

ARIZONA SONORAN COPPER COMPANY INC.

GOVERNANCE AND NOMINATING COMMITTEE CHARTER

Adopted by the Board of Directors on June 21, 2021.

1 PURPOSE

The Corporate Governance and Nominating Committee (the "**Committee**") of Arizona Sonoran Copper Company Inc. (the "**Company**") shall assist the Board of Directors of the Company (the "**Board**") in developing, monitoring, and reviewing the Company's corporate governance policies and practices and to annually evaluate the functioning of the Board and its Committees, and when needed, identify qualified individuals to recommend to become members of the Board. The Committee shall assume responsibility for:

1.1 Governance

Developing and recommending to the Board, administering and monitoring compliance with, the corporate governance procedures, charters and policies of the Company, in addition to monitoring significant developments in the law and practice of corporate governance and of the duties and responsibilities of directors of public companies.

1.2 Board Nominations

- 1.2.1 Identifying and assisting the Board in selecting individuals qualified to become Board members and recommending to the Board, director nominees for election at the next annual meeting of shareholders.
- 1.2.2 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 and affairs of the Company remains current.

1.3 Disclosure

Reviewing and approving corporate governance disclosure before the Company publicly discloses this information.

1.4 Annual Evaluation

Annually, the Committee is to conduct an evaluation of the effectiveness of the Board and its Committees.

2 COMPOSITION

2.1 Members

The Committee shall consist of as many members as the Board shall determine, but in any event, not fewer than three (3) members. The Board shall appoint the members of the Committee annually, at the Board's first meeting held following the annual general meeting of shareholders of the Company, to hold office for the ensuing year until their successor is appointed, or until they resign, cease to be a director or are removed or replaced by the Board. The Board may modify the membership of, or fill vacancies in the Committee by appointment from among the members of the Board.

2.2 Qualifications

Each member of the Committee shall be an independent director of the Company within the meaning of National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

2.3 Chair

Unless a Chair is appointed by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

2.4 Removal and Replacement

Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee on ceasing to be a director of the Company. The Board may fill vacancies by appointment from among the Board. If, and whenever, a vacancy shall exist on the Committee, the remaining members may exercise all its powers so long as a quorum remains.

3 MEETINGS AND PROCEDURES

3.1 Meetings

The Chair of the Committee, in consultation with the Committee members, shall determine the schedule and frequency of the Committee meetings, provided that the Committee shall meet at least three (3) times per year.

3.2 Independent Meetings

The Committee members may meet in-camera, independently and with only members of the Committee in attendance, following most meetings of the Committee, or as necessary.

3.3 Quorum

Quorum for the transaction of business at any meeting of the Committee shall be a majority of the number of members of the Committee.

3.4 Notice

Committee meetings shall be held from time to time and at such place as any member of the Committee shall determine with not be less than twenty-four (24) hours advanced notice. The notice period may be waived by all members of the Committee. Any member of the Committee call a meeting.

3.5 Participation

Members may participate in a meeting of the Committee in person or by means of telephone, web conference or other communication equipment. The Committee may invite such other directors, officers and employees of the Company and such other advisors and persons as is considered advisable to attend any meeting of the Committee. For greater certainty, the Committee shall have the right to determine who shall and who shall not be present at any time during a meeting of the Committee.

3.6 Agenda and Minutes

The Chair of the Committee, with the assistance of the Corporate Secretary, shall develop and set the Committee's agenda, in consultation with other members of the Committee, the Board and management. The agenda and information concerning the business to be conducted at each Committee meeting shall be, to the extent practical, communicated to members of the Committee sufficiently in advance of each meeting to permit meaningful review. The Committee will keep minutes of its meetings which shall be available for review by the Board.

3.7 Voting

Any matter to be determined by the Committee shall be decided by a majority of the votes cast at a meeting of the Committee called for such purpose. Any action of the Committee may also be taken by written resolution signed by all of the members of the Committee and any such action shall be as effective as if it had been decided by a majority of the votes cast at a Committee meeting. In case of an equality of votes, the matter will be referred to the Board for decision.

3.8 Report to Board

The Committee shall report regularly to the entire Board. The Chair of the Committee shall report any decisions or significant matters to the Board at a duly called Board meeting.

3.9 Assessment of Charter

The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

4 ROLE AND RESPONSIBILITIES OF THE CHAIR

4.1 The Chair should:

- 4.1.1 provide leadership to the Committee and oversee the functioning of the Committee;

- 4.1.2 chair meetings of the Committee and make periodic reports to the Board as requested on governance and nomination matters relating to the Company;
- 4.1.3 ensure that the Committee meets at least three times per year, and otherwise as is considered advisable;
- 4.1.4 in consultation with the Chair of the Board, the Lead Director of the Board (the "**Lead Director**"), if any, and the members of the Committee, establish dates for holding meetings of the Committee;
- 4.1.5 set the agenda for each meeting of the Committee with input from other members of the Committee, the Chair of the Board, the Lead Director, if any, and any other appropriate individuals;
- 4.1.6 ensure that Committee materials are available to any director upon request;
- 4.1.7 act as a liaison, and maintain communication, with the Chair of the Board, the Lead Director, if any, and the Board to co-ordinate input from the Board and to optimize the effectiveness of the Committee;
- 4.1.8 report annually to the Board on the role, mandate, and effectiveness of the Committee, in respect of contributing to the objectives of the Board and the Company;
- 4.1.9 ensure that the members of the Committee understand and discharge their duties and obligations;
- 4.1.10 foster ethical and responsible decision making by the Committee and its individual members;
- 4.1.11 oversee the structure, composition and membership of, and activities delegated to, the Committee from time to time;
- 4.1.12 ensure appropriate information is requested from the officers of the Company and is provided to the Committee to enable it to function effectively and comply with this mandate;
- 4.1.13 ensure that appropriate resources and expertise are available to the Committee;
- 4.1.14 attend, or arrange for another member of the Committee to attend, each meeting of the shareholders of the Company to respond to any questions from shareholders that may be asked of the Committee;
- 4.1.15 perform such other duties as may be delegated to the Chair by the Committee or the Board from time to time;

- 4.1.16 facilitate effective communication between the members of the Committee and the officers of the Company;
- 4.1.17 ensure that the Committee considers whether any independent counsel or other experts or advisors retained by the Committee are appropriately qualified and independent in accordance with applicable laws; and
- 4.1.18 ensure that Committee materials are available to any director upon request.

5 DUTIES, POWERS AND RESPONSIBILITIES

The Committee is responsible for making all determinations and taking all actions that are reasonably appropriate or necessary to fulfil the purposes of the Committee as outlined in 1 above including:

5.1 Governance

- 5.1.1 Developing and recommending to the Board the corporate governance procedures and policies, code of business conduct and ethics and charters of the Company.
- 5.1.2 Annually, or as frequent as deemed necessary by the Committee, establishing and reviewing with the Board the appropriate skills and characteristics required of Board members.
- 5.1.3 Annually, or as frequent as deemed necessary by the Committee, reviewing with the Board, the current composition of the Board in light of the characteristics of independence, diversity, age, skills, experience and availability of service of its members and of anticipated needs as well as the composition of each committee.
- 5.1.4 Upon a significant change in a director's principal occupation, reviewing, as appropriate and in light of the then current Board policies, the continued Board membership of such director, having regard to, among other things, any actual or potential conflicts of interest.
- 5.1.5 Monitoring and advising the Board periodically with respect to significant developments in the law and practice of corporate governance and making recommendations to the Board on all matters of corporate governance and on any corrective action to be taken, as the Committee may deem appropriate.
- 5.1.6 Establishing criteria and processes for, and leading the Board in an annual performance evaluation of the Board, the Board's committees and of individual directors. The Chair of the Committee shall report to the Board following the annual evaluation process.
- 5.1.7 Monitoring compliance with the Company's corporate governance procedures and policies, Code of Business Conduct and Ethics and

charters, including reviewing with the Corporate Secretary the adequacy and effectiveness of the Company's procedures to ensure proper compliance, and recommending amendments to the procedures, policies, charters and Code of Business Conduct and Ethics to the Board as the Committee may deem appropriate.

- 5.1.8 Considering, or presenting to the Board for consideration, any material transaction of which it is aware involving the Company and any "related party" as that term is defined in applicable corporate and securities laws (each a "**Related Party Transaction**").
- 5.1.9 monitoring any material Related Party Transaction of which it is aware and reporting to the Board on a regular basis regarding the status of any material Related Party Transaction.
- 5.1.10 if considered advisable, establishing guidelines and parameters within which the Company shall be entitled to engage in Related Party Transactions without the specific prior approval of the Committee or the Board.
- 5.1.11 Promoting a culture of integrity throughout the Company.
- 5.1.12 Coordinating with the CEO of the Company to make senior management and staff available to directors for any questions or information requests, and where and when appropriate making all sites and offices at which the Company and its subsidiaries carry on business available for visit and review (with senior management and staff present on request).
- 5.1.13 Taking all other steps appropriate or necessary for the efficient and effective operation of the Board.

5.2 Board Nomination

- 5.2.1 Identifying and recommending to the Board nominees for election or re-election to the Board, or for appointment to fill any vacancy that is anticipated or has arisen on the board.
- 5.2.2 Reviewing candidates for the Board recommended by shareholders.
- 5.2.3 The Chair of the Committee, together with the Chair of the Board, extending invitations to join the Board to the selected candidates.
- 5.2.4 Providing each new director with copies of information regarding, among other things, the Company's governing documents, code of business conduct and ethics, and charters, and making senior staff of the Company available to the new director for an orientation session covering the Company's operations and corporate structure.

5.3 Disclosure

- 5.3.1 Reviewing and approving the Company's annual "Statement of Corporate Governance Practices" for inclusion in the Company's management information circular.

5.4 Risk Management

Establishing and overseeing a process under which the major risks faced by the Company are monitored and mitigated.

The foregoing list of duties is not exhaustive and the Committee may, in addition, perform such other functions as may be necessary or appropriate for the performance of its oversight function.

6 AUTHORITY

6.1 Delegation

The Committee has the power to delegate its authority and duties to a subcommittee or individual members of the Committee, as it deems appropriate, provided that the subcommittee is comprised entirely of "independent" directors.

6.2 Advisors

The Committee has the authority to retain, and determine the fees of, independent legal counsel, executive search and employment consultants and other advisors in its sole discretion that it determines to be necessary to permit it to carry out its duties.