



## ***ALMONTY INDUSTRIES INC.***

### **NOMINATION, COMPENSATION AND CORPORATE GOVERNANCE COMMITTEE CHARTER**

**May 28, 2021**

#### **Role and Objective**

The Nomination Compensation and Corporate Governance Committee (the “Committee”) is a committee of the Board of Directors (the “Board”) of Almonty Industries Inc. (the “Corporation”) which has been constituted to assist the Board in fulfilling its oversight responsibilities in relation to (i) executive compensation, (ii) management development and succession planning, (iii) board compensation, (iv) broadly applicable compensation and benefit programs, (v) corporate governance principles, (vi) performance reviews of the Board, committees and directors, (vii) nominations to the Board, and (viii) structure and composition of Board committees.

#### **Composition of the Committee**

1. The Committee shall comprise at least 3 directors, a majority of which shall be an “independent” director, as defined from time to time under applicable securities laws and the rules of the Toronto Stock Exchange.
2. Members of the Committee shall be appointed by the Board. Each member shall serve until his or her successor is appointed, unless he or she shall resign or be removed by the Board or he or she shall otherwise cease to be a director of the Corporation. The Board shall fill any vacancy if the membership of the Committee is less than three directors.
3. The Chair of the Committee may be designated by the Board or, if the Board does not do so, the members of the Committee may elect a Chair by a vote of a majority of the full Committee membership. The Chair of the Committee shall be an “independent” director.
4. The Committee shall have access to such officers and employees of the Corporation or any other direct or indirect subsidiary (collectively, the “Subsidiaries”) and to such information respecting the Corporation and the Subsidiaries as it considers necessary or advisable in order to perform its duties and responsibilities.

#### **Meetings of the Committee**

1. The Committee shall meet at least four times annually at such times and at such locations as the Chair of the Committee shall determine provided that one of the meetings shall be scheduled following preparation of the annual financial statements for the purpose of

determining bonuses in respect of the immediately preceding financial year. Any two members of the Committee may also request a meeting of the Committee.

2. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or by other telecommunication device that permits all persons participating in the meeting to hear each other.
3. The Chair shall, in consultation with management, establish the agenda for the meetings and instruct management to ensure that properly prepared agenda materials are circulated to the Committee with sufficient time for study prior to the meeting. The Chair shall also be responsible for presiding over the meetings, making committee assignments and reporting to the Board.
4. Every question at a Committee meeting shall be decided by a majority of the votes cast.
5. Each of the Chief Executive Officer and Chief Financial Officer of the Corporation shall be available to advise the Committee, shall receive notice of all meetings of the Committee and may attend meetings at the invitation of the Chair of the Committee. The Chair of the Committee shall hold in camera sessions of the Committee, without management present, at every meeting.
6. A Committee member, or any other person selected by the Committee, shall be appointed at each meeting to act as Secretary for the purpose of recording the minutes of each meeting.
7. The Committee shall provide the Board with a summary of all meetings together with a copy of the minutes from such meetings. Where minutes have not yet been prepared, the Chair of the Committee shall provide the Board with oral reports on the activities of the Committee. All information reviewed and discussed by the Committee at any meeting shall be retained and made available for examination by the Board upon request to the Chair of the Committee. Minutes of the proceedings of the Committee shall be kept in a minute book provided for that purpose. The minutes of the Committee meetings shall accurately record the discussions of and decisions made by the Committee, including all recommendations to be made by the Committee to the Board and shall be distributed to all Committee members.
8. If a Committee member faces a potential or actual conflict of interest relating to a matter before the Committee, other than matters relating to the compensation of Directors, that member shall be responsible for alerting the Chair of the Committee. If the Chair of the Committee faces a potential or actual conflict of interest, the Chair of the Committee shall advise the Chair of the Board. If the Chair of the Committee, or the Chair of the Board, as the case may be, concurs that a potential or actual conflict of interest exists, the member faced with such conflict shall disclose to the Committee his or her interest and shall not participate in consideration of the matter and shall not vote on the matter. The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board may from time to time determine.

## **Duties and Responsibilities of the Committee**

### *Nomination*

To carry out its oversight responsibilities relating to compensation matters, the Committee shall undertake the following:

1. Review and report to the Board on matters relating to the nomination of directors and appointment of executive officers, and in so doing:
  - (a) develop criteria for selection of directors or appointment of executive officers and procedures to identify possible nominees or candidates, and in doing so, give consideration to:
    - (i) the independence of each nominee;
    - (ii) the experience and background of each nominee;
    - (iii) having a balance of skills for the Board and its committees to meet their respective mandates;
    - (iv) the past performance of directors being considered for re-election;
    - (v) applicable regulatory requirements; and
    - (vi) such other criteria as may be established by the Committee or the Board from time to time.
  - (b) review and assess qualifications of the Board nominees including potential conflicts of interest, including:
    - (i) regularly assessing and identifying the necessary and desirable skills, experience and knowledge for board members and considering the extent those qualities are represented in existing directors;
    - (ii) regularly assessing and determining the time commitment needed from each board member to adequately perform his or her duties;
    - (iii) making suitable inquiries of others (which may include professional executive search and recruitment consultants) for candidates;
    - (iv) interviewing each candidate and conducting background and reference checks; and
    - (v) the diversity among the board members.
  - (c) submit to the Board for consideration and decision, names of the nominees to be brought forward to the next annual meeting of shareholders or to be appointed to fill vacancies between annual meetings; and

- (d) determine if any Board member's or senior executive's qualifications or credentials since appointment have changed, or other circumstances arisen, so as to warrant a recommendation that such member or senior executive resigns.

### *Compensation*

To carry out its oversight responsibilities relating to compensation matters, the Committee shall undertake the following:

1. Review and recommend for approval to the Board the Corporation and the Subsidiaries' key human resources policies.
2. Review and recommend for approval to the Board the compensation and benefits policy and plans (including incentive compensation plans) for the Corporation and the Subsidiaries.
3. Review and recommend to the Board the employment agreements of the executive officers of the Corporation and the Subsidiaries.
4. Together with the Chair of the Board, evaluate annually the performance of the Chief Executive Officer of the Corporation and recommend to the Board his or her annual compensation package and performance objectives.
5. Together with the Chair of the Board, review annually and recommend to the Board the annual compensation packages for the other executive officers of the Corporation and the Subsidiaries.
6. Review annually and recommend to the Board the annual salaries (or percentage change in salaries) for non-executive staff of the Corporation and the Subsidiaries.
7. Review annually and recommend to the Board the adequacy and form of the compensation of directors of the Corporation and be satisfied that the compensation realistically reflects the responsibilities and risk involved in being such a director.
8. Review annually and recommend for approval to the Board the executive compensation disclosure of the Corporation in its information circular, and be satisfied that the overall compensation philosophy and policy for senior officers is adequately disclosed and describes in sufficient detail the rationale for salary levels, incentive payments, share grants, share options, pensions and all other components of executive compensation as prescribed by applicable securities laws.
9. Determine grants of options to purchase shares of the Corporation under the Corporation's stock option plan and recommend same to the Board for approval.
10. Engage, at the expense of the Corporation, any external professional or other advisors which it determines necessary in order to carry out its duties hereunder.
11. Perform any other activities consistent with this Charter as the Committee or the Board deems necessary or appropriate.

*Corporate Governance*

The Committee also has the overall responsibility for reviewing the corporate governance practices and policies of the Corporation and assessing the functioning and effectiveness of the Board, its committees and its individual members. To carry out its oversight responsibilities relating to corporate governance matters, the Committee shall undertake the following:

1. Develop for approval by the Board and review annually the approach of the Corporation to corporate governance matters and make recommendations to the Board which the Committee considers advisable to satisfy itself that the Corporation follows appropriate and proper corporate governance practices.
2. Update periodically the Corporation's Code of Business Conduct and review management's monitoring of compliance with the Code of Business Conduct.
3. Review and recommend for approval to the Board reports and disclosure concerning the Corporation's corporate governance practices and policies as required by applicable securities laws, rules or guidelines, any applicable stock exchange requirements or guidelines and any other applicable regulatory rules.
4. Recommend an individual to serve as Chair of the Board.
5. Make recommendations to the Board as to which directors should be classified as independent directors pursuant to applicable securities laws, rules or guidelines, any applicable stock exchange requirements or guidelines and any other applicable regulatory rules.
6. Assess the directors and officers insurance policy of the Corporation and make recommendations for its renewal or amendment or the replacement of the insurer. Subject to applicable law and the articles and by-laws of the Corporation, administer all policies and practices of the Corporation with respect to the indemnification of directors by the Corporation and for approving all payments made pursuant to such policies and practices.
7. Together with the Chair of the Board, review annually and recommend to the Board management's succession plan including provisions for appointing, training and monitoring senior management and the appropriateness of the current and future organizational structure of the Corporation.
8. Act as a forum for concerns of individual directors in respect of matters that are not readily or easily discussed at a full Board meeting, including the performance of management or the performance of the Board or individual members of the Board. The Chair of the Committee shall be responsible for developing a response to any such concerns.
9. Develop and recommend to the Board for approval, and review annually, structures and procedures designed to ensure that the Board can function independently of management.

10. Consider and, from time to time, make recommendations to the Board as to the appropriate size of the Board.
11. Develop and annually review orientation and education programs for new directors.
12. Together with the Chair of the Board, annually assess the effectiveness of the Board as a whole, the committees of the Board, and the contribution of each individual director and make periodic reports to the Board regarding same.
13. Review annually and recommend for approval to the Board the establishment or abolition of committees of the Board, the size and composition thereof, appointments to each committee and any change to committee charters.
14. Through outside legal counsel, maintain a summary of the duties and liabilities of directors and annually update and provide such summary to directors and management.
15. Assess any shareholder proposals to be included in the management information circular prepared in connection with the annual meeting of shareholders and make appropriate recommendations to the Board.
16. Annually review and monitor the Corporation's Disclosure Policy with a view to determining whether the Corporation is communicating effectively with shareholders, other stakeholders, the investment community and the public generally.
17. Periodically review and approve any material changes to the Corporation's Insider Trading Policy, including mandatory blackout periods during which directors and senior management of the Corporation are prohibited from trading in securities of the Corporation. Periodically review management's systems and practices for ensuring that all directors and all officers of the Corporation who are required to do so file insider reports in connection with any trade of securities of the Corporation or any derivative transaction which results in the effective disposition of the individual's economic interest in a security of the Corporation within the shortest period of time in which such reports are required to be filed.
18. Review, consider and approve the engagement, at the expense the Corporation, of external professional and other advisors to an individual director(s) when so requested by such director(s).
19. Review such other matters of a corporate governance nature as may be directed by the Board from time to time.
20. Engage, or instruct management to engage, on behalf of the Corporation such professional and other advisors as the Committee considers appropriate in performing its obligations hereunder.

Last Update: May 28, 2021

Approved by: Nomination, Compensation and Corporate Governance Committee  
Board of Directors