



HYDROGRAPH

Charter of the Board of Directors

(the “**Charter**”)

1. Purpose and Goal of the Board.

The board of directors (the “**Board**”) of HydroGraph Clean Power Inc. (the “**Company**”) directly, and through its committees, oversees the management of, and provides stewardship over, the Company’s affairs. The Board’s primary goal is to act in the best interests of the Company to enhance long-term shareholder value while considering the interests of the Company’s various stakeholders, including shareholders, employees, customers, suppliers and the community. The Board is obligated to act honestly and in good faith with a view to the best interests of the Company. The Board is also committed to the principles of good corporate governance and practices set out in National Policy 58-201 – *Corporate Governance Guidelines* (“**NP 58-201**”).

2. Authority.

2.1 The organization of the Board and its authority are subject to any restrictions, limitations or requirements set out in the Company’s constating documents, including its notice of articles and articles, as well as any restrictions and limitations or requirements set out under applicable laws, including the *Business Corporations Act* (British Columbia) (the “**Act**”), Canadian securities laws as well as the standards, policies and guidelines of the stock exchange(s) on which the Company’s securities are listed (collectively, the “**Applicable Law**”).

2.2 The Board retains authority over the administration of its own affairs, including:

- (a) selecting the Chair of the Board;
- (b) forming Board committees (each a “**Committee**”, and collectively, the “**Committees**”);
- (c) delegating powers to Committees subject to Applicable Law; and
- (d) developing position descriptions for the Chair of the Board, Chief Executive Officer (CEO) and the chair of each Committee.



2.3 The Board will develop and maintain the Company's corporate governance approach, including developing a set of corporate governance principles specific to the Company (the "**Governance Principles**") to guide the Board, its Committees, the Company's officers, management and employees in completing their duties, responsibilities and obligations in relation to the Company. The Governance Principles will comply with the Act and include the best practices contained in NP 58-201 and any other practices approved by the Board.

2.4 The Board is responsible for approving the Company's significant operating policies and procedures, including reviewing and approving material changes to existing policies. The Board is also responsible for monitoring Company compliance, including Board compliance with these policies.

3. Organization.

3.1 The Company's shareholders elect directors annually to the Company's Board. Elections are conducted in accordance with the Act and the Company's constating documents, including its notice of articles and articles. The number of directors comprising the Board is determined from time to time by the Company's shareholders or by the Board itself, if permitted.

3.2 The Board will comprise of a sufficient number of independent directors as may be required by Applicable Law. The Board shall establish and maintain procedures and policies to ascertain director independence and address conflict of interest issues.

4. Committees.

4.1 In accordance with Section 2.2(c) and Section 2.2(d), the Board will establish and delegate some of its responsibilities and powers, permitted under Applicable Law, to its Committees. At a minimum, the Board will establish an Audit Committee, Compensation and Nomination Committee and a Corporate Governance Committee. The Board may form other Committees at its discretion.

4.2 Every Committee must be comprised of a majority of independent directors.

4.3 Every Committee must create and maintain a Committee charter outlining its responsibilities, including those responsibilities set out in NP 58-201, to be approved by the Board.

4.4 Every Committee charter must be disclosed in accordance with NI 58-101.

5. Position Descriptions.

5.1 The Board will develop clear position descriptions for the Chair of the Board and the Chair of each Committee.

5.2 The Board will develop a clear position description for the CEO (including delineating management responsibilities) and will develop or approve the corporate goals and objectives that the CEO is responsible for meeting.

6. Risk Management.

6.1 The Board is responsible for the identification of the principal risks of the Company's business and ensuring the implementation of appropriate systems to manage these risks. The Board's responsibility to oversee risk management includes receiving reports from management on the status of risk management activities, reviewing reports on spending in relation to approved budgets and overseeing the financial reporting process of the Company. The Board should review the effectiveness of the Company's system of internal controls, at minimum, on an annual basis.

6.2 To ensure clear delineation of roles and responsibilities, the Board will develop management authority guidelines to distinguish between areas of Board authority, including Committee authority, and those delegated to the CEO and other management personnel. These guidelines must set out matters that must be presented to the Board for review such as, without limitation, any significant acquisitions and capital expenditures, major contracts and marketing initiatives, and significant finance-related issues.

6.3 The Board will approve the Company's annual budget and will receive reports from management in respect of the Company's actual results and a comparison of the actual results to the Company's annual budget.

7. Strategic Planning.

7.1 The Board is responsible for adopting the Company's strategic planning process (the "**Planning Process**"). Using the Planning Process, the Board will participate with management in creating the Company's strategic plan (the "**Plan**"). The Board must approve the Plan before its implementation. The Board will not approve the Plan if the Plan does not:

- (a) recognize, and capitalize or mitigate (as applicable) the opportunities and risks of the Company's business; or
- (b) does not describe how the Company will implement the Plan to achieve the Company's long-term goals.

7.2 The Board will seek regular status reports from the Company's management in relation to the Company's performance, as compared to the Plan.

8. Code of Business Conduct and Ethics.

8.1 The Board must adopt a written Code of Ethics and Business Conduct (the "**Code**") as part of its efforts to promote a culture of integrity and honesty throughout the Company. The Code will apply to the Board itself and the Company's management and employees.

8.2 Only the Board may grant any waivers to the Code. If the Board grants a waiver to the Code, the Board will determine if disclosure of the waiver is necessary in accordance with Applicable Law. Contents of such disclosure will be in compliance with NP 58-201 and NI 58-101.

8.3 On occasion, the Board must review and analyze the conduct of the CEO and senior management to satisfy itself that these individuals are complying with the Code and are creating a culture of integrity throughout the Company.

9. Management Oversight.

9.1 The Board will oversee Company's management, including:

- (a) appointing, training and monitoring the CEO and other senior management;
- (b) developing the CEO's position description in accordance with Section 5.2;
- (c) developing or approving the corporate goals and objectives of the CEO and of other senior management;
- (d) determining the compensation of the CEO and of other senior management; and
- (e) assessing the performance of the CEO and other senior management, taking into consideration:
 - (i) such person's position description;
 - (ii) such person's goals and objectives;
 - (iii) the Governance Principles, including the individual's adherence to the Governance Principles;
 - (iv) the efforts made by such person to promote a culture of integrity at the Company; and
 - (v) the Plan.

9.2 All management incentive plans tied to the Company's performance must first be approved by the Board.

10. Communications and Disclosure.

10.1 The Board will oversee the development and adoption of a disclosure policy to promote consistent disclosure practices by the Company in connection with the disclosure of material information about the Company and the Company's communications with external parties, including shareholders, the media and members of the investment community.

10.2 Representatives from the Board will be present at all shareholders' meetings to respond to shareholder questions relating to the Board's activities, duties and obligations.

10.3 The Board will appoint an independent, non-executive director to be available to shareholders with concerns should shareholder communications with the Board Chair, the CEO or other executive officers fail to resolve the issue or such contact is inappropriate.

10.4 The Board will ensure the Company's financial performance is reported to shareholders, other security holders and regulators on a timely and regular basis in accordance with Applicable Law, and that reasonable steps are taken to ensure timely reporting of events, in accordance with Applicable Law, having a significant and material impact on the Company.

11. Whistleblower Policy.

The Board will establish a whistleblower policy for the Company allowing Company employees, officers, directors and other stakeholders, including the public, to raise, anonymously or not, questions, complaints or concerns about the Company's practices, including fraud, policy violations, any illegal or unethical conduct, and any Company accounting, auditing or internal control matters. The Board will ensure that any questions, complaints or concerns are adequately received, reviewed, investigated, documented and resolved.

12. Meetings.

12.1 Meetings of the Board will be called, scheduled and held in accordance with the Company's constating documents, including its notice of articles and articles, as well as under Applicable Law.

12.2 Quorum for a Board meeting will be a majority of the directors. All directors are expected to attend and be prepared to participate, including reviewing all meeting materials before every Board meeting.

12.3 The Chair of the Board will seek input from the directors and Company's management, when setting each Board meeting's agenda.

12.4 Any written material to be provided to directors for a Board meeting must be distributed in advance of the meeting to give directors time to review and understand the information. All material provided to directors will be relevant and concise.

12.5 The CEO, chief financial officer of the Company ("**CFO**") and any other member of senior management may, if invited by the Chair of the Board, attend, give presentations relating to their responsibilities and otherwise participate at Board meetings.

12.6 The Company's secretary, or if there is no Company secretary, any Board member attendee nominated by the Chair of the Board, will be the secretary of the meeting.



12.7 The Company secretary will circulate minutes of all Board meetings to the Board and will ensure that all minutes of meetings, or written resolutions in lieu of a meeting, are filed in the Company's minute book.

12.8 The independent directors will meet separately after every regularly scheduled Board meeting without non-independent members, and members of management in attendance. The independent directors may also hold other meetings at such times and with such frequency as the independent directors consider necessary.

13. Director Education and Training.

The Board will provide newly elected directors with an orientation program to educate them on the Company, their roles and responsibilities on the Board or Committees, as well as the Company's internal controls, financial reporting and accounting practices. In addition, directors will, from time to time, as required, receive:

- (a) training to increase their skills and abilities, as it relates to their duties and their responsibilities on the Board; and
- (b) continuing education about the Company to maintain a current understanding of the Company's business, including its operations, internal controls, financial reporting and accounting practices.

14. Assessments.

14.1 The Board, the Committees and each director will perform an annual self-assessment on its, his or her contribution and effectiveness. The Board and any Committee will consider its charter, and any director will consider his or her position description, when performing a self-assessment.

14.2 The Board will assess, on at least an annual basis, any policy, procedure, guideline or standard, including this Charter, created by the Board to manage or fulfill its roles, duties and responsibilities, to ensure that they remain current and relevant. The Board will ensure that each Committee shall perform the same assessment in relation to any Committee policy, procedure, guideline or standard.

15. Access to Management and Outside Advisors.

15.1 To fulfill its roles, duties and responsibilities effectively, the Board may contact and have discussions with the Company's external auditors and the Company's officers and employees and request Company information and documentation from these persons.

15.2 The Board may, in its sole discretion, retain and obtain the advice and assistance of independent outside counsel and such other advisors as it deems necessary to fulfill its duties and responsibilities under this Charter. The Board may set the compensation and oversee the work of any outside counsel and other advisors to be paid by the Company.



16. No Rights Created.

This Charter is a broad policy statement and is intended to be part of the Board's flexible governance framework. While this Charter should comply with all Applicable Law and the Company's constating documents, including notice of articles and articles, this Charter does not create any legally binding obligations on the Board, any Committee, any director or the Company.

