stock exchanges discourage any delays in disclosure for a lengthy period of time, since it is unlikely that confidentiality can be maintained beyond the short term.

<sup>2</sup> The applicable listing stock exchange for the Corporation and IIROC must be advised of the material information on a confidential basis so that trading in the Corporation's common shares listed on the exchange may be monitored by IIROC. If the trading of the Corporation's common shares listed on the exchange (the "**Common Shares**") suggests or indicates that the confidential information may have been "leaked", IIROC will normally require an immediate news release and IIROC will halt trading in the Common Shares until the information has been generally disclosed to the public.

4. Once a decision is made that information is material and will not be the subject of a confidential filing, it will be disclosed immediately and broadly disseminated to the public. The Corporation uses a wire service to disseminate news releases.
5. Corporate disclosure should be consistent among all audiences, including the investment community, the media and employees. Disclosure on the website of the Corporation or social media alone does not constitute adequate disclosure of material information.
6. Corporate disclosure must be corrected immediately if the Corporation subsequently learns that earlier disclosure contained a material error at the time it was given.
7. When necessary, the Corporation will file a material change report with securities regulators as soon as practicable and, in any event, not later than 10 days following the date on which such material change occurs.
8. Any employee who is privy to confidential information including undisclosed material information (“inside information”) is prohibited from communicating such information to anyone else, unless it is necessary to do so in the course of business. Efforts will be made to limit access to inside information to only those who need to know the information and those persons will be advised that the information is to be kept confidential.
9. Outside parties who are privy to inside information concerning the Corporation will be told that they must not divulge this information to anyone else, other than in the necessary course of business and that they may not trade in the Corporation’s securities until after the inside information is publicly disclosed and disseminated or is no longer possibly material (e.g. a previously undisclosed proposed confidential transaction that is abandoned). Unless such parties are bound by well-defined obligations of confidentiality to the Corporation imposed by reason of their professional status, such outside parties may be required to confirm their commitment to non-disclosure in the form of a written confidentiality agreement.
10. To prevent the misuse or inadvertent disclosure of material information, the following procedures should be observed at all times:
  - (a) documents and files containing material inside information should be kept in a safe place, with access restricted to individuals who “need to know” that information in the necessary course of business. Code names should be used if necessary;
  - (b) confidential matters should not be discussed in places where the discussion may be overheard, such as elevators, hallways, restaurants, airplanes or taxis;
  - (c) confidential matters should not be discussed on cell phones or other wireless communication devices;
  - (d) confidential documents should not be read or displayed in public places and should not be discarded where others can retrieve them;

- (e) employees must ensure they maintain the confidentiality of information in their possession outside of the office as well as inside the office;
- (f) transmission of documents by electronic means, such as by fax, e-mail or directly from one computer to another, should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions;
- (g) unnecessary copying of confidential documents should be avoided and documents containing material inside information should be promptly removed from conference rooms and work areas after meetings have concluded. Extra copies of confidential documents should be shredded or otherwise destroyed; and
- (h) access to confidential electronic data should be restricted through the use of passwords.

### **Pre-Notification to IIROC**

1. Regardless of when an announcement involving material information is released, IIROC will require the pre-filing of news releases with IIROC prior to dissemination to the public in the following instances:
  - (a) reverse take-overs, changes of business or other reorganizations;
  - (b) major transactions, including corporate acquisitions or dispositions;
  - (c) situations where after giving effect to the contemplated transaction and as a result of such transaction one person or a group of persons will hold a sufficient number of common shares to affect materially the control of the Corporation and in the absence of evidence to the contrary, any person or combination of persons acting in concert by virtue of an agreement, arrangement, commitment or understanding, holding more than 20% of the Corporation's common shares listed on the Exchange is deemed to materially affect the control of the Corporation; and
  - (d) future oriented financial information or other operating projections.
2. The Corporation will advise IIROC of the content of any news releases related to the foregoing matters and must be supplied with a copy of any news release relating to these matters in advance of its release. Copies of the news releases must be faxed to IIROC at (604) 602-6986 or emailed to IIROC at [surveillancwest@iroc.ca](mailto:surveillancwest@iroc.ca). The Corporation must also advise IIROC of the proposed method of dissemination and must advise IIROC in advance, by telephone at (604) 643-6505 if an announcement is ready to be made during trading hours and submission of a written copy of the release should follow. Where an announcement is to be released after the Exchange has closed, the Corporation should advise IIROC before trading opens on the next trading day.
3. The Corporation may be required to submit supporting documents with the news release.

### **Responding to Market Rumours**

1. It is the Corporation's practice not to comment on market rumours or speculation, particularly where it is clear that the Corporation is not the source of the market rumour. If a stock exchange or a securities regulator requests the Corporation to make a statement in response to a market rumour, the Spokespersons will consider the matter and make a determination as to the nature and content of any response by the Corporation
2. The Chief Executive Officer will also recommend an appropriate course of action where the Corporation or an employee of the Corporation is the apparent source of the rumour.

### **Communications with Financial Analysts and Investors**

1. One of the most important functions of the Spokespersons is to provide financial analysts and investors with information about the Corporation.
2. The Corporation, principally through its Spokespersons, may educate analysts about the Corporation using previously disclosed historical information or facts which are generally known, including information relating to market forces impacting the Corporation's business, so that analysts can regularly update their estimates. The Corporation should not provide analysts with material non-public information.
3. If an employee of the Corporation other than a Spokesperson holds a one-on-one meeting with an outside party such as a financial analyst or investor, a Spokesperson will ascertain whether any new material information was disclosed during the discussion. If so, that information will be publicly disclosed immediately.
4. The Corporation will not provide confidential, proprietary or material non-public information in communications with financial analysts or investors. The Corporation will only disclose information that does not impair its own effectiveness. Any information disclosed will be factual and not speculative.
5. The Corporation will not discriminate among recipients of information. Under no circumstances will the Corporation bar a financial analyst from access to information, nor will the Corporation confirm or attempt to influence a financial analyst's opinions or conclusions. The Corporation will provide the same information that has been provided to financial analysts to individual investors when requested.
6. The Corporation will not discuss near-term operational results or future earnings nor will it comment on earnings estimates of analysts or investors, except as required by law. Similarly, the Corporation will not review financial analysts' reports or models but it may confirm or correct publicly released historical information contained in analysts' reports.
7. The Corporation may provide selective, forward-looking information to enable the investment community to evaluate the Corporation and its prospects for performance, such as new projects, expected volume growth or decline, capital spending, operating expense targets, and projected demand or market potential for its production and products, provided that it is not undisclosed material information, it does not deal with

near-term operational results or future earnings, and it has been prepared or reviewed by a Spokesperson.

8. The Corporation will not re-circulate financial analysts' reports outside the Corporation or place them on its website. Financial analysts' reports on the Corporation may be provided periodically to the Board and to senior management. In such circumstances it should be recognized that the opinions, estimates or forecasts regarding the Corporation's performance that are made by any financial analysts are theirs alone and not the opinions, estimates or forecasts of the Corporation or its management.
9. The Board and/or the Corporation's Audit Committee shall review the following types of Disclosure Documents in advance of their public release by the Corporation:
  - (a) earnings guidance; and
  - (b) news releases containing financial information based on a company's financial statements prior to the release of such statements.
10. Where feasible, the Corporation shall issue the earnings news release concurrently with the filing of the Corporation's quarterly or annual financial statements.

### **Forward-looking Information**

A forward-looking statement made in the Corporation's written documents will be identified as such and accompanied with meaningful cautionary language that warns investors that there is a risk that the statement could change materially. In the case of oral forward-looking statements, the statement will be identified as such and, if the cautionary language is not included in a previously released, readily available written document, it will immediately accompany the statement. The Corporation will comply with the guidelines set out in National Policy 51-102 – *Continuous Disclosure Obligations* adopted by the Canadian Securities Administrators with respect to the comparison of actual results with such forward looking statements where appropriate.

### **Use of Electronic Media and Website**

1. Documents of interest to investors that are available in paper copy will be made available on the website. These include the annual report, quarterly reports and news releases. The Chief Executive Officer is responsible for ensuring that the information in the investor section of the website is up-to-date. News releases will be posted on the website as soon as possible after they are released to the wire service. Other documents and presentations will be placed on the website as soon as possible after they are available. Generally speaking, where documents are included on the Corporation's website, such documents will remain on the Corporation's website for a minimum of thirty (30) days.
2. The Corporation will not host, participate in or link to Internet-based chat rooms or bulletin boards and the directors, officers and employees of the Corporation are prohibited from discussing the Corporation in such forums.



### **Communication and Enforcement**

1. All directors, officers, employees and consultants of the Corporation will be advised of this Policy and its enforcement. It will be made available upon request and changes in this Policy will be communicated to all directors, officers, employees and consultants.

An employee or consultant who violates this Policy may face disciplinary action up to and including termination of employment in the case of an employee, and, in the case of a consultant, termination of the consulting contract with the Corporation. The violation of this Policy may also violate certain securities laws. If the Corporation discovers that an employee has violated such securities laws, it may refer the matter to the appropriate regulatory authorities.

### **Currency of this Policy**

This Policy was last approved by the Board on \_\_\_\_\_.

**Melius Metals Corp.**

# **WHISTLEBLOWER POLICY**

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**MELIUS METALS CORP.**  
**(the "Corporation")**

**WHISTLEBLOWER POLICY**

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**1. INTRODUCTION**

**Melius Metals Corp.** is committed to maintaining the highest standards of business conduct and ethics, as well as full compliance with all applicable government laws, rules and regulations, corporate reporting and disclosure, accounting practices, accounting controls, auditing practices and other matters relating to fraud against shareholders (collectively "**Accounting Concerns**").

Pursuant to its charter, the Audit Committee (the "**Committee**") of the Board of Directors of the Corporation is responsible for ensuring that a confidential and anonymous process exists whereby persons can report any Accounting Concerns relating to the Corporation and its subsidiaries. In order to carry out its responsibilities under its charter, the Committee has adopted this Whistleblower Policy (the "**Policy**").

For the purposes of this Policy, "Accounting Concerns" is intended to be broad and comprehensive and to include any matter, which in the view of the complainant, is illegal, unethical, contrary to the policies of the Corporation or in some other manner not right or proper. Examples would include:

- A. violation of any applicable law, rule or regulation that relates to corporate reporting and disclosure;
- B. violation of the Corporation's Code of Conduct;
- C. fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Corporation or any of its subsidiaries;
- D. fraud or deliberate error in the recording and maintaining of financial records of the Corporation or any of its subsidiaries;
- E. deficiencies in or noncompliance with the Corporation or any of its subsidiaries' internal policies and controls;
- F. misrepresentation or a false statement by or to a director, officer or employee of the Corporation or any of its subsidiaries respecting a matter contained in the financial records, reports or audit reports; and
- G. deviation from full and fair reporting of the Corporation's consolidated financial condition.

**2. COMMUNICATION OF THE POLICY**

To ensure that all directors, officers, employees, consultants and contractors of the Corporation are aware of the Policy, a copy of the Policy will be distributed to all directors, officers,

employees, consultants and contractors. All directors, officers, employees, consultants and contractors will be informed whenever significant changes are made. New directors, officers, employees, consultants and contractors will be provided with a copy of this Policy and will be educated about its importance.

### **3. REPORTING ALLEGED VIOLATIONS OR COMPLAINTS**

#### **3.1 Reporting Concerns**

Any person with an Accounting Concern relating to the Corporation or any subsidiary of the Corporation may submit their concern to the Chairman of the Audit Committee (the "Chairman") of the Corporation in writing, by telephone or email as follows:

In Writing:                   The Chairman of the Audit Committee  
  [insert address]

By Telephone:               [insert phone]

#### **3.2 Anonymity and Confidentiality**

All submissions to the Chairman of the Audit Committee may be made and will be treated on a confidential and anonymous basis, save and except that all submissions regarding Accounting Concerns referred to in Section 1 (a) and (b) must identify the person making the submission.

### **4. NO ADVERSE CONSEQUENCES**

A submission regarding an Accounting Concern may be made by an officer or employee of the Corporation without fear of dismissal, disciplinary action or retaliation of any kind. The Corporation will not discharge, discipline, demote, suspend, threaten or in any manner discriminate against any person who submits in good faith an Accounting Concern or provides assistance to the Audit Committee, management or any other person or group, including any governmental, regulatory or law enforcement body, investigating an Accounting Concern.

### **5. TREATMENT OF ACCOUNTING CONCERN SUBMISSIONS**

Accounting Concerns will be reviewed as soon as possible by the Audit Committee with the assistance and direction of whomever the Audit Committee thinks appropriate including, but not limited to, external legal counsel and the Audit Committee shall implement such corrective measures and do such things in an expeditious manner as it deems necessary or desirable to address the Accounting Concern.

Where possible and when determined to be appropriate by the Audit Committee notice of any such corrective measures will be given to the person who submitted the Accounting Concern.

### **6. RETENTION OF RECORDS**

The Audit Committee shall retain all records relating to any Accounting Concern or report of a retaliatory act and to the investigation of any such report for a period judged to be appropriate based upon the merits of the submission. The types of records to be retained by the Audit Committee shall include records of all steps taken in connection with the investigation and the

results of any such investigation.

**7. REVIEW OF POLICY**

The Committee will review and evaluate this Policy on an annual basis to determine whether the Policy is effective in providing a confidential and anonymous procedure to report violations or complaints regarding Accounting Concerns.

**8. QUERIES**

If you have any questions about how this Policy should be followed in a particular case, please contact the Chairman of the Audit Committee or the General Counsel of the Corporation.

**Melius Metals Corp.**

**ENVIRONMENTAL & SOCIAL  
RESPONSIBILITY POLICIES**

**MELIUS METALS CORP.**  
**(the “Corporation”)**

**ENVIRONMENTAL & SOCIAL RESPONSIBILITY POLICIES**

**I. ENVIRONMENTAL POLICY**

The Corporation’s policy for sustainable operations at all levels of exploration and development comprises the protection of the natural environment – water, land and air. We will comply with or exceed the regulatory requirements and diligently apply technically proven and economically feasible methodologies to protect the environment throughout our activities. Wherever possible, the Corporation will commit to correct those environmental problems even if created in previous times or by previous operators.

The following constitute the Environmental Policy of the Corporation:

- Environmental management is now and will remain a corporate priority and will include policies, programs and practices for conducting all of our activities in an environmentally sound manner.
- The performance of environmental programs and practices will be monitored to ensure strict compliance with regulatory requirements.
- Throughout the growth of the Corporation and the advancement of our mineral projects, the Corporation will design and operate facilities based upon the use of energy, resources and materials that ensures efficiency and compliance with sustainable development.
- At all times and activities, we will strive to identify, assess and minimize environmental risks.
- For all working sites, the Corporation will plan and maintain emergency preparedness plans to ensure protection of the environment, workers and the public.
- We will require our suppliers and contractors to comply with our environmental requirements and work cooperatively with suppliers to identify opportunities to improve environmental quality and performance.
- The Corporation shall be prepared to openly discuss environmental issues with employees and the public, and to be responsive to concerns and that all employees are fully instructed and are able to and empowered to fulfill their environmental responsibilities.
- Our operating plans will address preparations to reclaim sites in accordance with site specific criteria in a planned and timely manner, and whenever possible include contingencies for on-going clean-ups.

- The Corporation will further commit to continual improvement through regular reviews of its environmental performance, appraisals of technical and economic development, and advancements in the scientific understanding of environmental impacts and corrective measures.

## **II. SOCIAL RESPONSIBILITY POLICY**

The success of the Corporation and its objective to sustainable exploration and development will require building and maintaining trust and two-way positive relationships with all of our stakeholders: our employees, local residents and their communities, and our shareholders. We believe that these relationships are dependent upon regular communication and by working cooperatively to understand respective interests and concerns as it pertains to mineral resource exploration and development. Social responsibility will be integrated into our plans and activities in the following manner:

- At each planning stage, the Corporation will assess the environmental and social effects of our activities and develop appropriate corresponding management plans.
- The Corporation shall through regular communications disclose project information and pursue meaningful and culturally appropriate dialogue on project effects with local residents and communities and key stakeholders in the advancing phase of our projects. Furthermore, we intend to continue to engage the First Nations and the Metis, their local communities and other key stakeholders throughout the life of the project.
- The Corporation will foster at all of its workplaces an environment that is safe, free of discrimination and builds on a strong foundation of ethical behavior, respecting human rights and ensuring equal access to employment opportunities for all.
- We will focus upon protecting employee and community health and safety by supporting protective programs and by working cooperatively with those who may be affected by our operations.
- The Corporation will work with the local people and their communities to develop and support sustainable strategies to maximize the long-term economic benefits of mine development.
- We plan to establish management and monitoring systems that will provide opportunities for continual improvement in our environment, health and safety and social programs.
- As it develops its projects and grows, the Corporation intends to have an increasing role in the encouragement for further education and skills development for the local people and to ultimately contribute to community school facilities and preservation of cultural heritage.



**Currency of this Charter**

This Charter was last approved by the Board on \_\_\_\_\_.

**Melius Metals Corp.**

**BOARD COMPOSITION AND  
MANAGEMENT**

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**MELIUS METALS CORP.**  
**(the “Corporation”)**

**BOARD COMPOSITION AND MANAGEMENT**

The board of directors of the Corporation (“**Board**”) should be structured and their proceedings conducted in a way calculated to encourage, reinforce, and demonstrate the Board’s role as an independent and informed monitor of the conduct of the Corporation’s affairs and the performance of its management. Board structure and practice will, over time, significantly affect the extent to which a Board of directors is likely to exercise its powers and discharge its obligations in a manner that effectively advances corporate objectives. The requirements for the composition of the Board and management, as set out in the Articles of the Corporation and otherwise prescribed by applicable law, is as follows:

**BOARD OF DIRECTORS**

**Composition of the Board**

- The Board should have a majority of independent directors (as such term is defined in National Policy 58-201 – *Corporate Governance Guidelines*, as amended from time to time).
- The chair of the Board should be an independent director. Where this is not appropriate, an independent director should be appointed to act as “lead director”. However, either an independent chair or an independent lead director should act as the effective leader of the Board and ensure that the Board's agenda will enable it to successfully carry out its duties.
- Upon appointment, new directors should be provided with an orientation and training program for new recruits to the Board.
- The Board of an offering corporation shall have no less than three members.

**Number of directors**

- The Notice of Articles (the “**Articles**”) dictates the minimum and maximum number of directors that the Corporation must have.
- There shall be a minimum of 1 and a maximum of 10 directors.

**Quorum**

- The quorum for the transaction of business at any meeting of the Board shall consist of a majority of the number of directors.

**Qualifications of directors**

- A director is not required to hold a share in the capital of the Corporation as qualification for his or her office but must be qualified as required by the *Business Corporations Act* to become, act or continue to act as a director.
- A majority of the directors shall be resident Canadians, but where the number of directors is two, only one of the directors must be a resident Canadian.

### **Election and Term**

- The election of directors shall take place at each annual meeting of shareholders and all the directors then in office shall retire but, if qualified, shall be eligible for re-election. The number of directors to be elected at any such meeting shall be the number of directors as specified in the articles or, if a minimum and maximum number of directors is provided for in the articles, the number of directors determined by special resolution or, if the special resolution empowers the directors to determine the number, the number of directors determined by resolution of the Board. The voting on the election shall be by show of hands unless a ballot is demanded by any shareholder. If an election of directors is not held at the proper time, the incumbent directors shall continue in the office until their successors are elected.

### **Removal of directors by shareholders**

- Subject to the provisions of the Act, the shareholders may, by ordinary resolution passed at a meeting specially called for such purpose remove any director from office and the vacancy created by such removal may be filled at the same meeting failing which it may be filled by quorum of the directors.

### **Vacancies**

- Subject to the Act, a quorum of the Board may fill a vacancy in the Board. In the absence of a quorum of the Board, or if the vacancy has arisen from a failure of the shareholders to elect the number of directors required to be elected at any meeting of shareholders, the directors then in office shall forthwith call a special meeting of shareholders to fill the vacancy. If the directors then in office fail to call such meeting or if there are no directors then in office, any shareholder may call the meeting.

### **Ceasing to be a director**

- A director ceases to be a director when:
  - the term of office of the director expires;
  - the director dies;
  - he becomes of unsound mind and is so found by a court in Canada or elsewhere;

- the director resigns as a director by notice in writing provided to the Corporation, which resignation becomes effective at the time a written resignation is received by the Corporation or at the time specified in the resignation, whichever is later; or
- the director is removed from office by the shareholders.

### **Regular Board Assessments**

- The Board, its committees and each individual director should be regularly assessed regarding his, her or its effectiveness and contribution. An assessment should consider
  - in the case of the Board or a Board committee, its mandate or 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.
- The Board should examine its size and, with a view to determining the impact of the number of directors upon effectiveness, undertake where appropriate, a program to reduce or increase the number of directors to a number which facilitates more effective decision-making.

### **MANAGEMENT**

- To comply with CSE Policy 4 – *Corporate Governance and Miscellaneous Provisions*, the Corporation must have:
  - a Chief Executive Officer (CEO);
  - a Chief Financial Officer (CFO); and
  - a corporate secretary
- The CFO must be financially literate, as defined in National Instrument 52-110 – *Audit Committees*, and have experience or knowledge of Canadian corporate governance laws and reporting requirements.
- The CEO or CFO may also act as corporate secretary. No individual may act as both CEO and CFO.
- Collectively, the Corporation’s Directors, officers and management must have adequate reporting issuer experience, and experience and expertise relevant to the Corporation’s industry and the languages, customs and laws relevant to the Corporation’s operations in each of the jurisdictions in which it operates.

### **OFFICERS**

#### **Appointment of Officers**

- The Board may from time to time appoint a Chairman of the Board, a President, one or more Vice-Presidents (to which title may be added words indicating seniority or function), a Secretary, a Treasurer and such other officers as the Board may determine,

including one or more assistants to any of the officers so appointed. The Board may specify the duties of and, in accordance with this by-law and subject to the provisions of the Act, delegate to such officers powers to manage the business and affairs of the Corporation. Other than the Chairman who must be a director, an officer may but need not be a director and one person may hold than one office. In case and whenever the same person holds the offices of Secretary and Treasurer, he may but need not be known as the Secretary-Treasurer. All officers shall sign such contracts, documents, or instruments in writing as required their respective signatures. In the case of the absence or inability to act of any officer or for any other reason that the Board may deem sufficient, Board may delegate all or any of the powers of such officer to any other officers or to any director for the time being.

### **Chairman of the Board**

- The Chairman of the Board shall be a director and shall preside at all meetings of the Board and committees of the Board. The Chairman of the Board shall be vested with and may exercise such powers and shall perform such other duties as may from time to time be assigned to him by the Board..

### **President**

- The President shall have general supervision of the business and affairs of the Corporation and such other powers and duties as the Board may specify from time to time.

### **Vice-President**

- Each Vice-President shall have such powers and duties as the Board or the President may specify. The Vice-President or, if more than one, the Vice-President designated from time to time by the Board or by the President, shall be vested with all the powers and shall perform all the duties of the President in the absence or inability or refusal to act of the President, provided, however, that a Vice-President who is not a director shall not preside as chairman at any meeting of the Board and that a Vice-President who is not a director and shareholder shall not preside as chairman at any meeting of shareholders.

### **Secretary**

- The Secretary shall give or cause to be given as and when instructed, all notices to shareholders, directors, officers, auditors and members of committees of the Board; he shall be the custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Corporation and all books, papers, records, documents and instruments belonging to the Corporation, except when some other officer or agent has been appointed for that purpose; and he shall have such other powers and duties as the Board may specify.

### **Treasurer**

- The Treasurer shall keep proper accounting records in compliance with the Act and shall be responsible for the deposit of money, the safekeeping of securities and the disbursement of the funds of the Corporation; he shall render to the Board whenever required an account of all his transactions as Treasurer and of the financial position of the Corporation; and he shall have such other powers and duties as the Board may specify. Unless and until the Board designates any other officer of the Corporation to be the Chief Financial Officer of the Corporation, the Treasurer shall be the Chief Financial Officer of the Corporation.

#### **Other Officers**

- The powers and duties of all other officers shall be such as the terms of their engagement call for or as the Board may specify. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the Board otherwise directs.

#### **Term of Office & Remuneration**

- The Board, in its discretion, may remove any officer of the Corporation, with or without cause, without prejudice to such officer's rights under any employment contract. Otherwise each officer appointed by the Board shall hold office until his successor is appointed or until the earlier of his resignation or death.
- The terms of employment and the remuneration of an officer appointed by the Board shall be settled by it from time to time. The fact that any officer or employee is a director or shareholder of the Corporation shall not disqualify him from receiving such remuneration as may be so determined.

#### **Variation of Duties**

- From time to time the Board may prescribe, vary, add to or limit the powers and duties of any officer.

**Melius Metals Corp.**

**CONDUCT OF DIRECTORS'  
MEETINGS**

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**MELIUS METALS CORP.**  
**(the “Corporation”)**

**CONDUCT OF DIRECTORS’ MEETINGS**

The board of directors of the Corporation (the “**Board**”) may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they see fit. Meetings of the Board held at regular intervals may be held at the time and place that the Board may from time to time determine. The conduct of such meetings, as set out in the Articles of the Corporation and otherwise prescribed by applicable law, is as follows:

**QUORUM**

The quorum for the transaction of business at any meeting of the Board shall be a majority of the number of directors then in office and/or such greater number of directors as the Board may from time to time by resolution determined.

The Board shall not transact business at a meeting other than to fill a vacancy in the Board, unless a majority of the directors present are resident Canadians, except where

- (a) a resident Canadian director who is unable to present approves in writing or by telephone or other communications facilities the business transacted at the meeting; and
- (b) a majority of resident Canadians would have been present had that director been present at the meeting.

**CHAIRMAN**

The chairman of any meeting of the Board shall be the Chairman of the Board or if the Chairman is not present, such director as the Board may designate.

**REGULAR MEETINGS**

The Board may appoint a day or days in any month or months for regular meetings of the Board at a place and hour to be named. A copy of any resolution of the Board fixing the place and time of such regular meetings shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meeting except where the Act requires the purpose thereof or the business to be thereat to be specified.

**CALLING OF MEETINGS**

Notice of the date, time and place of each meeting of the Board shall be given to each director not less than forty-eight (48) hours before the time when the meeting is to be held. A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting except where the Act requires such purpose or business to be specified or except where the meeting is to deal with the removal from office of any director or officer or the approval of any matter requiring shareholder approval or any matter

proposed to be put before the shareholders for approval or consideration. A director may in any manner waive notice of or otherwise consent to a meeting of the Board.

### **MEETINGS BY TELEPHONE**

If all the directors of the Corporation present or participating in the meeting consent, a director may participate in a meeting of the Board or of a committee of the Board by means of such telephone, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and a director participating in such a meeting by such means is deemed to be present at the meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the Board and of committees of the Board held while a director holds office.

### **PLACE OF MEETINGS**

Meetings of the Board may be held at any place within or outside Ontario. In any financial year of the Corporation a majority of the meetings of the Board need not be held within Canada.

### **VOTES TO GOVERN**

The power of the Board may be exercised at a meeting at which a quorum is present or by resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of the Board. Where there is a vacancy in the Board, the remaining directors may exercise all the powers of the Board so long as a quorum of the Board remains in office.

At all meetings of the Board every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes the chairman of the meeting shall be entitled to second or casting vote.

### **ADJOURNMENT**

Notice of an adjourned meeting of the Board is not required if the time and place of the adjourned meeting is announced at the original meeting.

### **DIRECTORS' DUTIES**

Directors are subject to a fiduciary duty to the Corporation and the duty to exercise the care, diligence and skill of a reasonably prudent person, and they should exercise these duties in their decision-making during meetings.

### **CONFLICTS OF INTEREST**

A director or officer who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, a material contract or transaction or proposed material contract or transaction with the Corporation shall disclose in writing to the

Corporation or request to have entered in the minutes of the meetings of the directors the nature and extent of his interest at the time and in the manner provided by the Act. Any such contract or transaction or proposed contract or transaction shall be referred to the Board or shareholders for approval even if such contract is one that in the ordinary course of the Corporation's business would not require approval by the Board or shareholders, and a director interested in a contract so referred to the Board shall not vote on any resolution to approve the same except as permitted by the Act.

### **IN-CAMERA SESSIONS**

- Venture issuers are required to disclose how the Board facilitates its exercise of independent supervision of management (National Instrument 58-101 – *Disclosure of Corporate Governance Practices*).
- In furtherance of this governance mandate, independent members of the Board should hold in-camera sessions without management or non-independent directors.
- As a best practice, these in-camera sessions should occur at least once or twice each year, if not more frequently, and may be included as a standing agenda item for regularly scheduled meetings.

**Melius Metals Corp.**

**BOARD EFFECTIVENESS  
SURVEY**

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**Melius Metals Corp.  
(the “Corporation”)**

**BOARD EFFECTIVENESS SURVEY**

This Board Effectiveness Survey consists of three parts:

- Part 1: Board Responsibility (pages 1-2)
- Part 2: Board Operations (pages 3-4)
- Part 3: Board Effectiveness (page 5)

<b>PART 1: BOARD RESPONSIBILITY</b>	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>No Opinion</b>	<b>Agree</b>	<b>Strongly Agree</b>
1. The board of directors of the Corporation (the “ <b>Board</b> ”) has a clear understanding of its mandate and responsibilities.	1	2	3	4	5
2. The division of authority and the allocation of responsibilities between the Board and executive management are clear.	1	2	3	4	5
3. I feel that my overall knowledge of the Corporation’s operations is sufficient to allow me to discharge my obligations as a director.	1	2	3	4	5
4. I am satisfied with the Corporation’s strategy as approved by the Board.	1	2	3	4	5
5. I am satisfied with the Board’s level of contribution to, and process for approving, the strategic plan.	1	2	3	4	5
6. Shareholder value is appropriately considered in the Board’s decision-making process.	1	2	3	4	5
7. I am satisfied that the Board is kept informed of all material issues.	1	2	3	4	5
8. I am satisfied with the Board’s level of awareness of the nature and extent of risks faced by the Corporation and the Board’s level of awareness of the policies and procedures the Corporation has in place to identify, monitor and manage those business risks.	1	2	3	4	5
9. I have, through Board, committee and informal contact, sufficient exposure to and knowledge of high-potential executive and management employees in the organization.	1	2	3	4	5

Additional comments or suggestions about the Board's responsibilities:

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<b>PART 2: BOARD OPERATIONS</b>		<b>Strongly Disagree</b>	<b>Disagree</b>	<b>No Opinion</b>	<b>Agree</b>	<b>Strongly Agree</b>
10.	The frequency of Board and committee meetings is adequate for me to fulfill my obligations as a director.	1	2	3	4	5
11.	Sufficient time is scheduled for Board and committee meetings.	1	2	3	4	5
12.	My time and talents are well utilized at Board and committee meetings.	1	2	3	4	5
13.	The Board has the right number of directors.	1	2	3	4	5
14.	The Board has the right mix of experience and skills to guide the Corporation towards achieving its strategic goals.	1	2	3	4	5
15.	I am satisfied with the Board's current committee structure.	1	2	3	4	5
16.	I am satisfied that each of the following committees is performing as it should:					
	• Audit Committee	1	2	3	4	5
	• Corporate Governance and Nominating Committee	1	2	3	4	5
	• Compensation Committee	1	2	3	4	5
17.	I am satisfied that the processes now in place to manage director succession and to nominate candidates for the Board are working well.	1	2	3	4	5
18.	I am satisfied with the frequency and amount of time for discussion among independent directors without management present.	1	2	3	4	5
19.	The briefing materials I receive are adequate and timely.	1	2	3	4	5
20.	The performance and competitive information I receive allows me to monitor results, identify potential areas of concern and understand important industry issues/trends.	1	2	3	4	5
21.	I have adequate access to officers outside of Board and committee meetings.	1	2	3	4	5
22.	The Board should codify conflict of interest guidelines for directors.	1	2	3	4	5

Additional comments or suggestions about enhancing how the Board operates:

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**PART 3: BOARD EFFECTIVENESS**

	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>No Opinion</b>	<b>Agree</b>	<b>Strongly Agree</b>
23. The Board's goals, expectations and concerns are openly communicated with management.	1	2	3	4	5
24. Board and committee meetings are candid and constructive and are conducted in a manner that ensures open communication, meaningful participation, critical questioning and the timely resolution of issues.	1	2	3	4	5
25. The process the Board uses to set goals with the CEO is adequate.	1	2	3	4	5
26. The process the Board uses to evaluate the CEO's performance is adequate.	1	2	3	4	5
27. Management is sufficiently responsive to questions and issues raised by the Board.	1	2	3	4	5
28. Management communicates with the Board in an open, candid and timely manner.	1	2	3	4	5
29. I receive adequate feedback as a director about my contribution to the Corporation.	1	2	3	4	5

30. In my view, the Board's most significant achievement in the past year was:

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31. In my view, the most important thing the Board could do to improve its effectiveness is:

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32. With reference to my experience on other Boards, the overall performance of the Board and its committees is:	<b>Much Worse</b>	<b>Worse</b>	<b>About the Same</b>	<b>Better</b>	<b>Much Better</b>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Are there additional things that the Board could do to enhance its effectiveness?

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**Melius Metals Corp.**

**INDEMNIFICATION  
AGREEMENT**

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## INDEMNIFICATION AGREEMENT

**THIS INDEMNIFICATION AGREEMENT** (the "**Agreement**") is made effective as of the \_\_\_ day of \_\_\_\_\_, 20\_\_\_, between Melius Metals Corp. (the "**Company**"), a corporation incorporated under the laws of the Province of British Columbia, and \_\_\_\_\_ (the "**Indemnified Party**").

### RECITALS:

A. The board of directors of the Company (the "**Board**") has determined that the Company should act to assure the Indemnified Party of reasonable protection through indemnification against certain risks arising out of service to, and activities on behalf of, the Company and/or its subsidiaries to the extent permitted by law and the Company's by-laws. References to the Company herein shall be deemed to include the Company's subsidiaries.

**NOW THEREFORE** the parties agree as follows:

1. **Indemnification.** The Company will indemnify and save harmless the Indemnified Party and the heirs and legal representatives of the Indemnified Party to the fullest extent permitted by applicable law and the Company's by-laws:

1.1 from and against all Expenses (as defined below) reasonably sustained or incurred by the Indemnified Party in respect of any civil, criminal, administrative, investigative, regulatory or other Proceeding (as defined below), whether or not brought by the Company, to which the Indemnified Party is made a party by reason of being or having been a director or officer of the Company; and

1.2 from and against all Expenses reasonably sustained or incurred by the Indemnified Party as a result of serving as a director or officer of the Company in respect of any act, matter, deed or thing whatsoever made, done, committed, permitted or acquiesced in by the Indemnified Party as a director or officer of the Company, whether before or after the effective date of this Agreement and whether or not related to a Proceeding brought by the Company,

provided that the indemnity contemplated in this Section 1 shall not apply to any Expense attributable to the Indemnified Party's not having acted honestly and in good faith with a view to the best interests of the Company or, in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the Indemnified Party's not having had reasonable grounds for believing that his or her conduct was lawful.

Subject to applicable law, this indemnity will apply without reduction regardless of whether the Indemnified Party committed any fault or omitted to do anything that the Indemnified Party ought to have done. To the extent prior court or other approval is required in connection with any indemnification obligation of the Company hereunder, the Company will seek and use all reasonable efforts to obtain that approval as soon as reasonably possible in the circumstances.

"**Expenses**" means all costs, charges, damages, awards, settlements, liabilities, fines, penalties, statutory obligations, professional fees and other expenses of whatever nature or kind, provided that any costs, expenses and professional fees reasonably incurred by the Indemnified Party.

"**Proceeding**" will include a claim, demand, suit, proceeding, inquiry, hearing, discovery or investigation, of whatever nature or kind, whether anticipated, threatened, pending, commenced, continuing or completed, and any appeal or appeals therefrom.

The indemnities in this Agreement also apply to an Indemnified Party in respect of his or her service at the Company's request as: (a) an officer or director of another corporation; or (b) a similar role with another entity, including a partnership, trust, joint venture or other unincorporated entity. This Agreement shall not be deemed an employment agreement between the Company and the Indemnified Party.

The foregoing indemnities will not apply to any Proceeding initiated by the Indemnified Party against: (a) the Company unless it is brought to establish or enforce any right under this Agreement; or (b) any other person or entity unless the Company or other party described in the previous paragraph has joined with the Indemnified Party in or consented to the initiation of that Proceeding.

2. **Presumptions/Knowledge**

2.1 For purposes of any determination hereunder, the Indemnified Party will be deemed, subject to compelling evidence to the contrary, to have acted in good faith and/or in the best interests of the Company. The Company will have the burden of establishing the absence of good faith.

2.2 The knowledge and/or actions, or failure to act, of any other director, officer, agent or employee of the Company or any other entity will not be imputed to the Indemnified Party for purposes of determining the right to indemnification under this Agreement.

2.3 The Company will have the burden of establishing that any Expense it wishes to challenge is not reasonable.

3. **Notice by Indemnified Party.** As soon as is practicable, upon the Indemnified Party becoming aware of any Proceeding which may give rise to indemnification under this Agreement other than a Proceeding commenced by the Company, the Indemnified Party will give written notice to the Company. Failure to give notice in a timely fashion will not disentitle the Indemnified Party to indemnification.

4. **Investigation by the Company.** The Company may conduct any investigation it considers appropriate of any Proceeding of which it receives notice under Section 3, and will pay all costs of that investigation. Upon receipt of reasonable notice from the Company, the Indemnified Party will, acting reasonably, co-operate fully with the investigation provided that the Indemnified Party will not be required to provide assistance that would materially prejudice: (a) his or her defence; (b) his or her ability to fulfill his or her business obligations; or (c) his or her business and/or personal affairs. The Indemnified Party will, for the period of time that s/he cooperates with the Company with respect to an investigation, be compensated by the Company at the rate of \$1,500 per day (or partial day) plus reasonable out-of-pocket Expenses actually incurred provided that the Indemnified Party will not be entitled to the per diem if he/she is employed as an officer of the Company when co-operation is sought.

5. **Payment for Expenses of a Witness.** Notwithstanding any other provision of this Agreement, to the extent that the Indemnified Party is, by reason of the fact that the Indemnified Party is or was a director or officer of the Company or of another entity at the Company's request, a witness or participant other than as a named party in a Proceeding, the Company will pay to the Indemnified Party all out-of-pocket Expenses actually and reasonably incurred by the Indemnified Party or on the Indemnified Party's behalf in connection therewith. The Indemnified Party will also be compensated by the Company at the rate of \$1,500 per day (or partial day) provided that the

Indemnified Party will not be entitled to the per diem if he/she is a full-time employee of the Company when co-operation is sought.

6. **Expense Advances.** The Company will, to the extent permitted by law and the Company's by-laws, upon request by the Indemnified Party, make advances (“**Expense Advances**”) to the Indemnified Party of all amounts for which the Indemnified Party seeks indemnification under this Agreement before the final disposition of the relevant Proceeding. Expense Advances may include anticipated Expenses, but shall not include judgments, penalties, fines or amounts paid in settlement of a proceeding. In connection with such requests, the Indemnified Party will provide the Company with a written affirmation of the Indemnified Party’s good faith belief that the Indemnified Party is legally entitled to indemnification, along with sufficient particulars of the Expenses to be covered by the proposed Expense Advance to enable the Company to make an assessment of its reasonableness. The Indemnified Party’s entitlement to such Expense Advance will include those Expenses incurred in connection with any Proceeding by the Indemnified Party against the Company seeking an adjudication or award pursuant to this Agreement. The Company will make payment to the Indemnified Party within ten (10) calendar days after the Company has received the foregoing information from the Indemnified Party. All Expenses for which indemnification is sought must be reasonable and Expense Advances must relate to Expenses anticipated within a reasonable time of the request.

The Indemnified Party will repay to the Company all Expense Advances not actually required, and all Expense Advances if and to the extent that it is finally determined by a court of competent jurisdiction that the Indemnified Party is not entitled to indemnification under this Agreement. If requested by the Company and to the extent required under applicable law and the Company's by-laws, the Indemnified Party will provide a written undertaking to the Company confirming the Indemnified Party's obligations under the preceding sentence as a condition to receiving an Expense Advance.

7. **Indemnification Payments.** With the exception of Expense Advances which are governed by Section 6, the Company will pay to the Indemnified Party any amounts to which the Indemnified Party is entitled hereunder promptly upon the Indemnified Party providing the Company with reasonable details of the claim. The Company will, forthwith after any request for payment to or for an Indemnified Party, seek any court approval that may be required to permit payment. The Company will not be required to pay any amounts under this Section to an Indemnified Party if a court of competent jurisdiction has finally determined that that Indemnified Party is not entitled to indemnification.

8. **Right to Independent Legal Counsel.** If the Indemnified Party is named as a party or a witness to any Proceeding, or the Indemnified Party is questioned or any of his or her actions, omissions or activities are in any way investigated, reviewed or examined in connection with or in anticipation of any actual or potential, to any Proceeding, the Indemnified Party will be entitled to retain independent legal counsel at the Company’s expense to act on the Indemnified Party’s behalf to provide an initial assessment to the Indemnified Party of the appropriate course of action for the Indemnified Party. The Indemnified Party will be entitled to continued representation by independent counsel at the Company’s expense beyond the initial assessment unless the parties agree that there is no conflict of interest between the Company and the Indemnified Party that necessitates independent representation.

9. **Settlement.** The parties will act reasonably in pursuing the settlement of any Proceeding. The Company may not negotiate or effect a settlement of claims against the Indemnified Party without the consent of the Indemnified Party, acting reasonably. The Indemnified Party may

negotiate and effect a settlement without the consent of the Company, but the Company will not be liable for indemnification under this Agreement with respect to any settlement negotiated without its prior written consent, which consent will not be unreasonably withheld or delayed.

10. **Directors' & Officers' Insurance.** The Company will ensure that its liabilities under this Agreement, and the potential liabilities of the Indemnified Party that are subject to indemnification by the Company pursuant to this Agreement, are at all times supported by a directors' and officers' liability insurance policy that has been approved by the Board. If the Company is sold or enters into any business combination as a result of which the directors and officers' liability insurance policy is terminated and not replaced with a substantially similar policy equally applicable to the Indemnified Party, the Company will cause run off "tail" insurance to be purchased for the benefit of the Indemnified Party with substantially the same coverage for the balance of the 6-year term set out in Section 16 without any gap in coverage. The Company will provide to the Indemnified Party a copy of each policy of insurance providing the coverages contemplated by this Section promptly after coverage is obtained, and will promptly notify the Indemnified Party if the insurer cancels, makes material changes to coverage or refuses to renew coverage (or any part of the coverage).

11. **Arbitration.** All disputes, disagreements, controversies or claims arising out of or relating to this Agreement, including, without limitation, with respect to its formation, execution, validity, application, interpretation, performance, breach, termination or enforcement will be determined by arbitration before a single arbitrator under the *Arbitration Act* (British Columbia). The arbitrator will determine, based on the outcome of the arbitration, the breakdown between the Company and the Indemnified Party of the costs for conducting the arbitration.

12. **Tax Adjustment.** Should any payment made pursuant to this Agreement, including the payment of insurance premiums or any payment made by an insurer under an insurance policy, be deemed to constitute a taxable benefit or otherwise be or become subject to any tax or levy, then the Company will pay any amount necessary to ensure that the amount received by or on behalf of the Indemnified Party, after the payment of or withholding for tax, fully reimburses the Indemnified Party for the actual cost, expense or liability incurred by or on behalf of the Indemnified Party.

13. **Cost of Living Adjustment.** The \$1,500 per diem payable pursuant to Sections 4 and 5 will be adjusted to reflect changes on January 1 of each year in the Consumer Price Index for British Columbia prepared by Statistics Canada or any successor index or government agency.

14. **Governing Law.** This Agreement will be governed by the laws of the Province of British Columbia and the federal laws of Canada applicable therein. Furthermore, nothing herein will obligate the Company to indemnify the Indemnified Party or pay Expense Advances to the Indemnified Party, if contrary to the provisions of the *Business Corporations Act* (British Columbia).

15. **Priority and Term.** This Agreement will supersede any previous agreement between the Company and the Indemnified Party dealing with this subject matter, and will be deemed to be effective as of the date on which the Indemnified Party first became a director or officer of the Company.

16. **Survival.** The obligations of the Company under this Agreement, other than Section 10, will continue until the later of (a) 15 years after the Indemnified Party ceases to be a director or officer of the Company or any other entity in which he or she serves in a similar capacity at the request of the Company and (b) one year after the final termination of all Proceedings with respect

to which the Indemnified Party is entitled to claim indemnification hereunder. The obligations of the Company under Section 10 of this Agreement will continue for 6 years after the Indemnified Party ceases to be a director or officer of the Company or any other entity in which he or she serves in a similar capacity at the request of the Company.

*[Signature page follows.]*

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement.

**Melius Metals Corp.**

by:

\_\_\_\_\_

Name:

Title: Authorized Signing Officer

\_\_\_\_\_  
\_\_\_\_\_  
Witness Signature

Name:

\_\_\_\_\_  
Witness Name