

## **MANDATE OF THE BOARD OF DIRECTORS**

### **INTRODUCTION**

The directors of Prime Mining Corp. (the “**Company**”) are elected by the Company’s shareholders and are responsible for the stewardship of the business and affairs of the Company. The board of directors (the “**Board**”) seeks to discharge this responsibility by reviewing, discussing and approving the Company’s strategic planning and organizational structure and supervising management to oversee that the long-term operational and financial goals and organizational structure enhance and preserve the business of the Company and the underlying value of the Company.

The Board is also responsible for establishing and maintaining a culture of integrity in the conduct of affairs of the Company. The Board seeks to discharge this responsibility by satisfying itself as to the integrity of the Chair of the Board (the “**Chair**”) and also of the Chief Executive Officer (“**CEO**”) and other senior officers and management, and by overseeing and monitoring management to ensure a culture of integrity is maintained.

### **CORPORATE GOVERNANCE**

The Company believes strongly that good corporate governance is important to the Company’s long-term success and the protection of the interests of our many stakeholders.

The Board has approved a set of corporate governance guidelines to promote the effective functioning of the Board and its committees and to set forth a common set of expectations as to how the Board and the Company should manage its affairs and perform its responsibilities. The Company has also adopted a Code of Business Conduct & Ethics that is applicable to all directors, officers, employees, consultants and contractors of the Company.

Corporate policies have been implemented to address the Board’s and management’s needs in conducting its business activities in an appropriate and effective manner, and to synchronize its governance practices with regulatory requirements.

As noted below, the Company has formalized several committees that assist the Board with its overall responsibilities. Each committee has a charter outlining its main responsibilities. The Nominating and Corporate Governance Committee is responsible for the oversight of the Company’s corporate governance policies and practices under the national instruments of the Canadian Securities Administrators regarding corporate governance practices, including National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

### **DUTIES OF DIRECTORS**

The Board discharges its responsibility for overseeing the management of the Company’s business by delegating to the Company’s senior officers the responsibility for day-to-day management of the Company. The Board discharges its responsibilities both directly and through its standing

committees; namely, the Audit Committee; the Compensation and Human Resources Committee; the Nominating and Corporate Governance Committee; and the Health, Safety, Environment and Social Responsibility Committee. In addition to these regular committees, the Board may appoint ad hoc committees periodically to address issues of a more short-term nature. The Board's primary roles are overseeing corporate performance and providing quality, depth and continuity of management to meet the Company's strategic objectives. Other principal duties include, but are not limited to, the following categories:

### **Appointment of Management**

- (a) The Board is responsible for approving the appointment of the CEO and other senior officers. The Compensation and Human Resources Committee is responsible for approving and recommending to the Board for approval, the compensation of the Board, CEO and the other executive officers within the purview of the Compensation Committee Charter.
- (b) The Board from time-to-time delegates to senior management the authority to enter into transactions, such as financial transactions, subject to specified limits. Investments and other expenditures above the specified limits, and material transactions outside the ordinary course of business are reviewed by and are subject to the prior approval of the Board.
- (c) The Board oversees that succession planning programs are in place, including the appointment and monitoring of senior management. The Board is responsible for approving succession plans for the Chief Executive Officer and other senior officers of the Company.

### **Board Organization**

- (a) The Board is responsible for managing its own affairs including approving its composition and size, the selection of the Chair, candidates nominated for election to the Board, committee appointments and committee mandates.
- (b) The Board may delegate to Board committees matters the Board is responsible for, but the Board retains its oversight function and ultimate responsibility for these matters and all other delegated responsibilities.

### **Composition**

- (a) The Board believes that better corporate governance is promoted when a board of directors is made up of highly qualified individuals: (i) from diverse backgrounds who reflect the changing population demographics of the markets in which the Company operates, (ii) of all genders, and (iii) reflective of the talent available with the required expertise. When considering recommendations for nomination to the Board, the Board shall consider:
  - (i) diversity criteria; and

- (ii) candidates who are highly qualified based on their experience, functional expertise and personal skills and qualities.

In addition to the criteria set out above and elsewhere herein, employees and directors of the Company will be recruited and promoted based upon their ability and contributions.

- (b) The directors shall consist of persons who possess skills and competencies in areas that are:
  - (i) necessary to enable the Board and Board committees to properly discharge their duties and responsibilities; and
  - (ii) relevant to the Company's activities.
- (c) At least 50% of the directors shall be individuals who are "independent" directors in accordance with applicable securities laws and stock exchange policies.
- (d) The Board does not believe it should establish term limits for directors as term limits could result in the loss of Directors who have been able to develop, over a period of time, significant insight into the Company and its operations and an institutional memory that benefits the Board as well as the Company and its shareholders. The Board, on its initiative and on an exceptional basis, may exercise discretion to introduce maximum terms or mandatory retirement where it considers that such a limitation would benefit the Company and its shareholders.
- (e) Subject to the limitations herein, the Nominating and Corporate Governance Committee will annually (and more frequently, if appropriate) recommend candidates to the Board for election or appointment as directors, taking into account the Board's conclusions with respect to the appropriate size and composition of the Board and Board committees, the competencies and skills required to enable the Board and Board committees to properly discharge their responsibilities, and the competencies and skills of the current Board.
- (f) No director should serve on the board of a regulatory body with oversight of the Company. Each director should, when considering membership on another board or committee, make every effort to ensure that such membership will not impair the director's time and availability for his or her commitment to the Company as well as his or her ability to exercise their fiduciary duties as directors.
- (g) Directors should advise the chair of the Nominating and Corporate Governance Committee and the CEO of the Company before accepting membership on other public company boards of directors or any audit committee or other significant committee assignment on any other board of directors, or establishing other significant relationships with businesses, institutions, governmental units or regulatory entities, particularly those that may result in significant time commitments or a change in the director's relationship to the Company.

- (h) Without prior approval of the Nominating and Corporate Governance Committee, the CEO of the Company should not serve on the board of any other public company.
- (i) The Board approves the final choice of candidates.
- (j) Directors are expected to comply with the Company Code of Business Conduct & Ethics.

### **Strategic Planning**

- (a) The Board has oversight responsibility to participate directly, and through its committees, in developing, reviewing and approving the business objectives and goals of the Company.
- (b) The Board is responsible for reviewing the business, financial and strategic plans by which it is proposed that the Company may reach those goals.
- (c) The Board is responsible for providing input to management on emerging trends and issues and on strategic plans, objectives and goals that management develops.
- (d) The Board will consider alternate strategies in response to possible change of control transactions or take-over bids with a view of maximizing value for shareholders.

### **Monitoring of Financial Performance and Other Financial Reporting Matters**

- (a) The Board is responsible for enhancing congruence between shareholder expectations, corporate objectives and management performance.
- (b) The Board is responsible for:
  - (i) monitoring the Company's progress toward its strategic and operational goals, and to revise its direction to management in light of changing circumstances affecting the Company; and
  - (ii) taking action when the Company's performance falls short of its goals, or when other special circumstances warrant.
- (c) The Board is responsible for reviewing and approving the annual consolidated audited financial statements and notes, management's discussion and analysis accompanying such financial statements, as well as the Company's management information circular and annual information form.
- (d) The Board is responsible for reviewing and approving material transactions outside the ordinary course of business and those matters which the Board is required to approve under the Company's governing statute, including the payment of dividends, the issuance, purchase and redemption of securities, acquisitions and dispositions of material assets and material expenditures.

## **Risk Management**

The Board is responsible for the identification of the principal risks of the Company's business and ensuring the implementation of appropriate systems to effectively monitor and manage those risks with a view to the long-term viability of the Company and achieving a proper balance between the risks incurred and the potential return to the Company's shareholders.

## **Environmental Oversight**

The Board is responsible for ensuring the implementation of appropriate environmental stewardship and health and safety management systems, which are sufficient within the terms and practices of the mining industry, to ensure compliance with applicable laws.

## **Policies and Procedures**

- (a) The Board is responsible for:
  - (i) approving and monitoring compliance with all significant policies and procedures under which the Company is operated; and
  - (ii) approving policies and procedures designed to ensure that the Company operates at all times within applicable laws and regulations and in accordance with ethical and moral standards.
- (b) The Board shall enforce its policy respecting confidential treatment of the Company's proprietary information and the confidentiality of Board deliberations.
- (c) The Board has adopted a Disclosure Policy to address communications to the public.

## **Communications and Reporting**

- (a) The Board will review from time to time as circumstances warrant the Company's corporate disclosure procedures to address communications with shareholders, employees, financial analysts, governments and regulatory authorities, the media and the communities in which the business of the Company is conducted.
- (b) The Board is responsible for:
  - (i) overseeing the accurate reporting of the financial performance of the Company to shareholders, other security holders and regulators on a timely and regular basis;
  - (ii) overseeing that the financial results are reported fairly and in accordance with governing accounting standards and related legal disclosure requirements;
  - (iii) taking steps to enhance the timely disclosure of any other developments that have a significant and material impact on the Company;

- (iv) reporting annually to shareholders on its stewardship for the preceding year; and
- (v) overseeing the Company's implementation of systems to accommodate feedback from shareholders.

### **Expectations of Directors**

Expectations of the directors include, but are not limited to:

- (a) maintaining a high attendance record at meetings of the Board and the committees of which they are members. Attendance by telephone or video conference may be used to facilitate a director's attendance;
- (b) reviewing the materials circulated in advance of meetings of the Board and its committees and being prepared to discuss the issues presented. Directors are encouraged to contact the Chair, the CEO and any other appropriate executive officer(s) to ask questions and discuss agenda items prior to meetings;
- (c) being sufficiently knowledgeable of the business of the Company, including its financial statements, and the risks it faces, ensuring active and effective participation in the deliberations of the Board and of each committee on which he or she serve;
- (d) freely contacting the CEO at any time to discuss any aspect of the Company's business. Directors should use their judgement to ensure that any such contact is not disruptive to the operations of the Company. The Board expects that there will be frequent opportunities for directors to meet with the CEO in meetings of the Board and committees, or in other formal or informal settings; and
- (e) Maintaining the confidentiality of the proceedings and deliberations of the Board and its committees. Each director will maintain the confidentiality of information received in connection with his or her service as a director.

### **ADOPTION**

This Mandate was adopted by the Board on March 05, 2025.