

Nautilus Minerals Inc.

Board Mandate

Adopted by the Board of Directors on December 6, 2013

1. Interpretation

- 1.1 In this document, the "Company" means Nautilus Minerals Inc. and "group" means the Company together with its directly and indirectly held subsidiaries.

2. Stewardship

- 2.1 The Board of Directors acknowledges responsibility for the stewardship of the Company, including the specific responsibilities set forth herein.

3. Strategy and Management

- 3.1 Participation with management in developing the group's long term objectives and commercial strategy, and approval, monitoring and assessing of the same.
- 3.2 To the extent feasible, satisfying itself: (i) as to the integrity of the Chief Executive Officer and other executive officers, and (ii) that the CEO and other executive officers create a culture of integrity throughout the Company.
- 3.3 Approval of the annual operating and capital expenditure budgets and any material changes to them.
- 3.4 Oversight of the group's operations ensuring:
- (a) competent and prudent management
 - (b) sound planning
 - (c) an adequate system of internal control
 - (d) adequate accounting and other records
 - (e) compliance with statutory and regulatory obligations.
- 3.5 Any decision to cease to operate all or any material part of the group's business.
- 3.6 Reviewing and approving any proposed changes to the Company's Articles and Notice of Articles.
- 3.7 Identify business risks; determine, with input from management and committees, what risks are acceptable; and ensure that systems and actions are in place to monitor and manage risk.
- 3.8 Meet at least once annually to: plan for the future growth of the Company; identify the principal risks of the Company's business; review existing systems and, where applicable,

ensure implementation of appropriate systems to manage such risks; monitor senior management; and ensure timely disclosure of material transactions through the issuance of news releases and financial statements.

- 3.9 Meet as necessary 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 way of written resolutions.
- 3.10 Meetings may either be in person, by teleconference, or by videoconference, as determined by the Chairman.

4. **Structure and Capital**

- 4.1 Changes relating to the group's capital structure including reduction of capital, share issues (except under employee share plans) and share buy backs.
- 4.2 Major changes to the group's corporate structure.
- 4.3 Changes to the group's management and control structure.
- 4.4 Any changes to the Company's listing or its status as a reporting issuer.
- 4.5 Responsibility for any take-over bid, proposed merger, amalgamation, arrangement, significant acquisition, disposition 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.

5. **Financial Reporting and Controls**

- 5.1 Approval of interim and annual financial statements and management's discussion and analysis ("**MD&A**"), subject to any delegation to the audit committee of approval of interim financial statements and MD&A.
- 5.2 Approval of the dividend policy.
- 5.3 Declaration of dividends.
- 5.4 Approval of any significant changes in accounting policies or practices.
- 5.5 Approval of treasury policies including foreign currency exposure and the use of financial derivatives.

6. **Internal Controls**

- 6.1 Ensuring maintenance of a sound system of internal control over financial reporting and risk management including:
 - (a) receiving reports on, and reviewing the effectiveness of, and, with management, giving effect to the group's internal control over financial reporting to provide

reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements; and

- (b) undertaking an annual assessment of these processes.

7. **Contracts**

- 7.1 Contracts which are material strategically or by reason of size, entered into by the Company or any subsidiary in the ordinary course of business, for example bank borrowings and acquisitions or disposals of fixed assets.
- 7.2 Contracts of the Company or any subsidiary not in the ordinary course of business, for example loans and repayments; foreign currency transactions; major acquisitions or disposals.
- 7.3 Material investments.
- 7.4 Material strategic alliances, joint ventures, partnership or profit sharing arrangements.
- 7.5 Contracts or arrangements with any shareholder, director, or any company or entity with which such shareholder or director is associated.

8. **Communication**

- 8.1 Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.
- 8.2 Approval of all circulars and prospectuses.
- 8.3 Approval of press releases concerning matters decided or approved by the board.

9. **Board Membership and Other Appointments**

- 9.1 Receive recommendations from the nomination committee and make determinations with respect to:
 - (a) changes to the structure, size and composition of the board;
 - (b) ensuring adequate succession planning for the board and senior management;
 - (c) appointments to the Board;
 - (d) selection of the chairman of the board and the chief executive and appointment of other officers;
 - (e) if at any time the chairman of the board is not independent of the Company, appointment of the lead independent director;
 - (f) membership and chairmanship of board committees, which appointments shall be made at the meeting of directors immediately following the AGM each year;

- (g) continuation in office of directors at the end of their term of office when they are due to be re-elected by shareholders at the AGM and otherwise as appropriate;
- (h) continuation in office of any director at any time, including the suspension or termination of service of an executive director as an employee of the Company, subject to applicable law and their service contract;
- (i) appointments to boards of subsidiaries; and
- (j) any change to a Director's terms of employment.

9.2 Receive recommendations from the audit committee and make determinations with respect to remuneration of auditors and appointment, reappointment or removal of the external auditor to be put to shareholders for approval.

10. **Remuneration**

10.1 Receiving recommendations from the remuneration committee and making determinations with respect to:

- (a) the remuneration policy for the directors, company secretary and other senior executives;
- (b) the remuneration of the non-executive directors, subject to shareholder approval as applicable; and
- (c) the introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for approval.

11. **Delegation of Authority**

11.1 Determining the division of responsibilities between the chairman, the chief executive and other executive directors.

11.2 Approval of terms of reference of board committees.

11.3 Receiving reports from board committees on their activities.

11.4 Forming ad hoc committees of independent directors to consider and make recommendations to the full Board of Directors with respect to any matter identified in sections 4 or 7 where: (i) good corporate governance practices or industry norms dictate that it is appropriate to do so; or (ii) upon the recommendation of the Governance, Nomination and Remuneration Committee.

12. **Corporate Governance Matters**

12.1 Receiving recommendations from the Governance, Nomination and Remuneration Committee and making determinations with respect to:

- (a) Review and assessment of its own performance, that of its committees and individual directors.
- (b) The independence of directors.
- (c) The balance of interests between shareholders, employees, customers and the community.
- (d) The group's overall corporate governance arrangements.

13. **Policies**

13.1 Approval of policies and certain procedures, including:

- (a) Charter;
- (b) Health and safety policy;
- (c) Environmental policy;
- (d) Community policy;
- (e) Whistleblower Procedure;
- (f) Disclosure and Insider Trading procedure; and
- (g) Charitable donations procedure.

14. **Other**

- 14.1 The making of any cash political donations.
- 14.2 Approval of the appointment of the group's principle professional advisers.
- 14.3 Prosecution, defence or settlement of litigation.
- 14.4 Approval of the overall levels of insurance for the group including Directors' & Officers' liability insurance and indemnification of directors.
- 14.5 Major changes to the rules of the group's pension scheme, or changes of trustees or, when subject to the approval of the company, changes in the fund management arrangements.
- 14.6 Any changes to this Board Mandate.