



**SOMBRERO RESOURCES INC.
CHARTER OF THE NOMINATION AND GOVERNANCE COMMITTEE**

(effective January 7, 2021)

1. PURPOSE

1.1 The main purpose of the Nominating and Governance Committee (the “**Committee**”) is to provide a focus on governance that will enhance the corporate performance of Sombrero Resources Inc. (the “**Company**”) to assess and make recommendations regarding effectiveness of the Board of Directors (the “**Board**”) and to establish and lead the process for identifying, recruiting, appointing, re-appointing and providing ongoing development for directors.

2. COMPOSITION AND OPERATIONS

2.1 The Committee shall be composed of not fewer than three directors and not more than five directors, as determined by the Board, all of whom shall be independent as defined in section 1.4 of National Instrument 52-110 – Audit Committees.

2.2 Members of the Committee shall be appointed by the Board. The Board may remove members of the Committee at any time with or without cause.

2.3 The Board shall appoint the Chair of the Committee.

2.4 The Committee shall meet at least one time per year.

2.5 The Committee shall operate under the guidelines applicable to all Board committees.

3. DUTIES AND RESPONSIBILITIES

3.1 Subject to the powers and duties of the Board, the Committee will:

(a) Annually review the Board’s relationship with management to ensure the Board is able to, and in fact does, function independently of management;

(b) Develop, and annually update and recommend to the Board for approval, a long term plan for Board composition that takes into consideration:

(i) the independence of each director;

(ii) the competencies and skills the Board, as a whole, should possess;

(iii) the current strengths, skills and experience represented by each director, as well as each director’s personality and other qualities as they affect Board dynamics;

- (iv) retirement dates;
 - (v) the appropriate size of the Board, with a view to facilitating effective decision-making;
 - (vi) the strategic direction of the Company; and
 - (vii) gender and diversity
- (c) Develop recommendations regarding the essential and desired experiences and skills for potential directors, taking into consideration the Board's short-term needs and long-term succession plans;
- (d) Develop and implement a process to handle any nominees for director who are recommended by security holders;
- (e) In conjunction with the Board Chair, recommend to the Board nominees for election to the Board, considering what competencies and skills each nominee will bring to the Board as well as whether or not each new nominee can devote sufficient time and resources to his or her duties as a Board member;
- (f) Review periodically, for Board approval, a Board Manual outlining the policies and procedures by which the Board will operate and the mandates of the Board, the Board Chair and committees of the Board;
- (g) In conjunction with the Board Chair assess the needs of the Board in terms of the frequency and location of Board and committee meetings, meeting agendas, discussion papers, reports and information, and the conduct of meetings and make recommendations to the Board as required;
- (h) In conjunction with the Board Chair, recommend committee members and committee chair appointments to the Board for approval and review the need for, and the performance and suitability of, those committees and make recommendations as required;
- (i) Review, monitor and make recommendations to the Board regarding the orientation and education of directors;
- (j) Consult with the Compensation Committee from time to time to assist it in its annual review of the directors' compensation program;
- (k) Review the Board's needs for formal Board, committee and individual director evaluation processes; and develop and implement appropriate processes;
- (l) With regard to the Company's Code of Business Conduct and Ethics (the "**Code**"):
 - (i) review and update periodically the Code and ensure that management has established a system to enforce the Code;
 - (ii) review actions taken to ensure compliance with the Code and the results of confirmations and violations of such Code;

- (iii) ensure the Code, any revisions to the Code and any waivers to the Code granted by the Board are disclosed in a manner that meets regulatory guidelines;
- (iv) ensure that any departures from the Code by a director or senior officer that constitute a “material change” within the meaning of National Instrument 51-102 Continuous Disclosure Obligations, are reported in a manner that fully meets regulatory requirements;
- (m) Annually compare the Company’s corporate governance practices against those recommended or required by any applicable regulator or stock exchange and ensure the Company meets all such requirements and where the Company’s practices differ from recommended practices, make such recommendations to the Board as necessary to make the Company’s corporate governance practices conform with applicable requirements;
- (n) Develop for Board approval any annual and/or interim reports of the Company’s governance practices. This report shall include adequate detail to meet or exceed any regulatory or legal governance disclosure requirements, in addition to any additional disclosure the Board deems important. Disclosure should include, but not be limited to the items in the governance disclosure checklist in the appendix to this Charter. The Committee shall communicate with other Board committees as necessary regarding disclosure of items under their respective mandates;
- (o) Implement and oversee measures for security holders to contact the independent directors, and ensure these measures are communicated to shareholders;
- (p) Recommend to the Board any reports on corporate governance that may be required or considered advisable;
- (q) At the request of the Board, undertake such other corporate governance initiatives as may be necessary or desirable to contribute to the success of the Company; and
- (r) On at least an annual basis, review interlocking Board and multiple Board memberships of directors, specifically taking into account the demands on a Director’s time and the potential for actual or perceived conflicts and in that context reviewing the size, focus and geographic areas of interest of other companies upon whose Board a Director sits;
- (s) Review and recommend provisions for share ownership guidelines for Directors.

4. ACCOUNTABILITY

4.1 The Committee Chair has the responsibility to make periodic reports to the Board, as requested, on governance matters relative to the Company.

4.2 The Committee shall report its discussions to the Board by maintaining minutes of its meetings and providing an oral report at the next Board meeting.

SOMBRERO RESOURCES INC.

NOMINATION AND GOVERNANCE COMMITTEE CHECKLIST

Members of the Nomination & Governance Committee: Gord Fretwell (Chair), Jeffrey Mason, Steve Cook

	Duties and Responsibilities	Frequency	Completed
1	the Committee shall meet at least one time per year	Annually	
2	Annually review the Board's relationship with management to ensure the Board is able to, and in fact does, function independently of management		
3	develop, and annually update and recommend to the Board for approval, a long term plan for Board composition that takes into consideration: <ul style="list-style-type: none"> (i) the independence of each director; (ii) the competencies and skills the Board, as a whole, should possess; (iii) the current strengths, skills and experience represented by each director, as well as each director's personality and other qualities as they affect Board dynamics; (iv) retirement dates; (v) the appropriate size of the Board, with a view to facilitating effective decision-making; and (vi) the strategic direction of the Company (vii) gender and diversity 		
4	develop recommendations regarding the essential and desired experiences and skills for potential directors, taking into consideration the Board's short-term needs and long-term succession plans		
5	develop and implement a process to handle any nominees for director who are recommended by security holders		
6	review, monitor and make recommendations to the Board regarding the orientation and education of directors		
7	review the Board's needs for formal Board, committee and individual director evaluation processes; and develop and implement appropriate processes		

8	<p>with regard to the Company’s Code of Business Conduct and Ethics (the “Code”):</p> <ul style="list-style-type: none"> (i) review and update periodically the Code and ensure that management has established a system to enforce the Code; (ii) review actions taken to ensure compliance with the Code and the results of confirmations and violations of such Code; (iii) ensure the Code, any revisions to the Code and any waivers to the Code granted by the Board are disclosed in a manner that meets regulatory guidelines; (iv) ensure that any departures from the Code by a director or senior officer that constitute a “material change” within the meaning of National Instrument 51-102 Continuous Disclosure Obligations, are reported in a manner that fully meets regulatory requirements 	Annually	
9	<p>annually compare the Company’s corporate governance practices against those recommended or required by any applicable regulator or stock exchange and ensure the Company meets all such requirements and where the Company’s practices differ from recommended practices, make such recommendations to the Board as necessary to make the Company’s corporate governance practices conform with applicable requirements</p>		
10	<p>implement and oversee measures for security holders to contact the independent directors, and ensure these measures are communicated to shareholders</p>		
11	<p>on at least an annual basis, review interlocking Board and multiple Board memberships of directors, specifically taking into account the demands on a Director’s time and the potential for actual or perceived conflicts and in that context reviewing the size, focus and geographic areas of interest of other companies upon whose Board a Director sits</p>		
12	<p>review and recommend provisions for share ownership guidelines for Directors</p>		

	Duties and Responsibilities	Frequency	Completed
1	in conjunction with the Board Chair, recommend to the Board nominees for election to the Board, considering what competencies and skills each nominee will bring to the Board as well as whether or not each new nominee can devote sufficient time and resources to his or her duties as a Board member	As Needed	
2	review periodically, for Board approval, a Board Manual outlining the policies and procedures by which the Board will operate and the mandates of the Board, the Board Chair and committees of the Board		
3	in conjunction with the Board Chair assess the needs of the Board in terms of the frequency and location of Board and committee meetings, meeting agendas, discussion papers, reports and information, and the conduct of meetings and make recommendations to the Board as required		
4	in conjunction with the Board Chair, recommend committee members and committee chair appointments to the Board for approval and review the need for, and the performance and suitability of, those committees and make recommendations as required		
5	consult with the Compensation Committee from time to time to assist it in its annual review of the directors' compensation program		
6	develop for Board approval any annual and/or interim reports of the Company's governance practices. This report shall include adequate detail to meet or exceed any regulatory or legal governance disclosure requirements, in addition to any additional disclosure the Board deems important. Disclosure should include, but not be limited to the items in the governance disclosure checklist in the appendix to this Charter. The Committee shall communicate with other Board committees as necessary regarding disclosure of items under their respective mandates		
7	recommend to the Board any reports on corporate governance that may be required or considered advisable		
8	at the request of the Board, undertake such other corporate governance initiatives as may be necessary or desirable to contribute to the success of the Company		