

## **CHARTER OF THE GOVERNANCE AND NOMINATING COMMITTEE**

The Governance and Nominating Committee (the “Committee”) of the board of directors (the “Board”) of St Andrew Goldfields Ltd. (the “Company”) will act on behalf of and subject to the direction of the Board of the Company in all matters pertaining to corporate governance issues, new director nominees, as well as the size and composition of the Board and Board committees.

### **Composition**

The Board will appoint annually, no fewer than three Directors to the Committee, each of whom shall be independent<sup>1</sup>.

### **Chair**

The Board, upon recommendation of the Committee, will appoint the Chair of the Committee annually, to be selected from the members of the Committee. If, in any year, the Board does not make an appointment of the Chair, the incumbent Chair will continue in office until that Chair’s successor is appointed.

### **Removal and Vacancies**

Any member of the Committee may be removed and replaced at any time by the Board and will automatically cease to be a member of the Committee as soon as such member ceases to be a Director. The Board may fill vacancies in the Committee by appointment from among the members of the Board. If and whenever a vacancy exists on the Committee, the remaining members may exercise all of its powers so long as a quorum remains in office.

### **Tenure**

Subject to the paragraph above, each member of the Committee will hold office until the next annual meeting of shareholders of the Company after his or her election.

### **Notice of Meetings**

- (a) The Chair of the Committee may call meetings of the Committee periodically and will do so at the request of any two Committee members.
- (b) The Committee will have the right to require the attendance of any member of management of the Company at meetings of the Committee.
- (c) The Committee will have the right to invite any person to attend meetings of the Committee.

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<sup>1</sup> For the definition of **independent**, please see the Glossary of Terms.

- (d) Notice of the time and place of each meeting of the Committee will be given to each member by telephone, electronic mail or facsimile transmission not less than 48 hours before the time of the meeting or by written notice not less than four days before the day of the meeting, and, subject to the requirements of applicable law, need not specify the purpose of or the business to be transacted at the meeting. Meetings of the Committee may be held at any time without notice if all the members have waived or are deemed to have waived notice of the meeting.

### **Times and Places of Meetings**

The Committee will meet as many times as is necessary to carry out its responsibilities. The meetings shall be at times and places to be determined by the Committee.

### **Quorum**

A quorum at any meeting will be a simple majority provided that if the number of Committee members is an even number, one half of the number plus one shall constitute a quorum.

### **Minutes of Meetings**

The Committee will keep regular minutes of its proceedings and will report to the Board at each Board meeting. Minutes will be circulated to all directors on a timely basis.

### **Transaction of Business**

The powers of the Committee may be exercised at a meeting where a quorum is present or by resolution in writing signed by all Committee members entitled to vote on that resolution at a meeting of the Committee.

### **Assessment of the Board of Directors**

Every year (or with such greater frequency as the Board may from time to time deem appropriate), the Committee shall initiate an evaluation of the Board. The scope of such evaluation, together with an evaluation plan and methodology, shall be determined by the Committee, and may (but need not in every instance) include an evaluation of the performance of all or any of the Board committees and of the individual directors.

An evaluation of the Board, including any evaluation of the Board committees and directors, shall be conducted primarily through the administration of a questionnaire, followed by interviews with individual directors. The findings of the evaluation shall be presented to the Board as a whole in the form of a report by the Chair of the Committee. Such report shall review the findings of the evaluation and propose any action that might be taken to improve performance.

The Committee may retain the services of outside experts for the purpose of conducting the

Board evaluation, or it may rely upon its own resources or upon the resources of management.

## **Remuneration**

The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board may from time to time determine.

## **Authority to Engage Outside Advisors**

The Committee shall have the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties and to set and pay the compensation for any advisors engaged by it.

## **Duties and Responsibilities of the Committee**

- Develop and enforce policy in the area of corporate governance and the practices of the Board in light of the Company's particular circumstances, the changing needs of investors and the Company, and changes in corporate governance guidelines.
- Prepare and recommend to the Board annually a statement of corporate governance practices to be included in the Company's management information circular and ensure that such disclosure is complete and provided in accordance with the regulatory requirements.
- Monitor developments in the area of corporate governance and the practices of the Board and advise the Board accordingly.
- Develop, implement and maintain appropriate policies with respect to disclosure, confidentiality and insider trading.
- Adopt a process for determining what competencies and skills the Board as a whole should have, and apply this result to the recruitment process for new directors.
- Identify individuals qualified to become new Board members and recommend to the Board the new director nominees for the next annual meeting of shareholders.
- In making its recommendations, the Committee shall consider:
  - (a) the competencies and skills that the Board considers to be necessary for the Board, as a whole, to possess;
  - (b) the competencies and skills that the Board considers each existing director to possess;
  - (c) the competencies and skills each new nominee will bring to the Board; and
  - (d) whether or not each new person considered for nomination can devote sufficient time and resources to fulfil his or her duties.

- Recognize that shareholding by directors is appropriate in aligning director and shareholder interests.
- Assume responsibility for nominating matters, including identifying and reporting to the Board with respect to appropriate candidates for nomination to the Board, recognizing that:
  - (i) Board composition must comply with the requirements of the securities regulatory authorities, and the Board shall annually disclose whether it complies with these requirements and provide an analysis of the relevant principles in support of this conclusion;
  - (ii) the full Board engage in a disciplined process to determine, in light of the opportunities and risks facing the Company, what competencies, skills and personal qualities it should seek in new Board members in order to add value to the Company, and the results of such discussion should provide a framework for the Committee in developing a list of candidates;
  - (iii) the Committee actively look beyond traditional sources in seeking out candidates with the right mix of experience and competencies to serve as directors;
  - (iv) the Committee ensure that prospective candidates fully understand the role of the Board and the contribution they are expected to make, including in particular the commitment of time and energy that the Company expects of its Directors; and
  - (v) the desirability of providing for a strong Chairperson should be a consideration in recruiting new board members;
- Annually review credentials of existing Board members to assess suitability for re-election.
- Establish procedures for, and approve and ensure provision of, an appropriate orientation and education program for new recruits to the Board and continuing education for all Board members. See outline of orientation program for new directors, set out in Schedule “A” attached hereto.
- Consider and, if thought fit, approve requests from individual directors for an engagement of special outside advisors at the expense of the Company.
- Review, on a periodic basis, the size and composition of the Board and Board committees and make appropriate recommendations to the Board.
- Review its own performance annually and provide a report thereon to the Board.

## **Access to Records**

The Committee will be permitted access to all records and corporate information that it determines to be required in order to perform its duties.

## **THE CHAIR OF THE GOVERNANCE AND NOMINATING COMMITTEE**

### *Position Description of the Chair*

The Chair of the Committee, who shall be an independent director of the Company, shall be appointed by the Board annually. Specific duties of the Chair include:

- Approving the agendas for, scheduling, and chairing meetings of the Committee.
- Managing the affairs of the Committee.
- Monitoring whether the Committee is working effectively.
- Providing a link between the Committee and the Board.
- Monitoring whether the Committee is receiving timely information of appropriate quality before, during and after Committee meetings.
- Taking the lead role in ensuring that the disclosure required by applicable laws is properly made.
- Ensuring that the Committee meets and complies with its responsibilities as set out in the Charter of the Committee.
- Ensuring that the Charter of the Committee is regularly reviewed and assessed and that proposed changes are submitted to the Board for consideration.

### **Assessment of the Chair**

A performance evaluation of the Chair of the Committee will be carried out on an annual basis. The evaluation of the performance of the Chair will be initiated by the Chair of the Board in one-on-one discussions with each member of the Board. The Chair of the Board shall use, as a basis of such evaluation, the description of the role of the Chair set forth in this document, as well as such other evaluation criteria as the Chair of the Board or the directors interviewed may deem appropriate or useful. The Chair of the Board shall discuss the results and findings of the evaluation with the Chair personally. Following such discussion, the Chair of the Board shall release the results of the evaluation in the form of a report to the other directors. However, in the event that the Chair is one and the same as the Chair of the Board then the role of evaluation of the Chair will be assumed by the Chair of the Audit Committee.



## **Schedule “A”**

### **Orientation Program for Orientation of New Directors**

Orientation and training of new directors is monitored by the Governance and Nominating Committee. When a director is elected to the Board, he or she will be given a letter of appointment by the President and Chief Executive Officer or the Chair of the Board outlining his or her duties, responsibilities, and remuneration and an orientation package including material that will assist him or her in becoming familiarised with the Company.

The orientation for a new Director will include:

- Information pertaining to the role of the Board;
- Meetings with operating management and familiarization with the Company's day-to-day operations;
- An outline of the Company's history and other relevant data;
- Recent analysts' reports;
- A copy of the Company's corporate governance materials;
- Information pertaining to liability insurance coverage;
- Guidance concerning trading in the Company's securities; and
- Guidance regarding insider information.