



## 1. PURPOSE

The Board of Directors (the "**Board**") of Nighthawk Gold Corp. (the "**Corporation**") assumes responsibility for the stewardship of the Corporation.

## 2. RESPONSIBILITIES

As an integral part of that stewardship responsibility, the Board has responsibility for the following matters (either itself, or through duly appointed and constituted committees of the Board in accordance with applicable laws):

- a) The Board has primary responsibility for the development and adoption of the strategic direction of the Corporation. The Board reviews with management from time to time the financing environment (including, without limitation, precious metals prices, the relative demand for the Corporation's shares, and the Corporation's needs for and opportunities to raise capital), the emergence of new opportunities, trends and risks and the implications of these developments for the strategic direction of the Corporation. The Board reviews and approves the Corporation's financial objectives, plans and actions, including significant capital allocations and expenditures.
- b) The Board monitors corporate performance, including assessing operating results to evaluate whether the business is being properly managed.
- c) The Board identifies the principal business risks of the Corporation and ensures that there are appropriate systems put in place to manage these risks.
- d) The Board monitors and ensures the integrity of the internal controls and procedures (including adequate management information systems) within the Corporation and as well as the financial reporting procedures of the Corporation.
- e) The Board is responsible for ensuring appropriate standards of corporate conduct including, adopting a code of business conduct and ethics for all employees, contractors, consultants, officers and directors, and monitoring compliance with such code, if appropriate.
- f) The Board is responsible for the review and approval of quarterly and annual financial statements, management's discussion and analysis related to such financial statements, and forecasts.
- g) The Board is responsible for, when it determines applicable, establishing and reviewing from time to time a dividend policy for the Corporation.
- h) The Board is responsible for reviewing the compensation of members of the Board to ensure that the compensation realistically reflects the responsibilities and risks involved in being an effective director and for reviewing the compensation of members of the senior management team to ensure that they are competitive within the industry and that the form of compensation aligns the interests of each such individual with those of the Corporation.
- i) The Board reviews and approves material transactions not in the ordinary course of business.

- j) The Board reviews and approves the budget on an annual basis, including the spending limits and authorizations, as recommended by the Audit Committee.
- k) The Board ensures that there is in place appropriate succession planning, including the appointment, training and monitoring of senior management and members of the Board.
- l) The Board is responsible for assessing its own effectiveness in fulfilling its mandate and evaluating the relevant disclosed relationships of each independent director.
- m) The Board approves a disclosure policy that includes a framework for investor relations and public disclosure.
- n) The Board is responsible for satisfying itself as to the integrity of the Chief Executive Officer (the "**CEO**") and other senior officers of the Corporation and that the CEO and other senior officers create a culture of integrity throughout the organization. The Board is responsible for developing and approving goals and objectives which the CEO is responsible for meeting.
- o) The Board is responsible for developing the Corporation's approach to corporate governance principles and guidelines that are specifically applicable to the Corporation.
- p) The Board is responsible for performing such other functions as prescribed by law or assigned to the Board in the Corporation's governing documents.
- q) Set forth below are procedures relating to the Board's operations:
- i) Size of Board and selection process.
- 1) The directors of the Corporation are elected each year by the shareholders at the annual meeting of shareholders. The Board will determine the nominees to be put forward to the shareholders for election based upon the following considerations and such other factors the Board considers relevant:
- the competencies and skills which the Board as a whole should possess;
  - the competencies and skills which each existing director possesses; and
  - the appropriate size of the Board to facilitate effective decision-making.
- 2) Any shareholder may propose a nominee for election to the Board either by means of a shareholder proposal upon compliance with the requirements of the *Business Corporations Act (Ontario)* ("**OBCA**") and the Corporation's by-laws or at the annual meeting in compliance with the requirements of the OBCA and the Corporation's by-laws.
- 3) The Board also recommends the number of directors on the Board to shareholders for approval, subject to compliance with the requirements of the OBCA and the Corporation's by-laws.
- 4) Between annual meetings, the Board may appoint directors to serve until the next annual meeting, subject to compliance with the requirements of the OBCA.
- 5) Individual Board members are responsible for assisting the Board in identifying and recommending new nominees for election to the Board, as needed or appropriate.
- ii) Director orientation and continuing education – The Board, together with the Corporate Governance and Compensation Committee is responsible for providing an orientation

and education program for new directors which deals with the following matters and such other matters the Board considers relevant:

- 1) the role of the Board and its committees;
- 2) the nature and operation of the business of the Corporation; and
- 3) the contribution which individual directors are expected to make to the Board in terms of both time and resource commitments.

In addition, the Board together with the Corporate Governance and Compensation Committee is also responsible for providing continuing education opportunities to existing directors so that individual directors can maintain and enhance their abilities and ensure that their knowledge of the business of the Corporation remains current, at the request of any individual director.

- iii) Meetings – The Board shall endeavor to have at least four scheduled meetings a year. The Board is responsible for its agenda. Prior to each Board meeting, the Chairman of the Board shall circulate an agenda to the Board. The Chairman of the Board shall discuss the agenda items for the meeting with the CEO and, if a lead director has been appointed, the lead director. Materials for each meeting will be distributed to directors in advance of the meetings. Directors are expected to attend at least 75% of all meetings of the Board held in a given year, and are expected to adequately review meeting materials in advance of all such meetings.

The independent directors or non-management directors may meet at the end of each Board meeting without management and non-independent directors present. The Chairman of the Board shall chair these meetings, unless the Chairman of the Board is not an independent director, in which case the lead director shall chair these meetings. If a lead director has not been appointed, the independent directors shall appoint a chairman to chair these meetings. The independent directors shall appoint a person to maintain minutes of the meeting or, if no person is so appointed, the chair of the meeting shall maintain minutes of the meeting.

- iv) Committees – The Board has established the following standing committees to assist the Board in discharging its responsibilities: Audit Committee, Corporate Governance and Compensation Committee, and Safety, Health and Environmental Affairs Committee. Special committees are established from time to time to assist the Board in connection with specific matters. The Board will appoint the members of each committee and may appoint a chair of each committee annually following the Corporation's annual meeting of shareholders. The chair of each committee reports to the Board following meetings of the relevant committee. The terms of reference of each standing committee are reviewed annually by the Board.
- v) Evaluation – The Corporate Governance and Compensation Committee performs an annual evaluation of the effectiveness of the Board as a whole, the committees of the Board, and the contributions of individual directors.
- vi) Compensation – The Corporate Governance and Compensation Committee recommends to the Board the compensation and benefits for non-management directors. The Committee seeks to ensure that such compensation and benefits reflect the responsibilities and risks involved in being a director of the Corporation and align the interests of the directors with the best interests of the Corporation.
- vii) Nomination – The Board and the individual directors from time to time, will identify and recommend new nominees as directors of the Corporation, based upon the following considerations:
- 1) the competencies and skills necessary for the Board as a whole to possess;
  - 2) the competencies and skills necessary for each individual director to possess;

- 3) competencies and skills which each new nominee to the Board is expected to bring; and
  - 4) whether the proposed nominees to the Board will be able to devote sufficient time and resources to the Corporation.
- viii) Access to independent advisors – The Board may at any time retain outside financial, legal or other advisors at the expense of the Corporation. Any director may, subject to the approval of the Corporate Governance and Compensation Committee, retain an outside advisor at the expense of the Corporation.

### 3. LEAD DIRECTOR

- r) The Board will appoint a Lead Director in circumstances in which the Chairman of the Board is not considered independent under applicable securities laws, in order to provide independent leadership to the Board and for the other purposes set forth below.
- s) The Corporate Governance and Compensation Committee will recommend a candidate for the position of Lead Director from among the independent members of the Board. The Board will be responsible for approving and appointing the Lead Director.
- t) The Lead Director will hold office at the pleasure of the Board, until a successor has been duly elected or appointed or until the Lead Director resigns or is otherwise removed from the office by the Board.
- u) The Lead Director will provide independent leadership to the Board and will facilitate the functioning of the Board independently of the Corporation's management. Together with the Chair of the Corporate Governance and Compensation Committee, the Lead Director will be responsible for overseeing the corporate governance practices of the Corporation.
- v) The Lead Director will:
  - i) in conjunction with the Chair of the Corporate Governance and Compensation Committee, provide leadership to ensure that the Board functions independently of management of the Corporation;
  - ii) chair meetings of independent directors or non-management directors held following Board meetings;
  - iii) in the absence of the Chairman, act as chair of meetings of the Board;
  - iv) recommend, where necessary, the holding of special meetings of the Board;
  - v) review with the Chairman and the CEO items of importance for consideration by the Board;
  - vi) consult and meet with any or all of the Corporation's independent directors, at the discretion of either party and with or without the attendance of the Chairman, and represent such directors in discussions with management of the Corporation concerning corporate governance issues and other matters;
  - vii) together with the Chairman, ensure that all business required to come before the Board is brought before the Board, such that the Board is able to carry out all of its duties to supervise the management of the business and affairs of the Corporation, and together with the Chairman and the CEO, formulate an agenda for each Board meeting;
  - viii) together with the Chairman and the Chair of the Corporate Governance and Compensation Committee, ensure that the Board, committees of the Board, individual directors and senior management of the Corporation understand and discharge their

- duties and obligations under the approach to corporate governance adopted by the Board from time to time;
- ix) mentor and counsel new members of the Board to assist them in becoming active and effective directors;
  - x) facilitate the process of conducting director evaluations;
  - xi) promote best practices and high standards of corporate governance; and
  - xii) perform such other duties and responsibilities as may be delegated to the Lead Director by the Board from time to time.

**Schedule "A"**  
**NIGHTHAWK GOLD CORP.**

POSITION DESCRIPTION FOR THE  
CHAIRMAN OF THE BOARD OF DIRECTORS

**1. PURPOSE**

The Chairman of the Board shall be a director who is designated by the full Board to act as the leader of the Board.

**2. WHO MAY BE CHAIRMAN**

The Chairman will be selected amongst the directors of the Corporation who have a sufficient level of experience with corporate governance issues to ensure the leadership and effectiveness of the Board.

The Chairman will be selected annually at the first meeting of the Board following the annual general meeting of shareholders.

**3. RESPONSIBILITIES**

The following are the responsibilities of the Chairman. The Chairman may, where appropriate, delegate to or share with the Corporate Governance and Compensation Committee and/or any other independent committee of the Board, certain of these responsibilities:

- a) Chair all meetings of the Board in a manner that promotes meaningful discussion.
- b) Provide leadership to the Board to enhance the Board's effectiveness, including:
  - i) ensure that the responsibilities of the Board are well understood by both management and the Board;
  - ii) ensure that the Board works as a cohesive team with open communication;
  - iii) ensure that the resources available to the Board (in particular timely and relevant information) are adequate to support its work;
  - iv) together with the Corporate Governance and Compensation Committee, ensure that a process is in place by which the effectiveness of the Board and its committees (including size and composition) is assessed at least annually; and
  - v) together with the Corporate Governance and Compensation Committee, ensure that a process is in place by which the contribution of individual directors to the effectiveness of the Board is assessed at least annually.
- c) Manage the Board, including:
  - i) prepare the agenda of the Board meetings and ensuring pre-meeting material is distributed in a timely manner and is appropriate in terms of relevance, efficient format and detail;

- ii) adopt procedures to ensure that the Board can conduct its work effectively and efficiently, including committee structure and composition, scheduling, and management of meetings;
  - iii) ensure meetings are appropriate in terms of frequency, length and content;
  - iv) ensure that, where functions are delegated to appropriate committees, the functions are carried out and results are reported to the Board;
  - v) ensure that a succession planning process is in place to appoint senior members of management and directors when necessary;
  - vi) ensure procedures are established to identify, assess and recommend new nominees for appointment to the Board and its committees; and
  - vii) together with any special committee appointed for such purpose, approach potential candidates once potential candidates are identified, to explore their interest in joining the Board and proposing new nominees for appointment to the Board and its committees.
- d) If the Chairman is an independent director, the Chairman will:
- i) in conjunction with the Chair of the Corporate Governance and Compensation Committee, provide leadership to ensure that the Board functions independently of management of the Corporation;
  - ii) chair meetings of independent directors or non-management directors held following Board meetings;
  - iii) recommend, where necessary, the holding of special meetings of the Board;
  - iv) review with the CEO items of importance for consideration by Board;
  - v) consult and meet with any or all of the Corporation's independent directors, at the discretion of either party and represent such directors in discussions with management of the Corporation concerning corporate governance issues and other matters;
  - vi) ensure that all business required to come before the Board is brought before the Board, such that the Board is able to carry out all of its duties to supervise the management of the business and affairs of the Corporation, and together with the CEO, formulate an agenda for each Board meeting;
  - vii) together with the Chair of the Corporate Governance and Compensation Committee, ensure that the Board, committees of the Board, individual directors and senior management of the Corporation understand and discharge their duties and obligations under the approach to corporate governance adopted by the Board from time to time;
  - viii) mentor and counsel new members of the Board to assist them in becoming active and effective directors;
  - ix) facilitate the process of conducting director evaluations; and

- x) promote best practices and high standards of corporate governance.
- e) act as liaison between the Board and management to ensure that relationships between the Board and management are conducted in a professional and constructive manner. This involves working with the Corporate Governance and Compensation Committee to ensure that the Corporation is building a healthy governance culture.
- f) at the request of the Board, represent the Corporation to external groups such as shareholders and other stakeholders, including community groups and governments.

**Schedule "B"****NIGHTHAWK GOLD CORP.**

## ROLE STATEMENT OF THE CEO

1. The CEO's primary role is to take overall supervisory and managerial responsibility for the day to day operations of the Corporation's business and to manage the Corporation in an effective, efficient and forward-looking way and to fulfill the priorities, goals and objectives determined by the Board in the context of the Corporation's strategic plans, budgets and responsibilities set out below, with a view to the best interests of the Corporation. The CEO is responsible to the Board.
2. Without limiting the foregoing, the CEO is responsible for the following:
  - a) Develop and maintain the Corporation's goal to operate to the highest standards of the industry.
  - b) Maintain and develop with the Board strategic plans for the Corporation and implement such plans to the best abilities of the Corporation.
  - c) Provide quality leadership to the Corporation's staff and ensure that the Corporation's human resources are managed properly.
  - d) Provide high-level policy options, orientations and discussions for consideration by the Board.
  - e) Together with any special committee appointed for such purpose, maintain existing and develop new strategic alliances and consider possible merger or acquisition transactions with other mining companies which will be constructive for the Corporation's business and will help enhance shareholder value.
  - f) Provide support, co-ordination and guidance to various responsible officers and managers of the Corporation.
  - g) Implement, oversee and guide the investor relations program for the Corporation, which shall, among other things, ensure communications between the Corporation and major stakeholders, including and most importantly the Corporation's shareholders, are managed in an optimum way and are done in accordance with applicable securities laws.
  - h) Provide timely strategic, operational and reporting information to the Board and implement its decisions in accordance with good governance, with the Corporation's policies and procedures, and within budget.
  - i) Act as an entrepreneur and innovator within the strategic goals of the Corporation.
  - j) Co-ordinate the preparation of an annual business plan or strategic plan.
  - k) Ensure appropriate governance skills development and resources are made available to the Board.
  - l) Provide a culture of high ethics throughout the organization.

- m) Chair all meetings of the Corporation's shareholders;
- n) Take primary responsibility for the administration of all of the Corporation's sub-areas and administrative practices.