



# ROYAL NICKEL CORPORATION

<b>Title:</b>	Charter of the Board of Directors		
<b>Prepared by:</b>	CG&N Committee	<b>Date last reviewed:</b>	November 6, 2014
<b>Approved by:</b>	Board of Directors	<b>Date approved:</b>	November 6, 2014

## 1.0 ROLE OF THE BOARD

The role of the board of directors of Royal Nickel Corporation (the “**Company**”) is to oversee, directly and through its committees, the business and affairs of the Company, which are conducted by its officers and employees under the direction of the Chief Executive Officer (“**CEO**”). In doing so, the board acts at all times with a view to the best interests of the Company.

## 2.0 AUTHORITY AND RESPONSIBILITIES

The board meets regularly to review reports by management on the performance of the Company. In addition to the general supervision of management, the board performs the following functions:

### 2.1 Strategic Planning

Overseeing the strategic planning process within the Company and periodically reviewing, approving and monitoring the strategic plan for the Company including fundamental financial and business strategies and objectives.

### 2.2 Risk Assessment

Assessing the major risks facing the Company and reviewing, approving and monitoring the manner of managing those risks.

### 2.3 CEO

Developing the corporate objectives that the CEO is responsible for meeting and selecting, evaluating and compensating the CEO.

### 2.4 Senior Management

Overseeing the selection, evaluation and compensation of senior management and monitoring succession planning.

### 2.5 Disclosure Policy

Adopting a disclosure policy for the Company which is designed to ensure the timeliness and integrity of communications to shareholders and establishing suitable mechanisms to receive stakeholder views.



## **2.6 Corporate Governance**

Developing the Company's approach to corporate governance, including developing a set of corporate governance principles and guidelines applicable to the Company.

## **2.7 Internal Controls**

Reviewing and monitoring the controls and procedures within the Company to maintain its integrity including its disclosure controls and procedures, and its internal controls and procedures for financial reporting and compliance; and

## **2.8 Maintaining Integrity**

On an ongoing basis, satisfying itself as to the integrity of the CEO and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the Company, including compliance with its Code of Business Conduct and Ethics.

# **3.0 COMPOSITION AND PROCEDURES**

## **3.1 Size of Board and Selection Process**

The directors of the Company are elected each year by shareholders at the annual meeting of shareholders. The board, with the assistance of the Corporate Governance and Nominating Committee, proposes individual nominees to shareholders for election. Any shareholder may propose a nominee for election to the board either by means of a shareholder proposal upon compliance with the requirements prescribed by the *Canada Business Corporations Act* ("CBCA") or by complying with the advance notice requirements of the Company's by-laws. The board also recommends the number of directors on the board to shareholders for approval. Between annual meetings, the board may appoint directors to serve until the next annual meeting.

## **3.2 Qualifications**

Directors should have the highest personal and professional ethics and values and be committed to advancing the best interests of the Company. They should possess skills and competencies in areas that are relevant to the Company's activities. A majority of the directors will be independent based on the rules and guidelines of applicable stock exchanges and securities regulatory authorities.

## **3.3 Director Orientation**

The Company's management team is responsible for providing an orientation and education program for new directors.



### **3.4 Meetings**

The board has at least four scheduled meetings a year. The board is responsible for its agenda. Prior to each board meeting, the CEO discusses agenda items for the meeting with the Chairman of the board. Materials for each meeting are distributed to the directors in advance of the meetings. At the conclusion of each regularly scheduled meeting, the independent directors meet without management present.

### **3.5 Committees**

The board has established the following standing committees to assist the board in discharging its responsibilities: (i) Audit, (ii) Corporate Governance and Nominating, (iii) Compensation, and (iv) Health, Safety and Environment. Special committees may be established from time to time to assist the board in connection with specific matters. The chair of each committee reports to the board following meetings of the committee. The terms of reference of each standing committee are reviewed periodically by the board.

### **3.6 Evaluation**

The Corporate Governance and Nominating 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.

### **3.7 Compensation**

The Compensation Committee recommends to the board the compensation for non-management directors. In reviewing the adequacy and form of compensation, the committee seeks to ensure that the compensation reflects the responsibilities and risks involved in being a director of the Company and aligns the interests of the directors with the best interests of the Company.

### **3.8 Access to Independent Advisors**

The board and any committee may at any time retain outside financial, legal or other advisors at the expense of the Company. Any director may, subject to the approval of the Chairman of the board, retain an outside advisor at the expense of the Company.

### **3.9 Attendance**

Directors are expected to attend all properly called meetings in person or by telephone. As a minimum, directors are expected to attend at least 75% of all properly called meetings and to have reviewed meeting materials in advance.

Reviewed and approved by the Board of Directors on November 6, 2014