

**LXRANDCO, INC. (the "Corporation")****BOARD OF DIRECTORS CHARTER  
(INCLUDING BOARD CHAIR POSITION DESCRIPTION)****1. Board of Directors****A. Purpose**

The Board of Directors (the "Board") is responsible for the stewardship of LXRandCo, Inc. (the "Corporation"). As such, the Board establishes all Corporation policies, oversees and assesses managements' strategic decisions, and has full power for duties that are not specifically delegate to its committees or to management. The Board is also responsible for overseeing the management of the Corporation's business by taking into account the best interests of the Corporation and its shareholders in general. Management's role is to conduct the Corporation's day-to-day operations so as to ensure that this objective is met.

**B. Board Organization**

- The directors are elected annually by the Corporation's shareholders. These directors, together with those appointed between annual meetings to fill vacancies or as additional directors, make up the Board of the Corporation.
- The Chair of the Board must be appointed by a resolution of the Board, and a Lead Director (if and when needed) must be appointed if the Chair of the Board is not an independent director. If and when needed, the Lead Director must be appointed by a resolution of the independent members of the Board.
- The Board meets at least four times per year and may call special meetings as required. Board meetings may be held at the request of any director.
- The independent directors may meet without management in attendance, if required, following each meeting of the Board. The Chair of the Board, or Lead Director if the Chair is not an independent director, chairs the meetings.
- The Chair of the Board and the Lead Director (if any) approve meeting agendas and ensure that documents referred to in the agenda are forwarded to directors sufficiently in advance for their perusal.

- The Board may, as required, invite any person deemed appropriate to a Board meeting to take part in discussions on the Corporation's business. However, such a person may not at any time vote at a Board meeting.
- The minutes of Board meetings must accurately reflect the significant discussions and the decisions of the Board and must be circulated to the members of the Board.
- The Board has full access to members of senior management and other personnel, as well as to documents of the Corporation and its affiliates. The Board is granted the resources it needs to perform its duties and is able to retain the services of external consultants for support in carrying out its mandate.

### **1.1 Duties and Responsibilities of the Board**

In furtherance of its purpose, the Board assumes the following duties and responsibilities, some of which are initially reviewed and recommended by the applicable Committee of the Board to the full Board for approval:

#### **A. Strategy and Budget**

- Ensuring a strategic planning process is in place and approving, on at least an annual basis, a Business Plan which takes into account, among other things, the longer term opportunities and risks of the business;
- Approving the Corporation's annual operating and capital budgets; and
- Reviewing operating and financial performance results in relation to the Corporation's Business Plan and budgets.

#### **B. Governance**

- Developing the Corporation's approach to, and disclosure of, corporate governance practices, including developing a "Statement of Corporate Governance Principles and Guidelines" setting out the Board's expectations and responsibilities of individual Directors, including with respect to attendance at meetings of the Board and of committees of the Board and the commitment of time and energy expected.
- Approving the nomination of Directors to the Board, as well as:
  - determining who, in the reasonable opinion of the Board, are independent pursuant to applicable legislation, regulation and listing requirements;

- developing appropriate qualifications/criteria for the selection of Board members, including criteria for determining Director independence; and
- appointing the Board Chair and the Chair and members of each Committee of the Board, in consultation with the relevant Committee of the Board.
- Providing an orientation program for new Directors to the Board and continuing education opportunities for all Directors.
- Assessing annually the effectiveness and contribution of the Board and the Board Chair, of each Committee of the Board and their respective Chairs and of individual Directors.
- Developing written position descriptions for the Board Chair and the Chair of each Committee of the Board.

**C. Chief Executive Officer, Officers and Compensation and Benefits Policies**

- Appointing the Chief Executive Officer and all other Officers of the Corporation.
- Together with the Chief Executive Officer, developing a written position description for the role of the Chief Executive Officer.
- Developing the corporate goals and objectives that the Chief Executive Officer is responsible for meeting and reviewing the performance of the Chief Executive Officer against such corporate goals and objectives.
- Approving the Corporation's compensation policy for Directors.
- Approving the Corporation's compensation and benefits (including pension plans if any) policy or any changes thereto for Officers and approving, by the independent Directors, all forms of compensation for the Chief Executive Officer,
- Satisfying itself as to the integrity of the Chief Executive Officer, other Officers, and senior management personnel and that the Chief Executive Officer, other Officers, and senior management personnel create a culture of integrity throughout the organization.
- Providing stewardship in respect of succession planning, including the appointment, training, and monitoring of the Chief Executive Officer, other Officers, and senior management personnel.

**D. Risk Management, Capital Management, and Internal Controls**

- Identifying and assessing the principal risks of the Corporation's business and ensuring the implementation of appropriate systems to manage and mitigate these risks.
- Ensuring full and complete disclosure of how the board oversees risk.
- Ensuring the integrity of the Corporation's internal control system and management information systems and the safeguarding of the Corporation's assets.
- Reviewing, approving and, as required, overseeing compliance with the Corporation's Disclosure and Confidential Information Policy by Directors, Officers and other management personnel and employees.
- Establishing and overseeing the implementation of the corporate disclosure policy, and reviewing and approving the continuous disclosure documents, such as the financial statements, management proxy circular, annual information form and annual report.
- Reviewing and approving the Code of Business Conduct and Ethics of the Corporation with the purpose of promoting integrity and deterring wrongdoing, and encouraging and promoting a culture of ethical business conduct and as required, overseeing compliance with the Corporation's Code of Business Conduct and Ethics by Directors, Officers and other management personnel and employees.

**E. Financial Reporting, Auditors and Transactions**

- Reviewing and approving, as required, the Corporation's financial statements and related financial information.
- Appointing, subject to approval of shareholders, (including terms and review of engagement) and removing of the shareholders' auditor.
- Delegating (to the extent permitted by law) to the Chief Executive Officer, other Officers, and management personnel appropriate powers to manage the business and affairs of the Corporation.

**F. Legal Requirements and Communication**

- Overseeing the adequacy of the Corporation's processes to ensure compliance by the Corporation with applicable legal and regulatory requirements.

**G. Other**

- Reviewing and approving, as required, the Corporation's other policies and ensuing management systems.

- Reviewing, approving, and as required, overseeing Directors, other Officers and management personnel and employees' compliance with the Corporation's policies and practices.
- Performing any other function as prescribed by law or as not delegated by the Board to one of the Committees of the Board or to management personnel.
- In general, the Board has the responsibility to approve all matters that lie within the powers of directors under the Business Corporations Act (Ontario) and any other applicable law.

## 2. Board Chair

### A. Appointment

The Board shall appoint its Chair from among the Corporation's Directors.

### B. Duties and Responsibilities of the Board Chair

The Board Chair leads the Board in all aspects of its work and is responsible to effectively manage the affairs of the Board and ensure that the Board is properly organized and functions efficiently. The Board Chair also advises the Chief Executive Officer in all matters concerning the interests of the Board and the relationships between management personnel and the Board.

More specifically, the Board Chair shall:

- **Strategy**
  - Provide leadership to enable the Board to act effectively in carrying out its duties and responsibilities as described in the Board charter and as otherwise may be appropriate.
  - Work with the Chief Executive Officer and other Officers to monitor progress on the Business Plan, annual budgets, policy implementation and succession planning.
- **Advisor to the Chief Executive Officer**
  - Provide advice, counsel and mentorship to the Chief Executive Officer and fellow members of the Board.
  - In consultation with the Chief Executive Officer, ensure that there is an effective relationship between management personnel and the members of the Board.
- **Board Structure and Management**

- Chair the Board meetings.
  - In consultation with the Chief Executive Officer, the Chief Financial Officer and the Chairs of the Committees of the Board, as appropriate, determine the frequency, dates and locations of meetings of the Board, of Committees of the Board, and of the shareholders.
  - In consultation with the Chief Executive Officer and the Chief Financial Officer review the meeting agendas to ensure all required business is brought before the Board to enable it to efficiently carry out its duties and responsibilities.
  - Ensure the Board has the opportunity, at each regularly scheduled meeting, to meet separately without non-independent directors and management personnel present.
  - Ensure, in consultation with the Chairs of the Committees of the Board, that all items requiring Board and Committee approval are appropriately tabled.
  - Ensure the proper flow of information to the Board and review, with the Chief Executive Officer and the Chief Financial Officer, the adequacy and timing of materials in support of management personnel's proposals.
  - In conjunction with the relevant Committee of the Board (and its Chair), review and assess the Directors' meeting attendance records and the effectiveness and performance of the Board, its Committees (and their Chairs) and individual Directors.
- **Shareholders**
    - Chair the annual meeting, and any special meeting, of the shareholders.
    - Ensure that all business that is required to be brought before a meeting of shareholders is brought before such meeting.
- **Other**
    - Exercise the authority of the Chief Executive Officer in the unlikely event that the Chief Executive Officer is absent and is unable to act and action on the part of the Chief Executive Officer is urgently required to protect the interests of the Corporation.
    - Carry out special assignments or any functions as requested by the Board.