

MANDATE OF THE BOARD OF DIRECTORS

Effective September 13, 2021

I. GENERAL

1. Mandate

The board of directors (the “**Board**”) of Amerigo Resources Ltd. (the “**Company**”) is responsible for the stewardship of the Company. The Board is elected by the shareholders of the Company to supervise the management of the business and affairs of the Company, with the goal of enhancing long-term shareholder value.

Specifically, the Board is charged with responsibility for:

- (a) to the extent feasible, satisfying itself as to the integrity of the chief executive officer and other executive officers and that the chief executive officer and other executive officers create a culture of integrity throughout the organization;
- (b) adopting a strategic planning process which takes into account, among other things, the opportunities and risks of the business;
- (c) the identification of the principal risks of the Company’s business, and ensuring the implementation of appropriate systems to manage these risks;
- (d) succession planning (including appointing, training and monitoring senior management);
- (e) adopting a communication policy for the Company;
- (f) the Company’s internal control and management information systems; and
- (g) developing the Company’s approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Company.

2. Board Committees

To assist it in exercising its responsibilities, the Board hereby establishes 3 standing committees of the Board: the Audit Committee (the “**Audit Committee**”); the Corporate Governance, Nominating and compensation Committee (the “**Corporate Governance, Nominating and Compensation Committee**”); and the Environmental, Health and Safety Committee (the “**Environmental, Health and Safety Committee**”). Each committee will be composed entirely of independent directors. The Board may establish other standing committees, from time to time.



Each committee will have a written charter. The Audit Committee's charter will set out the committee's mandate and responsibilities. At a minimum, the Corporate Governance, Nominating and Compensation Committee's charter will clearly establish the committee's purpose, responsibilities, member qualifications, member appointment and removal, structure and operations (including any authority to delegate to individual members and subcommittees), and manner of reporting to the Board. Each charter will be reviewed by the Board (or a committee thereof the Corporate Governance, Nominating and Compensation Committee) once every two years.

The Board is responsible for appointing directors to each of its committees, in accordance with the written charter for each committee.

3. Expectations and Responsibilities of Directors:

The Board expects that each director will, among other things:

- (a) act honestly, in good faith and with a view to the best interests of the Company;
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances;
- (c) act in accordance with the *Business Corporations Act* (British Columbia) and the regulations thereto;
- (d) subject to paragraphs (a) to (c), act in accordance with the Articles of the Company;
- (e) commit the time and energy necessary to properly carry out his or her duties;
- (f) attend all Board and committee meetings, as applicable; and
- (g) review in advance all meeting materials and otherwise adequately prepare for all Board and committee meetings, as applicable.

4. The Board's Expectations of Management

The Board expects that management will, among other things:

- (a) review continuously the Company's strategies and their implementation in light of evolving conditions;
- (b) present a comprehensive annual operating plan and budget and report regularly on the Company's performance and results relative to that plan and budget;
- (c) report regularly on the Company's business and affairs, with a focus on matters of material consequence for the Company;
- (d) implement systems to identify and manage the principal risks of the Company's business;
- (e) implement and maintain appropriate systems of internal control; and



- (f) implement and maintain appropriate disclosure controls and procedures.

In addition, the Board expects that the chief executive officer (“CEO”) and the other executive officers of the Company will conduct themselves with integrity and that the CEO and other executive officers will create a culture of integrity throughout the Company.

5. Decisions Requiring Prior Approval of the Board

The Board is responsible for pre-approving proposals on mergers, acquisitions and other major investments or divestitures of or by the Company.

II. PROCEDURAL MATTERS

1. Composition

The Board will be composed of a majority of “independent” directors, as such term is defined under applicable securities legislation.

The Board will consist of directors who represent a diversity of personal experience and background, particularly among the independent directors. At a minimum, each director will have demonstrated personal and professional integrity, achievement in his or her field, experience and expertise relevant to the Company’s business, a reputation for sound and mature business judgment, the commitment to devote the necessary time and effort in order to conduct his or her duties effectively and, where required, financial literacy.

The composition of the Board will balance the following goals:

- (a) the size of the Board will facilitate substantive discussions of the whole Board in which each director can participate meaningfully; and
- (b) the composition of the Board will encompass a broad range of skills, expertise, industry knowledge, diversity of opinion and contacts relevant to the Company’s business.

2. Director Qualifications

In addition to the qualifications specified for directors in the *Business Corporations Act* (British Columbia), directors of the Company will be subject to the following requirements:

- (a) following a change in principal occupation, place of residence, or a similar change in credentials, directors are expected to report such change to the Corporate Governance, Nominating and Compensation Committee for consideration; and
- (b) directors are expected to attend all Board meetings and meetings of committees on which they serve.



3. Board Structure and Operations

(a) Chair

The Board will appoint a director to act as Chair of the Board. If the Board appoints a non-independent director to act as Chair of the Board, the Board will also appoint an independent director to act as Lead Director. Either an independent Chair of the Board or an independent Lead Director will act as the effective leader of the Board and ensure that the Board's agenda will enable it to successfully carry out its duties.

If in any year, the Board does not appoint a Chair or Lead Director, if applicable, the incumbent Chair and Lead Director, if applicable, will each continue in office until a successor is appointed.

(b) Meetings

The Chair of the Board or Lead Director, if applicable, will be responsible for:

- (i) developing and setting the agenda for Board meetings; and
- (ii) determining the time, place and frequency of Board meetings.

Any member of the Board may, and the secretary or an assistant secretary of the Company, if any, on the request of a director must, call a meeting of the Board at any time.

The Chair or Lead Director, if applicable, in consultation with the Board members, will determine the schedule and frequency of the Board meetings, provided that the Board will meet at least 4 times per year. The Chair or Lead Director, if applicable, will develop and set the Board's agenda, in consultation with other members of the Board and senior management.

The Chair is entitled to preside as chair at a meeting of the Board. In the absence of the Chair, the President may chair the meeting if the President is a director. In the absence of the Chair or the President, the Board will select one of the other members of the Board to preside at that meeting.

(c) Notice

Other than for meetings held at regular intervals as determined in accordance with section 3(b) or a meeting held immediately following a meeting of shareholders of the Company at which that director was elected or appointed, reasonable notice of each meeting of the Board, specifying the place, day and time of that meeting must be given to each of the directors via email or orally or by telephone.

(d) Quorum

The quorum necessary for the transaction of business of the directors may be set by the directors and, if not so set, is deemed to be set at a majority of the directors in office. No



business may be transacted by the Board except at a meeting of its members at which a quorum of the Board is present in person or by means of such telephonic or other communications medium as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously.

(e) **Attendees**

The Board may invite such officers and employees of the Company and advisors as it sees fit from time to time to attend a meeting of the Board and assist thereat in the discussion and consideration of matters relating to the Board.

(f) **In Camera Sessions**

The independent directors will hold regularly scheduled meetings at which members of management are not in attendance.

The Board will reserve a portion of each regularly scheduled meeting for discussion among the independent directors only.

(g) **Records**

Minutes of meetings of the Board will be recorded and maintained by the Secretary of the Company and will be subsequently presented to the Board for review and approval.

4. Board Mandate Review

The Board will review and assess the adequacy of this Mandate on an annual basis, taking into account all legislative and regulatory requirements applicable to the Board, as well as any best practice guidelines recommended by securities regulatory authorities or the Toronto Stock Exchange.

III. RESPONSIBILITIES

1. Supervising Management of the Company

The Board is responsible for:

- (a) designating the officers of the Company, appointing such officers, specifying their duties and delegating to them the power to manage the day-to-day business and affairs of the Company;
- (b) reviewing the officers' performance and effectiveness; and
- (c) acting in a supervisory role, such that any duties and powers not delegated to the officers of the Company remain with the Board and its committees.



2. Strategic Planning

The Board is responsible for adopting a strategic planning process for the Company. Such process will include:

- (a) the Board overseeing the Company's strategic direction and major policy decisions generally;
- (b) the Board conducting strategic planning discussions at least annually, or otherwise as needed; and
- (c) the Board discussing strategies and their implementation regularly at Board meetings.

On at least an annual basis, the Board will approve the Company's strategic plan or an update to the Company's long term strategic plan, which will take into account, among other things, the opportunities and risks of the Company's business. The Board will review and approve the corporate financial goals, operating plans and actions of the Company, including significant capital allocations, expenditures and transactions that exceed thresholds set by the Board.

More specifically, in respect of each forthcoming fiscal year, senior management will present to the Board for discussion and approval a one year capital expenditure and operating expenditure budget along with any other budget or analysis that the Board may request.

In addition, updates on capital expenditures and specific problem areas/action plans will be presented by senior management and discussed as part of a management report at each quarterly Board meeting at which financial statements are approved.

3. Risk Management

The Board is responsible for identifying the principal risks of the Company's businesses and ensuring that those risks are effectively managed, including market risk, structural risk, fiduciary risk and operational risk. The Board may delegate to the Audit Committee responsibility for reviewing the Company's internal controls and risk management policies and procedures related to the finance and accounting aspects of the business.

The Board will ensure that systems are in place to identify principal risks to the Company and its businesses and that appropriate procedures are in place to manage those risks and to address and comply with applicable regulatory, corporate, securities and other compliance matters. Specifically, the Board will ensure that procedures are in place to comply with the law, the Company's Articles, the Company's Code of Business Conduct and Ethics and all other significant Company policies and procedures.

4. Succession Planning

The Board is responsible for overseeing succession planning matters for officers and senior management, including the appointment, training and monitoring of such persons, and to assist it with certain of these responsibilities, the Board has established the Corporate Governance, Nominating and Compensation Committee.



5. Communications Policy

The Board is responsible for adopting a communications policy for the Company (the “**Corporate Disclosure Policy**”) that ensures that the Company communicates effectively with its shareholders, other stakeholders, and the public in general.

The Corporate Disclosure Policy will:

- (a) contain measures for the Company to comply with its continuous and timely disclosure requirements and to avoid selective disclosure;
- (b) address how the Company interacts with analysts, investors, other key stakeholders and the public; and
- (c) address who reviews and approves major Company announcements.

The Board will review the Corporate Disclosure Policy at least annually.

The Board or the Audit Committee will review the following disclosures in advance of their public release by the Company:

- (a) the Company’s financial statements, MD&A and annual and interim earnings news releases;
- (b) earnings guidance;
- (c) news releases containing financial information based on the Company’s financial statements, as well as financial outlooks and future oriented financial information, prior to their release; and
- (d) the contents of all other major disclosure documents, including the Company’s annual report, quarterly reports to shareholders, annual information form and management information circular.

6. Internal Controls

The Board is responsible for ensuring the integrity of the Company’s internal control and management information systems. The Board may delegate its responsibilities relating to the Company’s internal control and management information systems to the Audit Committee.

7. Corporate Governance

The Board is responsible for developing the Company’s approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Company. The Board will track developments in corporate governance and adapt best practices to the needs and circumstances of the Company. The Board will monitor and evaluate the effectiveness of the system of corporate governance at the Company, including the information requirements of the Board, the frequency and content of meetings and the need for any special meetings, communication processes



between the Board and management, the charters of the Board and its committees and policies governing size and compensation of the Board.

The Board may delegate its responsibilities relating to corporate governance to the Corporate Governance, Nominating and Compensation Committee.

8. Measures for Receiving Feedback from Security Holders

The Board will establish procedures to ensure that the Company, through management, provides timely information to current and potential security holders and responds to their inquiries. The purpose of these procedures will be to ensure that every security holder inquiry receives a prompt response from an appropriate Company spokesperson in accordance with the Company's Corporate Disclosure Policy. The Board (or a committee thereof) will ensure that designated persons under the Corporate Disclosure Policy are available to meet regularly with financial analysts and institutional investors.

9. Position Descriptions

The Board is responsible for:

- (a) developing clear written position descriptions for the Chair of the Board, the Lead Director, if applicable, and the Chair of each Board committee;
- (b) together with the CEO, developing a clear position description for the CEO, which includes delineating management's responsibilities; and
- (c) developing or approving the corporate goals and objectives that the CEO is responsible for meeting.

10. Orientation and Continuing Education

The Board is responsible for:

- (a) ensuring that all new directors receive a comprehensive orientation, so that they fully understand:
 - (i) the role of the Board and its committees, as well as the contribution individual directors are expected to make (including, in particular, the commitment of time and energy that the Company expects from its directors), and
 - (ii) the nature and operation of the Company's business; and
- (b) providing continuing education opportunities for all directors, so that they may:
 - (i) maintain or enhance their skills and abilities as directors, and
 - (ii) ensure that their knowledge and understanding of the Company's business remains current.



The Board will ensure that the Company provides orientation and continuing education to the directors, including education by means of:

- (a) a Board manual for new and existing Board members;
- (b) meetings with members of senior management to introduce new directors to the business functions and activities of the Company;
- (c) a comprehensive package of information prior to each Board and committee meeting;
- (d) regular presentations by senior management on different aspects of the Company's operations; and
- (e) full access to senior management of the Company, including scheduled field trips with senior management to view different aspects of the Company's operations.

11. Code of Business Conduct and Ethics

The Board is responsible for adopting a written code of business conduct and ethics (the "Code"), applicable to directors, officers and employees of the Company. The Code will constitute written standards that are reasonably designed to promote integrity and deter wrongdoing and will address the following issues:

- (a) conflicts of interest, including transactions and agreements in respect of which a director or executive officer has a material interest;
- (b) protection and proper use of corporate assets and opportunities;
- (c) confidentiality of corporate information;
- (d) fair dealing with the Company's security holders, customers, suppliers, competitors and employees;
- (e) compliance with laws, rules and regulations; and
- (f) reporting of any illegal or unethical behaviour.

The Board is responsible for monitoring compliance with the Code. Any waivers from the Code that are granted for the benefit of the Company's directors or executive officers will be granted by the Board (or a Board committee) only.



12. Nomination of Directors

The Board is responsible for nominating or appointing individuals as directors and to assist it with this responsibility, the Board has established the Corporate Governance, Nominating and Compensation Committee.

Prior to nominating or appointing individuals as directors, the Board will:

- (a) consider what competencies and skills the Board, as a whole, should possess;
- (b) assess what competencies and skills each existing director possesses (including the personality and other qualities of each director);
- (c) consider the appropriate size of the Board, with a view to facilitating effective decision-making; and
- (d) consider the advice and input of the Corporate Governance, Nominating and Compensation Committee.

13. Compensation Matters

The Board is responsible for overseeing compensation matters (including compensation of officers and other senior management personnel, approving the Company's annual compensation budget) and to assist it with these responsibilities, the Board has established the Corporate Governance, Nominating and Compensation Committee.

More specifically, the Board is responsible for approving:

- (a) the CEO's compensation level, after consideration of the evaluation conducted by and the recommendations of the Corporate Governance, Nominating and Compensation Committee; and
- (b) non-CEO officer and director compensation, incentive-compensation plans and equity-based plans, after consideration of the recommendations of the Corporate Governance, Nominating and Compensation Committee.

14. Regular Board Assessments

The Board is responsible for regularly assessing its own effectiveness and contribution, as well as the effectiveness and contribution of each Board committee and each individual director. Such assessments should include reviewing from time to time the Board Mandate; committee charters, where applicable; the competencies and skills of each individual director; and the attendance record of directors at Board and committee meeting.



15. Outside Advisors

The Board is responsible for implementing a system which enables a committee to engage an external advisor at the expense of the Company in appropriate circumstances. The engagement of the external advisor will be subject to the approval of the Board (or a committee thereof).