



## INTERNATIONAL BIO RECOVERY CORPORATION

### CHARTER OF THE CORPORATE GOVERNANCE COMMITTEE

#### 1. PURPOSE

The Corporate Governance Committee (the "Committee") is appointed by the Board to assist the Board in Director nomination, and corporate governance matters.

##### 1.1 Nominating and Corporate Governance

The Committee shall:

- (a) assist the Board by identifying individuals qualified to become Board members, consistent with criteria established by the Board;
- (b) recommend that the Board select the director nominees for the next annual meeting of shareholders;
- (c) develop and recommend to the Board a set of corporate governance principles applicable to IBR; and
- (d) overseeing the evaluation of the Board and senior management.

##### 1.2 Other

The Committee shall carry out such other matters as are set out in this Charter or as may otherwise be assigned to the Committee by the Board.

#### 2. COMMITTEE MEMBERSHIP

##### 2.1 Composition of Committee

The Committee shall consist of three members.

##### 2.2 Qualification and Independence of Members

The voting members of the Committee shall be independent Directors for the purposes of all applicable regulatory and stock exchange requirements. A Director is not required to have any specific qualifications in order to serve as a member of the Committee.

##### 2.3 Appointment and Removal of Members of the Committee

The voting members of the Committee shall be appointed and replaced by the Board.

##### 2.4 Committee Chairman

The Board shall elect one member of the Committee as its Chairperson, provided that if the Committee is unable to designate a Chairperson, the Chairperson will be designated by the Board.

### **3. COMMITTEE RULES OF PROCEDURE**

#### **3.1 Committee Meetings**

The Committee shall meet at least semi-annually, or more frequently as circumstances dictate. Special meetings may be convened as the Committee deems necessary or appropriate.

#### **3.2 Quorum**

A majority of the members of the Committee shall constitute a quorum to transact business.

#### **3.3 Procedures for Meetings**

Members of the Committee may participate in a meeting of the Committee by means of telephone conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other. Except in extraordinary circumstances as determined by the chairman of the Committee, notice shall be delivered to all Committee members at least 48 hours in advance of the scheduled meeting. Minutes of each meeting will be kept by the secretary of the meeting and distributed to the entire Board.

The affirmative vote of a majority of the members of the Committee present at the time of such vote will be required to approve any action of the Committee. Subject to the requirements of any applicable law, regulation or rule, any action required or permitted to be taken at a meeting of the Committee may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the members of the committee. Such written consent shall have the same force as a unanimous vote of the Committee.

#### **3.4 Reporting**

The Committee shall report to the Board at the Board's next meeting the proceedings at the meetings of the Committee and all recommendations made by the Committee at such meetings.

### **4. REMUNERATION OF COMMITTEE MEMBERS**

Members of the Committee and the Chair shall receive such remuneration for their service on the Committee as the Board may determine from time to time.

### **5. COMMITTEE AUTHORITY**

#### **5.1 Retaining and Compensating Advisors**

The Committee shall have the sole authority to retain and terminate any firm engaged to assist it in identifying director candidates and to retain outside counsel and any other advisors as the Committee may deem appropriate in its sole discretion. The Committee shall have sole authority to approve related fees and retention terms of any such firm and other advisors.

## 5.2 Subcommittees

The Committee may form and delegate authority to subcommittees if deemed appropriate by the Committee.

## 5.3 Recommendations to the Board

The Committee shall have the authority to make recommendations to the Board, but shall have no decision-making authority other than as specifically contemplated in this Charter.

# **DUTIES AND RESPONSIBILITIES**

## **6. NOMINATION OF NEW DIRECTORS**

### 6.1 Evaluating Competencies and Skills

The Committee shall provide recommendations to the Board with respect to the following matters:

- (a) the competencies and skills the Board, as a whole, should possess;
- (b) the competencies and skills each existing Director possesses and which the Board as a whole therefore possesses; and
- (c) the personality and other qualities of each Director, as these may ultimately determine the boardroom dynamic.

### 6.2 Identifying and Recommending New Nominees

The Committee shall identify the individuals qualified to become new Directors and recommend to the Board new nominees for election by shareholders or for appointment by the Board to fill any vacancy on the Board. In making its recommendations to the Board, the Committee shall consider:

- (a) any selection criteria approved by the Board from time to time, including the competencies and skills that the Board considers to be necessary for the Board, as a whole, to possess;
- (b) the competencies and skills that the Board considers each existing Director to possess; and
- (c) the competencies and skills each new nominee would bring to the boardroom.

### 6.3 Exception

If IBR is legally required by contract or otherwise to provide third parties with the right to nominate Directors, the Committee shall have no responsibility for the selection and nomination of such Directors.

## 7. **GOVERNANCE PRINCIPLES AND DISCLOSURE**

### 7.1 Governance Principles

- (a) The Committee shall develop and recommend to the Board IBR's approach to corporate governance, including a set of governance principles and guidelines (the "Governance Principles").
- (b) **Difference from Recommended Practices.** If any of the Governance Principles are different from those recommended by applicable securities regulators or stock exchanges, the Committee shall advise the Board why it considers these differences to be appropriate.
- (c) **Annual Review of Governance Principles.** The Committee shall review the Governance Principles at least annually and recommend to the Board any changes to the Governance Principles which it considers appropriate.

### 7.2 Governance Disclosure

The Committee shall review and recommend to the Board for approval any disclosure relating to IBR's governance practices.

## 8. **BOARD EFFECTIVENESS**

### 8.1 Size of the Board

The Committee shall, on an annual basis, examine the size and composition of the Board and, if appropriate, recommend to the Board a program to establish a Board comprised of members who facilitate effective decision-making.

### 8.2 Independence

The Committee shall recommend to the Board: structures and procedures to enable the Board to function independently of management, including procedures to permit the Board to meet on a regular basis without management present and oversee the development and implementation of any such structures and procedures approved by the Board.

### 8.3 Committees of the Board

The Committee shall review the Board's committee structure on an annual basis and recommend to the Board any changes it considers necessary or desirable with respect to the committee structure, including:

- (a) the charters of each committee;
- (b) the criteria for membership on any committee;
- (c) the composition of each committee;
- (d) the appointment and removal of members from any committee;
- (e) the operations of each committee, including the ability of any committee to delegate any or all of its responsibilities to a sub-committee of that committee; and
- (f) the process by which each committee reports to the Board.

#### 8.4 Delineating Board and Management Responsibilities

The Committee shall:

- (a) develop and recommend to the Board position descriptions for Directors, including:
  - (i) the chair of each committee of the Board,
  - (ii) the chair of the Board; and
- (b) together with the CEO develop and recommend to the Board a position description for the CEO, including:
  - (i) defining the limits of management's responsibilities; and
  - (ii) overall corporate goals and objectives that the CEO is responsible for meeting, taking into consideration goals and objectives relevant to CEO compensation.

#### 8.5 Succession Planning

The Committee shall make recommendations to the Board with respect to management succession including:

- (a) policies and principles for CEO selection and performance review with respect to potential successors to the CEO; and
- (b) policies regarding succession in the event of an emergency or the retirement of the CEO.

#### 8.6 Special Outside Advisors

The Chair shall consider and, if determined to be appropriate, approve requests from Directors or committees of Directors for the engagement of special outside advisors from time to time (in addition to any right that a Director may have to engage outside advisors under general corporate law).

### 9. **ORIENTATION AND CONTINUING EDUCATION**

#### 9.1 Orientation

The Committee shall develop and recommend to the Board a comprehensive orientation program for new Directors, which shall include assisting new Directors to understand:

- (a) the role of the Board and its committees;
- (b) the contribution individual Directors are expected to make (including the commitment of time and energy that IBR expects from its Directors); and
- (c) the nature and operation of IBR's business.

#### 9.2 Continuing Education

The Committee shall develop and recommend to the Board a continuing education program for all Directors which shall, among other things:

- (a) assist Directors to maintain or enhance their skills and abilities as directors; and
- (b) assist Directors in ensuring that their knowledge and understanding of IBR's business remains current.

## 10. **ASSESSMENT PROCESS**

### 10.1 Board, Committee and Individual Director Assessment

The Committee shall:

- (a) develop and recommend to the Board a process for assessing the performance and effectiveness of the Board as a whole, the committees of the Board and the contributions of individual Directors on an annual basis, such process to consider:
  - (i) the solicitation and receipt of comments from Directors, as appropriate,
  - (ii) the Board's written charter,
  - (iii) the charter of each committee of the Board,
  - (iv) applicable position description(s) for each individual Director and for the chairs of the Board and of each committee of the Board, and
  - (v) the competencies and skills each individual Director is expected to bring to the Board; and
- (b) be responsible for overseeing the execution of the assessment process approved by the Board and management.

## 11. **POLICIES**

### 11.1 Communication Policy

The Committee shall review and recommend that the Board adopt a policy for IBR's communications with shareholders, the investment community, the media, governments and their agencies, employees and the general public. The Committee shall approve and receive regular reports from management with respect to the policy and IBR's compliance with its continuous and timely disclosure obligations thereunder.

## 12. **POLICIES**

### 12.1 Insider Trading Policy

The Committee shall review, approve and receive regular reports from management with respect to IBR's insider trading policy.

### 12.2 Share Ownership Policy

The Committee shall review, approve and receive regular reports from management with respect to IBR's share ownership policy, if any.

**13. ANNUAL PERFORMANCE EVALUATION**

On an annual basis, the Committee shall follow the process established by it and adopted by the Board (referred to in Section 10.1 above) for all committees of the Board for assessing the performance and effectiveness of the Committee.

**14. CHARTER REVIEW**

The Committee shall review and assess the adequacy of this Charter annually and recommend to the Board any changes it deems appropriate.

**15. OTHER**

In addition to the activities described above, they will perform such other functions as may in its opinion be necessary or appropriate under applicable law, the Company's charter and by-laws, and the resolutions and other directives of the Board.

Subject to the Company's articles and all applicable laws, regulations of TSX Venture Exchange rules, the authority vested in the Committee shall be construed in the broadest possible manner.