



## **CORPORATE GOVERNANCE COMMITTEE TERMS OF REFERENCE**

### **Statement of Purpose**

The Corporate Governance Committee shall be responsible for reviewing and making recommendations to the board of directors with respect to all matters pertaining to LeadFX Inc.'s (the "Corporation") corporate governance practices, including the composition of the board and committees and the development of appropriate systems and procedures to enable the board to exercise and discharge its responsibilities in accordance with sound corporate governance.

### **Membership**

The Committee shall be appointed annually by the board of directors and consist of at least three directors, none of whom shall be officers or employees of the Corporation or any of its affiliates (other than the chairman of the Corporation). A member may be removed at any time by the board of directors and shall cease to be a member upon ceasing to be a director of the Corporation. Vacancies may be filled by the board of directors or the Committee for the remainder of the departing member's term of appointment.

### **Meeting and Procedure**

The Committee shall meet at least 2 times per year. Unless otherwise ordered by the board of directors, the Committee shall have the power to fix its quorum at not less than a majority of its members and to regulate the proceedings, including as to the calling of meetings. The Committee shall not transact business except at a meeting at which a quorum is present or by a resolution in writing signed by all of the members of the Committee.

Unless otherwise ordered by the board of directors, the Committee shall have the power to elect its own chairman.

The Committee shall appoint a secretary who shall keep minutes of all Committee meetings.

The Committee will have access to independent consultants and advisors and officers and employees of the Corporation and the management services companies, as well as to such information and records respecting the Corporation, as it considers necessary in order to perform its duties and responsibilities.

### **Duties and Responsibilities**

The Committee shall:

1. Review and recommend suitable candidates for election or appointment to the board of directors from time to time;
2. Review and assess the independence of board and committee members pursuant to applicable securities laws requirements;
3. Review and recommend appropriate changes, if needed, from time to time in the Corporation's approach to corporate governance matters, including to:
  - management services agreements entered into by the Corporation;
  - size of the board and committees;
  - membership of board and committees;



- skill sets of board and committee members;
  - procedures for board and committee meetings, including the role of senior management in board and committee meetings; and
  - such other matters as may be referred to the Committee by the board of directors;
4. Review and approve the Statement of Corporate Governance in the Corporation's annual management information circular and such other disclosure on corporate governance contained in the Corporation's continuous disclosure documents as required by the Toronto Stock Exchange or any other securities regulatory authority;
  5. Consider or establish a plan of succession for the Corporation and its subsidiaries; and
  6. Periodically review and recommend amendments to the Corporation's policies, including the Disclosure Policy, Code of Business Conduct and Ethics, Whistleblower Policy, Insider Trading and Blackout Policy, Statement of Expectations of Directors and such other policies as the Corporation may adopt from time to time.

### **Reporting and Accountability**

The Committee shall report to the board of directors at its next regular meeting all action it has taken since its previous report to the board, and shall make any recommendations to the board arising as a result of such action.

The Committee shall review this Terms of Reference annually and propose any necessary changes to the board of directors.

*Approved by the Board of Directors on May 9, 2013*