



## **COMPENSATION, NOMINATION AND CORPORATE GOVERNANCE COMMITTEE CHARTER**

### **I. Mandate**

The primary function of the Executive Compensation, Nomination and Corporate Governance Committee (the "Committee") is to assist the board of directors (the "Board") of Anacortes Mining Corp. (the "Company") by:

- reviewing the Company's compensation philosophy and programs for the Company's executive officers and directors (in conjunction with the Chief Executive Officer (CEO)), and making recommendations to the Board regarding such philosophy and programs;
- reviewing the compensation plans in effect for the Company's employees, officers and directors (in conjunction with the CEO), and reviewing and approving compensation plans, arrangements and awards proposed for the Company's employees, officers and directors;
- recommending candidates for nomination, appointment, and re-election to the Board and its committees and assessing director and Board performance;
- assessing executive officer performance and assisting with establishing criteria to assess such performance;
- assisting with the administration of the Company's Code of Conduct and Ethics for directors, officers and employees; and
- assessing and recommending changes to the Company's corporate governance procedures and policies.

All compensation decisions regarding the Company's non-employee directors shall be made by the Board upon recommendations made by the Committee.

The Committee shall have the authority to retain consultants of its selection to advise it with respect to the Company's employee compensation programs and plans and nomination of directors.

### **II. Composition and Meetings**

The Committee shall be comprised of at least three directors as determined by the Board, all of whom shall be "unrelated" (within the meaning of Section 472 of the TSX Company Manual) directors. A majority of the members of the Committee shall constitute a quorum for the transaction of business. If a Committee Chairperson is not designated by the Board or present, the members of the Company shall designate a Chairperson by majority vote of the Committee membership.

The Committee shall meet at least two times annually, or more frequently as circumstances dictate. The Committee Chairperson shall prepare and/or approve an agenda in advance of each meeting.

### **III Responsibilities and Duties**

The Committee shall make such rules and regulations as may be necessary to carry out its responsibilities, which shall include the following:

#### **1. Compensation for Executive Officers, Directors and Employees**

- a) annually reviewing the Company's philosophy regarding executive officer compensation with the CEO, which shall thereafter be communicated to the Board, including:
  - establishing the relationship between executive officer compensation and corporate performance and returns to shareholders and determining the qualitative and quantitative measures of corporate performance to be used in the determination of executive officer compensation,
  - reviewing market data of appropriate peer group companies to assess the Company's competitive position with respect to the principal components of the Company's executive officer compensation;
- b) developing a clear position description for the CEO and develop and approve the corporate goals and objectives that the CEO is responsible for meeting;
- c) annually reviewing the adequacy and form of the Company's compensation programs for the Company's CEO, and making recommendations to the Board regarding such compensation;
- d) in consultation with the CEO, annually reviewing the adequacy and form of the Company's compensation programs for each of the Company's other executive officers and making recommendations to the Board regarding such compensation;
- e) annually reviewing the adequacy and form of the Company's compensation plans, and reviewing and approving compensation plans, arrangements and awards proposed for the Company's employees, which include any awards under the Company's Omnibus Equity Incentive Plan (and, if necessary, making recommendations regarding such compensation plans, arrangements and awards to the Board for its consideration and approval);
- f) annually reviewing the adequacy and form of directors' compensation to ensure that the compensation realistically reflects the responsibilities and risks involved in being a director, and making recommendations for such compensation to be considered by the full Board, with such compensation including any retainers, meeting fees, and incentive compensation or stock-based awards; and
- g) issuing any report(s) on executive officer compensation (such as the Statement of Executive Compensation for the annual management information circular) that may be required under applicable securities laws and regulations for inclusion in any reports filed with Canadian regulatory authorities.

#### **2. Director Nominations and Executive Officer and Director Evaluations**

- a) developing qualification criteria for Board membership (considering the goals for Board composition and size and individual qualifications) and evaluating potential candidates in accordance with established criteria;

- b) in the event of a vacancy occurring on the Board, however caused, recommending to the Board a qualified person or persons for appointment as a director to fill such vacancy. The Board may thereupon approve such recommendation in respect of such vacancy and direct the Committee to obtain the consent of that person to his or her appointment as a director and, upon such consent being obtained, the Board may appoint that person as a director;
- c) after considering his or her performance in office and any other relevant factors, recommending to the Board whether a director should be nominated for re-election at any annual meeting of shareholders at which he or she is eligible to be re-elected as a director;
- d) considering/responding to nominees, if any, recommended by shareholders for election as directors submitted in writing to the Company in accordance with applicable securities laws;
- e) in the event of a vacancy occurring on any committee of the Board, however caused, recommending to the Board a person or persons for appointment as a member to fill such vacancy;
- f) reviewing the Board's past proceedings and recommending any changes to current Board practices as a result of such past proceedings;
- g) creating executive officer and Board position descriptions and developing corporate objectives for each such position for recommendation to the Board. Once approved, the Committee shall assess the executive officers against the corporate objectives set by the Board, and make recommendations to the Board with respect to the performance of the Company's executive officers in light of such corporate objectives with respect to the applicable period;
- h) developing a formal assessment process for determining the effectiveness of the Board and how improvements could be made, identifying the need for additional directors, and, if necessary, determining whether a director would be entitled to be nominated for election as a director at the Company's next annual general meeting; and
- i) requiring management to come up with succession planning strategies and assisting management in any human resource development issues.

Notwithstanding subparagraphs (a) through (d), the Board may direct the Committee to give consideration to other nominations or may propose, appoint, or nominate any person to fill any vacancy on the Board.

### **3. Corporate Governance**

- a) assisting with the administration of the Company's Code of Conduct and Business Ethics for directors, officers and employees;
- b) reviewing all of the Company's corporate governance policies and procedures on an annual basis and ensure that such policies and procedures are up-to-date and in compliance with new Toronto Stock Exchange regulations; and
- c) recommending from time to time to the Board such other matters, including matters related to corporate governance, as the Committee may deem appropriate or as may be referred to it from time to time by the Board or any committee of the Board.

#### 4. Annual Work Plan

Guidelines for the Committee's annual work plan shall be as follows:

| <b>ANNUAL WORK PLAN</b>                                                                                                                                                                                                                                                                                       | Spring | Fall |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|------|
| Review current developments relating to corporate governance and, if required, propose to the Board changes to its corporate governance procedures and policies.                                                                                                                                              | X      |      |
| Review the Committee's charter and membership.                                                                                                                                                                                                                                                                | X      |      |
| Review the past year's Board proceedings in order to recommend any changes to current Board practices.                                                                                                                                                                                                        | X      |      |
| Review the Board's composition and size.                                                                                                                                                                                                                                                                      | X      |      |
| Review the Company's disclosure of its corporate governance procedures and policies, as set out in the Company's annual management information circular to Shareholders.                                                                                                                                      | X      |      |
| Consider/respond to written shareholder nominations for directors.                                                                                                                                                                                                                                            | X      |      |
| Recommend nominees for election and re-election to the Board at the Annual Meeting of the Shareholders.                                                                                                                                                                                                       | X      |      |
| Issue any reports on executive officer compensation that may be required under applicable securities laws and regulations for inclusion in any reports filed with Canadian regulatory authorities (including the Statement of Executive Compensation in the Company's annual management information circular. | X      |      |
| Review compensation programs and plans for the Company's executive officers, employees and directors for the past year and the upcoming year.                                                                                                                                                                 | X      | X    |
| Assess the executive officers against the corporate objectives and compensation philosophy set by the Committee and the Board, and make recommendations to the Board with respect to the performance and compensation of each executive officer.                                                              | X      | X    |
| Review and approve any proposed awards to employees under the Company's Omnibus Equity Incentive Plan.                                                                                                                                                                                                        | X      | X    |
| Develop and review executive officer and Board position descriptions and develop corporate objectives for recommendation to the Board for the upcoming year.                                                                                                                                                  |        | X    |

This Compensation, Nomination and Corporate Governance Committee Charter was adopted by the Board on the 7<sup>th</sup> day of October, 2021.