



## BOARD CHARTER

### A. INTRODUCTION

The Board of Directors (the “Board”) has a stewardship responsibility for the conduct of the business of Midas Gold Corp. and its subsidiaries (together, the “Corporation”) and the activities of management. Whereas management is responsible for the day-to-day conduct of the business, it is the role of the Board to provide oversight and direction regarding the Corporation’s strategic plan and long term goals. The Board’s fundamental objectives are to enhance and preserve long-term shareholder value, to oversee that the Corporation meets its obligations on an ongoing basis and that the Corporation operates in a reliable and safe manner. In performing its functions, the Board should also consider the legitimate interests that its other stakeholders, such as employees, customers and communities, may have in the Corporation. In overseeing the conduct of the business, the Board, through the Chief Executive Officer, shall set the standards of conduct for the Corporation, and any of its subsidiary companies.

### B. PROCEDURES AND ORGANIZATION

The Board operates by delegating certain of its authorities to management and by reserving certain powers to itself. The Board retains the responsibility for managing its own affairs including selecting its Chair, nominating candidates for election to the Board and constituting committees of the Board. Subject to the Articles of the Corporation and the British Columbia Business Corporations Act (the “Act”), the Board may constitute, seek the advice of and delegate powers, duties and responsibilities to committees of the Board. See Schedule A for the Corporation’s organizational chart and Roles & Responsibilities Matrix.

### C. DUTIES AND RESPONSIBILITIES

The Board’s principal duties and responsibilities fall into a number of categories which are outlined below.

#### 1. Legal Requirements

The Board is responsible for overseeing that management is in compliance with all regulatory requirements whereby all documents and records are prepared, approved, and maintained;

- (a) The Board shall meet at least quarterly; and
- (b) The Board has the statutory responsibility to:
  - (i) manage or, to the extent it is entitled to delegate such power, to supervise the management of the business and affairs of the Corporation by the senior officers of the Corporation;

- (ii) act honestly and in good faith with a view to the best interests of the Corporation;
- (iii) exercise the care, diligence and skill that reasonable, prudent people would exercise in comparable circumstances; and
- (iv) act in accordance with its obligations contained in the Act and the regulations thereto, the Corporation's Articles, securities legislation of the U.S. and each province and territory of Canada, each stock exchange on which the Corporation's securities are listed and other relevant legislation and regulations.

## **2. Independence**

The Board has the responsibility to put in place appropriate structures and procedures to permit the Board to function independently of management. A majority of the Board must be independent directors as well as an independent Chair or an independent Lead Director, as the term "independent" is defined within the meaning of all applicable Canadian and U.S. securities laws and the rules of each stock exchange on which the Corporation's securities are listed (collectively, the "Applicable Regulations"), except if and to the extent that the Applicable Regulations permit otherwise. In addition, each member of the Board and each member of each committee of the Board shall meet such other qualification requirements as may be set forth in the Applicable Regulations.

The Board shall annually make an affirmative determination as to the independence of each member of the Board under the Applicable Regulations.

Also, the Board will include an "in camera" session, also known as "executive sessions", for the independent directors at each Board meeting, and the independent directors shall also meet as often as necessary in order to fulfill their responsibilities.

## **3. Strategy Determination**

The Board has the responsibility to put in place long-term goals and a strategic planning process for the Corporation and to participate with management directly or through its committees in developing and approving the mission of the business of the Corporation and the strategic plan by which it proposes to achieve its goals, which strategic plan takes into account, among other things, the opportunities and risks of the Corporation's business.

## **4. Managing Risk**

The Board has the responsibility to identify and understand the principal risks of the business in which the Corporation is engaged, to achieve a proper balance between risks incurred and the potential return to shareholders, and to put in place systems which effectively monitor and manage those risks with a view to the long-term viability of the Corporation.

## **5. Division of Responsibilities**

The Board has the responsibility to:

- (a) appoint and delegate responsibilities to committees where appropriate to do so; and
- (b) develop position descriptions for:

- (i) the Board;
- (ii) the Chairman;
- (iii) the Chair of each Board Committee;
- (iv) the Chief Executive Officer;
- (v) the Chief Financial Officer;
- (vi) the President.

To assist it in exercising its responsibilities, the Board hereby establishes four standing committees of the Board: the Audit Committee, the Compensation Committee, the Corporate Governance and Nominating Committee and the Environment, Health & Safety Committee. The Board may also establish other standing committees from time to time.

Each committee shall have a written charter that clearly establishes its purpose, responsibilities, members, structure and functions. Each charter shall be reviewed by both the committee itself and the Board regularly. The Board is responsible for appointing committee members.

## **6. Appointment, Training and Monitoring Senior Management**

The Board has the responsibility:

- (a) to appoint the Chief Executive Officer, to monitor and assess the Chief Executive Officer's performance, to satisfy itself as to the integrity of the Chief Executive Officer, and to provide advice and counsel in the execution of the Chief Executive Officer's duties;
- (b) to develop or approve the corporate goals or objectives that the Chief Executive Officer is responsible for;
- (c) based on the recommendation of the Compensation Committee of the Board, to approve the annual salary, bonus and other benefits, direct and indirect, of the Chief Executive Officer;
- (d) to approve the appointment of all executive officers, acting upon the advice of the Chief Executive Officer and to satisfy itself as to the integrity of such executive officers;
- (e) to review and discuss with management the Corporation's leadership development and training program. Also, the Board will consult with management to put in place a management succession planning process and to adopt an orientation program for new directors. This program will include, but not be limited to, access to recent minutes of Board meetings, corporate documents, interviews with senior managers, and when appropriate, site visits.
- (f) to create a culture of integrity throughout the Corporation;
- (g) to communicate to management the Board's expectations of management;

- (h) to set out expectations and responsibilities of directors including attendance at meetings and review of meeting materials.

## **7. Policies, Procedures and Compliance**

The Board has the responsibility:

- (a) to oversee that the Corporation has in place policies and structures that lead the Corporation to operate at all times within applicable laws, regulations and our ethical standards; and
- (b) to approve and monitor compliance with significant policies and procedures by which the Corporation is operated.

## **8. Reporting and Communication**

The Board has the responsibility:

- (a) based on the recommendations of the Corporate Governance and Nominating Committee of the Board, approve the nomination of new director nominees;
- (b) to oversee that the Corporation has in place policies and programs to enable the Corporation to communicate effectively with its shareholders, other stakeholders and the public generally;
- (c) to review and discuss the process whereby the financial performance of the Corporation is reported to shareholders, other security holders and regulators on an accurate, timely and regular basis;
- (d) to review the procedures that management has put in place to facilitate the timely reporting of developments that have a significant and material impact on the value of the Corporation;
- (e) to report annually to shareholders on its stewardship of the affairs of the Corporation for the preceding year; and
- (f) to develop the Corporation's approach to corporate governance and to develop a set of corporate governance principles and guidelines.

## **9. Monitoring and Acting**

The Board has the responsibility:

- (a) to monitor the Corporation's progress towards its goals and objectives and to revise and alter its direction through management in response to changing circumstances;
- (b) to take action when performance falls short of its goals and objectives or when other special circumstances warrant;

- (c) to oversee the adequacy of the Corporation's control and information systems for the effective discharge of its responsibilities;
- (d) to review the regular assessments of the Board conducted by the Corporate Governance and Nominating Committee;
- (e) to review the risks of the Corporation and ensure adequate processes are in place to identify, monitor, mitigate and/or address the risks identified; and
- (f) to oversee the Corporation's Anti-Bribery and Anti-Corruption Policy and monitor and review the processes that are in place to maintain compliance with the Extractive Sector Transparency Measures Act.

SCHEDULE A