

# TITAN LOGIX CORP.

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## *BOARD OF DIRECTORS MANDATE*

### **I. Board's Purpose**

The duties and responsibilities of Directors follow from applicable corporate laws, as well as those duties and responsibilities generally agreed and approved by the Board of Directors. The intent is that the duties and responsibilities guide the Board in complying with all applicable Canadian legal and regulatory requirements.

Directors are accountable to the shareholders of the Company.

### **II. Board's Mandate**

The Board of Directors shall further the objectives of the Company by directing, supervising and otherwise reviewing and approving the stewardship of the Company.

All material transactions must be reviewed and approved by the Board prior to implementation. Any responsibility that is not delegated to senior management or a Board committee remains with the full Board. One of the Board's responsibilities is to review and, if thought fit, to approve opportunities as presented by management and to provide guidance to management. The Board relies on management for the preparation of periodic reports, and to provide the support and information necessary to enable the Board to fulfill its obligations effectively.

The Board has the responsibility to participate with management in developing and approving the mission of the business, its objectives and goals, the strategic plans arising therefrom, and monitoring subsequent performance against said plans. Strategic issues are reviewed with management and addressed by the full Board at regularly scheduled Board meetings and at meetings specifically called for this purpose. The Board's strategic planning process involves having regular Board meetings to review reports on the Company's operations, exploration and development programs, and permits meeting with management on a regular basis, and reviewing business opportunities as presented by management.

The Board also meets to: plan for the future growth of the Company; identify risks of the Company's business, thus ensuring the implementation of appropriate systems to manage these risks; monitor senior management; and ensure timely disclosure of material transactions through the issuance of news releases and financial statements. The Board reviews financial performance quarterly. Frequency of meetings as well as the nature of agenda items change depending upon the state of the Company's affairs and in light of opportunities or risks which the Company faces. When necessary and appropriate, issues may be approved and adopted by the Board by way of written resolutions.

### **III. Composition**

The Board of Directors shall be comprised with a majority of individuals who qualify as "unrelated" directors.

In deciding whether a particular Director is a “related Director” or an “unrelated Director”, the Board of Directors shall examine the factual circumstances of each Director and consider them in the context of factors considered to be relevant.

Under the TSX Guidelines, an “unrelated director” means a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to materially interfere with the director’s ability to act with a view to the best interests of the Company, other than interests and relationships arising from shareholding.

Under the TSX Guidelines, a “significant shareholder” means a shareholder with the ability to exercise a majority of the votes for the election of the board of directors. The Board considers that it is constituted with an appropriate number of directors who are not related to either the corporation or a significant shareholder.

#### **IV. Independence from Management**

All committees of the Board shall be made up of non-management directors.

The Company’s Executive Compensation and Corporate Governance Committee and Audit Committee are authorized to approve, in circumstances that they consider appropriate, the engagement of outside advisers at the Company’s expense.

#### **V. Specific Responsibilities and Duties**

The Board’s mandate includes the following duties and responsibilities:

1. Reviewing and approving any proposed changes to the Company’s memorandum or articles.
2. Taking responsibility for, and appropriate action with respect to, any take-over bid, proposed merger, amalgamation, arrangement, acquisition of all or substantially all of the assets or any similar form of business combination, including the approval of any agreements, circulars or other documents in connection therewith.
3. Approving payment of distributions to shareholders.
4. Approving any offerings, issuances or repurchases of share capital or other securities.
5. Approving the establishment of credit facilities and any other long-term commitments.
6. Selecting and appointing, evaluation of and (if necessary) termination of the CEO and CFO, and approving the hiring of any other senior executive or officer.
7. Succession planning and other human resource issues. The appointment of all corporate officers requires Board authorization.
8. Approving the compensation of the senior executive officers, including performance bonus plans and stock options.
9. Adopting a strategic planning process, approving strategic plans, and monitoring performance against plans.

10. Reviewing and approving annual operational budgets, capital expenditures and corporate objectives, and monitoring performance on each of the above.
11. Reviewing policies and procedures to identify business risks, and ensure that systems and actions are in place to monitor them.
12. Reviewing policies and processes to ensure that the Company's internal control and management information systems are operating properly.
13. Approving the financial statements and MD&A, and making a recommendation to shareholders for the appointment of auditors.
14. Approving the Company's code of business ethics, which includes a communications policy for the Company, and monitoring its application.
15. Assessing the contribution of the Board, committees and all directors annually, and planning for succession of the Board.
16. Arranging formal orientation programs for new directors, where appropriate.

## **VI. Directors' Remuneration and Expenses**

The independent directors' remuneration shall be fixed by the Board upon the recommendation of the Executive Compensation and Corporate Governance Committee. The Directors are also entitled to be reimbursed for reasonable traveling and other expenses properly incurred by them in attending meetings of the Board or any committee thereof or in connection with their services as Directors.

## **VII. Board Meetings Process**

The powers of the Board may be exercised at a meeting for which notice has been given and at which a quorum is present or, in appropriate circumstances, by resolution in writing signed by all the directors.

### **Responsibility for Convening**

Regular meetings of the Directors may be called and held at such time and at such place as the Board may by resolution from time to time determine. Any Director may call a meeting of the Board at any time.

### **Notice of Meeting**

Reasonable notice of the time and place of each meeting shall be given by mail or by telephone or any other method of transmitting legibly recorded messages. A notice of 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.

### **Quorum**

The quorum for the transaction of business at any meeting of the Board shall be a majority of directors or such other number of Directors as the Board may from time to time determine according to the articles of the Company.

## **Chairman**

The Chairman of the board shall be elected annually at the first meeting of the Directors following the shareholders meeting. The Chairman shall be an outside, unrelated director who shall be responsible for ensuring that the Board executes its mandate effectively, efficiently and independently of management.

## **Voting**

At all meetings of the Board every resolution shall be decided by a majority of the votes cast on the resolution and in case of any equality of votes, the Chairman has a second or casting vote.

## **Order of Business**

The Board shall endeavor to conduct its business effectively and efficiently. Accordingly, it shall be normal procedure to provide Directors with the agenda and materials at least five business days ahead of time in order that they may arrive at the meeting fully prepared.

## **Board meetings shall normally proceed as follows:**

- Review and approval of the minutes of the preceding meeting;
- Business arising from the previous minutes;
- Reports of committees;
- President's report, financial and operational reports;
- Other business;
- Setting the date and time of the next meeting; and
- Adjournment

## **Minutes of the meetings**

A secretary should be named for each Board and committee meeting and minutes should be circulated at the latest one month after such meeting. Minutes of the committees meetings will be given to each Board member.

This Board of Directors Mandate was adopted by the Board of Directors of Titan Logix Corp. on the 24th day of June, 2005.

By order of the Board of Directors

**TITAN LOGIX CORP.**