

TESSA-NILE LTD.

BOARD OF DIRECTORS

MANDATE AND TERMS OF REFERENCE

CONSTITUTION

The Board of Directors (the "**Board**") of TESSA-NILE Ltd. (the "**Corporation**") is responsible for the stewardship of the Corporation and its direct and indirect subsidiaries (collectively referred to as "TESSA-NILE").

PURPOSE

The Board will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances and will act honestly and in good faith with a view to the best interests of the Corporation.

The objectives of the Board are to:

1. in consultation with the president and chief executive officer of the Corporation (the "**CEO**"), define the principal objectives of TESSA-NILE;
2. supervise the management of the business and affairs of TESSA-NILE with the goal of achieving

TESSA-NILE's

principal objectives as defined by the Board;

3. discharge the duties imposed on the Board by applicable laws; and
4. for the purpose of carrying out the foregoing responsibilities, take all such actions as the Board deems necessary or appropriate.

BOARD COMPOSITION

1. The Board will be comprised of a minimum of three members, or such greater number of directors as is fixed by the Corporation's Articles as may be amended from time to time, all of whom are "**independent**" from management and the Corporation (in accordance with the definition of "**independent**" set out in Multilateral Instrument 52-110 – Audit Committees, as amended from time to time).
2. Board members will be free from any business or other relationship with the Corporation that may, or may reasonably be perceived to, interfere with the exercise of their independence or independent judgment from management and the Corporation.
3. The shareholders of the Corporation are entitled to nominate for election all of the members of the Board, to hold office until the close of the next annual meeting, by a vote at a meeting of shareholders. In accordance with the Corporation's Articles and By-laws, the members of the Board then in office have the authority to appoint additional directors and fill vacancies on the Board.

-
4. Each director should have the experiences and competencies appropriate to their appointment to enable them provide advice and counsel to the Corporation on relevant issues.
 5. Board members should offer their resignation from the Board to the Chair of the Board (the "**Chair**") if there is a change in personal circumstances that would reasonably interfere with their ability to serve as a Board member or reflect poorly on TESSA-NILE (and includes without limitation such things as finding by a Court of fraud or conviction under Criminal Code or securities legislation).

BOARD SECRETARY

The Corporation's Corporate Secretary, or such other person designated by the Board, will attend at and be the secretary of all Board meetings.

BOARD MEETINGS

Subject to the Corporation's Articles and By-Laws, the time and place of Board meetings and the procedures at such meetings will be determined by the Board provided that:

1. At all Board meetings, every question will be decided by a majority of the votes cast. In case of an equality of votes, the Chair of the meeting shall not be entitled to a second or casting vote and the vote shall fail.
2. The Chair shall preside at all meetings of the Board, unless the Chair is not present, in which case the Lead Director, if applicable, will act as chair for purposes of the meeting.
3. A quorum for meetings of the Board will be a majority of its members, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and hear each other.
4. The rules for calling, holding, conducting and adjourning meetings of the Board are contained in the Corporation's By-laws.
5. The Board will meet at least quarterly, and at such other times at the Chair may determine.
6. Agendas, approved by the Chair, along with background information will be circulated to Board members on a timely basis prior to the Board meetings. The Board members and management may recommend agenda items. The agenda for each meeting will be subject to approval at the start of each meeting.
7. The Board may invite such officers, directors and employees of the Corporation and its subsidiary entities as it deems fit from time to time to attend at meetings of the Board and to assist in the discussion and consideration of the matters being considered. Notwithstanding anything herein, the CEO, the Chief Financial Officer and the General Counsel shall attend all meetings of the Board, unless otherwise excused from all or part of any such meeting by the chair of the meeting.
8. At each meeting, the members of the Board will meet *in camera* without the participation of non-independent directors or of management.

9. Minutes of the Board meetings will be recorded and maintained by the Corporate Secretary or designate, and will be made available to any Board member.
10. The Board may retain persons having special expertise and/or obtain independent professional advice to assist in fulfilling its responsibilities at the expense of the Corporation.

MANDATE AND RESPONSIBILITIES OF THE BOARD

Without limiting the generality of the functions in this mandate, the Board will perform the following specific responsibilities:

1. Leadership

- a) Provide leadership and vision to guide the management of the Corporation in the best interests of the Corporation.
- b) Establish policy direction and the fundamental objectives of the Corporation.

2. Executive Team

- a) Select, appoint, evaluate and, if necessary, terminate the CEO, as well as approve the CEO's compensation based on the recommendations of the Safety, Human Resources and Compensation Committee (the "**SHRC Committee**"), and monitor the CEO's performance against a set of mutually agreed corporate objectives directed at maximizing shareholder value;
- b) Ratify the appointment of executive officers of the Corporation, approve their compensation based on the recommendations of the SHRC Committee;
- c) In conjunction with the CEO, develop a clear mandate for the CEO, which includes a delineation of management's responsibilities; and
- d) Ensure that a process is established that adequately provides for succession planning, including the appointing, training and monitoring of senior management; and establish limits of authority delegated to management.

3. Environment, Social and Governance

- a) Oversee, revise, and promote the Corporation's environmental, social, and governance ("**ESG**") initiatives, frameworks and targets, and also ensure that they align with the Corporation's business strategy, priorities and risk profile; and
- b) Review and approve the Corporation's ESG Report following recommendation of the Corporate Governance Committee of the Board.

4. Strategic Planning

- a) Require the CEO to present annually for review and adoption a strategic planning process and subsequently approve the corporate strategic plan, which takes into account, among other things, the opportunities and risks of the business;
- b) Constantly monitor progress in the achievement of the strategic plan and, if necessary, revise and alter such plans in light of changing circumstances, including directing management to initiate corrective action as and when appropriate;
- c) Approve acquisitions and dispositions in excess of expenditure limits established by the Board; and
- d) Approve all matters relating to a take-over bid for the securities of the Corporation.

5. Capital and Operating Budgets

- a) Approve TESSA-NILE's annual capital and operating budgets;
- b) Monitor the appropriateness of TESSA-NILE's capital structure, including:
 - i) approving the borrowing of funds and the establishment of credit facilities;
 - ii) approving issuances of additional shares or other securities of the Corporation, including securities convertible into shares, to the public and any offering documents, such as prospectuses;
 - iii) approving any buy backs of the Corporation's shares through a Normal Course Issuer Bid on Stock Exchange; and
 - iv) approving the cash dividends to be paid on the shares of the Corporation; and
- c) Review and consider for approval all amendments or departures proposed by management from established strategy, capital and operating budgets or matters of policy which diverge from the ordinary course of business.

6. Enterprise Risk Management

- a) Ensure that a system is in place to identify the principal risks to the Corporation's business and that appropriate procedures are in place to monitor and mitigate these risks and periodically evaluate the appropriateness of such systems;
- b) Regularly monitor the Corporation's principal business risks and, in that respect, address which risks are acceptable for purposes of the Corporation's long-term viability and growth; and
- c) Ensure that processes are in place to monitor and maintain the integrity of TESSA-NILE's internal control and management information systems, including maintenance of all required records and documentation.

7. Finances and Controls

- a) Ensure that due diligence processes and appropriate controls are in place with respect to applicable certification requirements regarding the Corporation's financial and other disclosures;
- b) Review and approve the Corporation's financial statements and oversee the Corporation's compliance with applicable audit, accounting and reporting requirements;
- c) Review operating and financial performance results relative to established strategy, budgets and objectives;
- d) Ensure that processes are in place to address applicable regulatory, corporate, securities and other compliance matters;
- e) Ensure that processes are in place to address the Corporation's ESG risks, targets and performances;
- f) Ensure that an adequate system of internal control exists;
- g) Approve any material contracts (as that term is defined in *National Instrument 51-102*) to be entered into by TESSA-NILE;
- h) Recommend to the shareholders of the Corporation a firm of chartered accountants to be appointed as its auditors.

8. Code of Conduct and Communications

- a) Approve a business ethics policy for directors, officers, employees, contractors and consultants; monitor compliance with the business ethics policy; and approve any waivers of the business ethics policy for officers and directors;
- b) To the extent feasible, satisfy itself as to the integrity of the CEO and other executive officers of the Corporation and that the CEO and other executive officers create a culture of integrity, safety, and respect, including fostering diversity and inclusion, throughout the Corporation; and
- c) Establish a communications policy or policies to ensure that a system for corporate communications to all stakeholders exists, including processes for consistent, transparent, regular and timely public disclosure, and to facilitate feedback from stakeholders.

9. Human Resources

- a) Monitor overall human resources policies and procedures, including compensation and succession planning;
- b) Develop a position description for the CEO;
- c) Appoint the CEO and determine the terms of the CEO's employment with TESSA-NILE;
- d) Evaluate the performance of the CEO at least annually;

- e) In consultation with the CEO, appoint all officers of the Corporation and approve the terms of each officer's employment;
- f) Develop a system under which succession to senior management positions will occur in a timely manner;
- g) Approve any proposed significant change in TESSA-NILE's management organization structure;
- h) Approve all retirement plans for TESSA-NILE's officers and senior executive;
- i) Review annually the adequacy and form of the compensation of TESSA-NILE's executive

members

including, without limitation, any short term and long term incentive plans; and

- j) Review the adequacy and form of the directors' compensation to ensure it realistically reflects the responsibilities and risks involved in being a director.

10. Health, Safety and Environment

- a) Ensure that the Corporation has in place appropriate health, safety and environmental ("**HSE**") policies, having regard to legal, industry and community standards;
- b) Ensure implementation of management systems to monitor the effectiveness of the Corporation's HSE policies; and
- c) Review at least annually the adequacy of those HSE policies to ensure compliance, as well as recommend any best practices to improve the Corporation's HSE records.

11. Governance

- a) Develop position descriptions for the Chair and, if applicable, the Lead Director;
- b) Engage in the process of determining Board member qualifications with the Corporate Governance Committee including ensuring that a majority of directors qualify as independent directors pursuant to National Instrument 58-101 Disclosure of Corporate Governance Practices (as implemented by the Canadian Securities Administrators and as amended from time to time) and that the appropriate number of independent directors are members of each committee of the Board as required under applicable securities rules and requirements;
- c) Select nominees for election to the Board;
- d) Provide a comprehensive orientation to each new director;
- e) Establish an appropriate system of corporate governance including practices to ensure the Board functions independently of management;
- f) Establish appropriate practices for the regular evaluation of the effectiveness of the Board, its committees and its members;
- g) Establish committees and approve their respective mandates and the limits of authority delegated to each committee;

- h) Review and re-assess the adequacy of the mandate of the committees of the Board on a regular basis, but not less frequently than on an annual basis;
- i) Review annually the composition of the Board and its committees;
- j) On the part of each member of the Board, to understand the nature and operations of the Corporation's business, and to have an awareness of the political, economic and social trends prevailing in all countries or regions in which the Corporation invests, or is contemplating potential investment;
- k) Ensure that independent directors meet *in-camera* without non-independent directors and management participation at each meeting of the Board; and
- l) Adhere to all other Board responsibilities as set forth in the Corporation's By-Laws, applicable policies and practices and other statutory and regulatory obligations, such as issuance of securities, etc.

12. General Matters

- a) Delegate its duties to, and receive reports and recommendations from, any committee of the Board, subject to any delegation restrictions in the Corporation's By-laws or applicable law;
- b) Establish, review, and revise, as and when the Board sees fit, the authority guidelines or matrix that places spending limits on the CEO's approval authority based on the nature and type of the proposed transaction or business activity; and
- c) The Board has the authority to review any corporate report or material and to investigate any activity of TESSA-NILE and to request any employees to cooperate as requested by the Board.