

**LEGEND POWER SYSTEMS INC .**  
(the “Corporation”)

**BOARD MANDATE AND CORPORATE GOVERNANCE POLICY**

**1. PHILOSOPHY**

1.1 The Corporation has been committed to good corporate governance since its formation in 2015. The Board of Directors (the “Board”) maintains open and direct communications with management on all the major strategic, investment, operating, and management decisions. The Corporation is best served by an informed and interactive Board which has free access to all levels of management and to all of its operations. Through Board meetings, Board agendas and background briefing materials, quarterly operating and financial reports, and frequent informal conversations, management shares information with the Board regarding outstanding issues. The cumulative experience and expertise of the Corporation’s directors enables the Board to bring sound business judgment to its decision making process. The independence of the Corporation’s directors has been fostered in order to bring an outside perspective to its deliberations.

**2. COMPOSITION AND BOARD ORGANIZATION**

2.1 Nominees for directors are initially considered and recommended by the Board’s Nominating, Compensation and Governance Committee (the “NCG Committee”) in conjunction with the Chair of the Board, approved by the entire Board and elected annually by the shareholders.

2.2 A majority of directors comprising the Board must qualify as independent directors (as defined in National Instrument 58-201 Disclosure of Corporate Governance Practices).

2.3 Certain of the Board’s responsibilities may be delegated to Board committees. The responsibilities of those committees will be as set forth in their charters.

**3. RESPONSIBILITIES**

3.1 Managing the Affairs of the Board

The Board operates by delegating certain of its authorities, including spending authorizations, to management and by reserving certain powers to itself. The legal obligations of the Board are described in Section 4. Subject to these legal obligations and to the Articles of the Corporation, the Board retains the responsibility for managing its own affairs, including:

- (a) annually reviewing the skills and experience represented on the Board in light of the Corporation’s strategic direction and approving a Board composition plan recommended by the NCG Committee;
- (b) appointing, determining the composition of and setting the terms of reference for, Board committees;
- (c) determining and implementing an appropriate process for assessing the effectiveness of the Board, the Board Chair, committees and directors in fulfilling their responsibilities;
- (d) assessing the adequacy and form of director compensation;

- (e) assuming responsibility for the Corporation's governance practices;
- (f) establishing new director orientation and ongoing director education processes;
- (g) ensuring that the independent directors meet regularly without executive directors and management present;
- (h) setting the terms of reference for the Board; and
- (i) appointing the secretary to the Board.

### 3.2 Human Resources

The Board has the responsibility to:

- (a) provide advice and counsel to the Chief Executive Officer in the execution of the Chief Executive Officer's duties;
- (b) appoint the Chief Executive Officer and plan Chief Executive Officer succession;
- (c) set terms of reference for the Chief Executive Officer;
- (d) periodically and from time to time approve corporate goals and objectives that the Chief Executive Officer is responsible for meeting;
- (e) monitor and discuss from time to time the Chief Executive Officer's performance against agreed upon goals and objectives;
- (f) to the extent feasible, satisfy itself as to the integrity of the Chief Executive Officer and other senior officers, and that the Chief Executive Officer and other senior officers create a culture of integrity throughout the Corporation;
- (g) set the Chief Executive Officer's compensation;
- (h) approve the Chief Executive Officer's acceptance of significant public service commitments or outside directorships;
- (i) approve decisions relating to senior management, including:
  - (A) review senior management structure including such duties and responsibilities to be assigned to officers of the Corporation;
  - (B) on the recommendation of the Chief Executive Officer, appoint and discharge the officers of the Corporation who report to the Chief Executive Officer;
  - (C) review compensation plans for senior management including salary, incentive, benefit and pension plans; and
  - (D) employment contracts, termination and other special arrangements with executive officers, or other employee groups.

- (E) approve certain matters relating to all employees, including:
  - (1) the Corporation's broad compensation strategy and philosophy;
  - (2) new benefit programs or material changes to existing programs;  
and
- (F) ensure succession planning programs are in place, including programs to train and develop management.

### 3.3 Strategy and Plans

The Board has the responsibility to:

- (a) adopt and periodically review a strategic planning process for the Corporation;
- (b) participate with management, in the development of, and approve a strategic plan for the Corporation that takes into consideration, among other things, the risks and opportunities of the business;
- (c) approve annual capital and operating budgets that support the Corporation's ability to meet its strategic objectives;
- (d) direct management to develop, implement and maintain a reporting system that accurately measures the Corporation's performance against its business plans;
- (e) approve the entering into, or withdrawing from, lines of business that are, or are likely to be, material to the Corporation; and
- (f) approve material divestitures and acquisitions.

### 3.4 Financial and Corporate Issues

The Board has the responsibility to:

- (a) take reasonable steps to ensure the implementation and integrity of the Corporation's internal control and management information systems;
- (b) review and approve release by management of any materials reporting on the Corporation's financial performance or providing guidance on future results to its shareholders and ensure the disclosure accurately and fairly reflects the state of affairs of the Corporation, and is in accordance with generally accepted accounting principles, including annual and quarterly financial statements, any guidance provided by the Corporation on future results, Corporation information circulars, annual information forms, annual reports, offering memorandums and prospectuses;
- (c) declare dividends;
- (d) approve financings, issue and repurchase of shares, issue of debt securities, listing of shares and other securities, issue of commercial paper, and related prospectuses; and recommend changes in authorized share capital to shareholders for their approval;

- (e) approve the incurring of any material debt by the Corporation outside the ordinary course of business;
- (f) approve the commencement or settlement of litigation that may have a material impact on the Corporation; and
- (g) recommend the appointment of external auditors and approve auditors' fees.

### 3.5 Business and Risk Management

The Board has the responsibility to:

- (a) ensure management identifies the principal risks of the Corporation's business and implements appropriate systems to manage these risks; and
- (b) evaluate and assess information provided by management and others about the effectiveness of risk management systems.

### 3.6 Policies and Procedures

The Board has the responsibility to:

- (a) approve and monitor, through management, compliance with all significant policies and procedures that govern the Corporation's operations;
- (b) approve and act as the guardian of the Corporation's corporate values; and
- (c) direct management to ensure the Corporation operates at all times within applicable laws and regulations and to the highest ethical and moral standards.

### 3.7 Compliance Reporting and Corporate Communications

The Board has the responsibility to:

- (a) ensure the Corporation has in place effective communication processes with shareholders and other stakeholders and financial, regulatory and other recipients;
- (b) approve and periodically review the Corporation's communications policy;
- (c) ensure the Board has measures in place to receive feedback from shareholders;
- (d) approve interaction with shareholders on all items requiring shareholder response or approval;
- (e) ensure the Corporation's financial performance is adequately reported to shareholders, other security holders and regulators on a timely and regular basis;
- (f) ensure the financial results are reported fairly and in accordance with generally accepted accounting principles;

- (g) ensure the Chief Executive Officer and Chief Financial Officer certify the Corporation's annual and interim financial statements, annual and interim MD&A and Annual Information Form, and that the content of the certification meets all legal and regulatory requirements; and
- (h) ensure timely reporting of any other developments that have a significant and material effect on the Corporation.

### 3.8 Investor Relations

- (a) The Chair of the Board and either the Chief Executive Officer or the President of the Corporation have the responsibility to approve all investor relation materials before such materials are distributed.

## 4. GENERAL LEGAL OBLIGATIONS OF THE BOARD OF DIRECTORS

### 4.1 The Board is responsible for:

- (a) directing management to ensure legal requirements have been met, and documents and records have been properly prepared, approved and maintained; and
- (b) recommending changes in the Articles, matters requiring shareholder approval, and setting agendas for shareholder meetings.

### 4.2 The *Business Corporation Act* (British Columbia) identifies the following as legal requirements for the Board:

- (a) act honestly and in good faith with a view to the best interests of the Corporation, including the duty:
  - (A) to disclose conflicts of interest;
  - (B) not to appropriate or divert corporate opportunities;
  - (C) to maintain confidential information of the Corporation and not use such information for personal benefit; and
  - (D) disclose information vital to the business of the Corporation in the possession of a director;

### 4.3 exercise the care, diligence and skill that a reasonably prudent individual would exercise in comparable circumstances; and

### 4.4 act in accordance with the *Business Corporations Act* (British Columbia) and any regulations, articles, by-laws and unanimous shareholder agreement.

## 5. CORPORATE GOVERNANCE

### 5.1 **Director Independence** - The Corporation is committed to governance standards to ensure that the Board has the capacity and independence, to fulfill its responsibilities and to make an objective

assessment of management's record and its proposals and initiatives. Therefore, the Corporation is committed to the following practices:

- (a) the recruitment of capable, independent directors, who shall at all times compose not less than a majority of the Board;
- (b) in the event that the Chairman is not an independent director, the Board shall appoint a Lead Director to provide leadership to the independent directors;
- (c) any director who has previously been determined to be independent and whose circumstances change such that he or she might be considered to no longer be an independent director, shall promptly advise the Board of the change in circumstances;
- (d) all committees of the Board are to be comprised entirely of independent directors where required by law.

The independence of a director is determined in accordance with National Instrument (“NI”) 52-110 and, as applicable, NI 58-101 further to voluntary disclosure by each director. Evaluations of independence require the consideration of any “material relationship” being a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment and includes an indirect material relationship. In determining whether a director is independent, the Board applies standards derived from the Canadian Securities Administrators director independence rules noted above. The Board determines the independence of a director when it approves director nominees for inclusion in the Proxy Circular.

**5.2 Director Recruitment and Retirement** - Under the leadership of the NCG Committee, the Board pursues a policy of identifying potential new directors through the identification of candidates that will provide the Board with a balance of members who have diverse backgrounds, genders, complementary skill sets and relevant experience in any of the mining industry, international business, or matters relevant to the Corporation's operations, while balancing the need for renewal and the identification of fresh perspectives with the demands for experience and knowledge.

The Corporation does not impose term limits or have other mechanisms compelling retirement. The Corporation has determined that term limits may arbitrarily require some of its most valuable and experienced members to retire prematurely. The Board believes that its members should be reviewed regularly to ensure that they are making a meaningful contribution to the Board and the Corporation. The NCG Committee regularly reviews board membership and performance and is empowered to recommend changes when appropriate. The Board believes that this NCG Committee is best placed to make recommendations for renewal with a perspective focused on performance rather than arbitrary deadlines.

**5.3 Election and Appointment of Directors** - By law, the Board proposes nominees for election to the Board each year in the proxy statement for the Annual General Meeting of Shareholders (“AGM”). Between AGM’s, the Board may appoint additional or replacement directors to serve until the next AGM, subject to the limitations of the *Business Corporations Act* (British Columbia).

**5.4 Committee Structure** - The Board delegates certain of its powers to the Audit Committee and the NCG Committee. Each committee has a charter, approved by the Board that defines the scope of its duties and responsibilities. Each committee reviews its charter annually and recommends approval of

appropriate charter amendments to the Board. Each charter requires the committee to evaluate its performance annually. For as long as the Corporation is a “venture issuer”, as defined in National Instrument 52-110 of the Canadian Securities Administrators, the Audit Committee and the NCG Committee will be comprised of a majority of independent directors. The frequency, length, and agendas of committee meetings are determined by the committee chairman in consultation with committee members and appropriate members of senior management. The committee chairman reports to the full board on the matters undertaken at each committee meeting. Any independent director may attend any committee meeting but has no vote on committee business.

5.5 **Access to Management and Independent Advisors** - Directors are invited to have complete, unfettered access to senior management. Members of senior management normally attend portions of each regularly scheduled Board meeting. The Board may, when appropriate, obtain advice and assistance from outside advisors and consultants without prior approval of management.

5.6 **Director Compensation** - The NCG Committee annually reviews the compensation of the directors to ensure that it is competitive with comparable boards of directors and recommends changes to such compensation, as appropriate, to the Board for approval.

5.7 **Board Committees** - The Corporation has two committees: the Audit Committee and the NCG Committee. The committee charters are available at the Corporation’s website at <https://legendpower.com>.

## 6. WHISTLEBLOWER POLICY

### 6.1 Reporting of Questionable Activities

Although it is impossible to list all of the conduct that the Corporation is concerned about, the Corporation expects every employee of the Corporation (collectively hereinafter referred to as the “**Employee**” or “**Employees**”) and suppliers and contractors to report:

- (A) criminal conduct;
- (B) fraud or deliberate error in the preparation, evaluation, review or audit of any of our financial statements;
- (C) fraud, misappropriation, or other questionable practices related to the preparation or maintenance of our financial records;
- (D) misrepresentations or false statements to or by a senior officer or accountant regarding a matter contained in our financial records, financial reports or audit reports;
- (E) deviations from full and fair reporting of our financial condition;
- (F) failure to comply with, or efforts to circumvent, our internal compliance policies or internal controls;
- (G) failure to comply with legal or regulatory obligations;

- (H) actions that endanger health or safety, or that might cause environmental damage; and
- (I) actions that have the effect of concealing any of the foregoing.

Employees are encouraged to talk to their supervisor, manager or other appropriate personnel should they become aware of any of the foregoing.

Employees with concerns regarding any of the foregoing matters may report their concerns or complaints in writing directly to the Corporation's Corporate Secretary at [whistleblower@legendpower.com](mailto:whistleblower@legendpower.com). The Corporate Secretary shall forward a copy of the same to the Chairman of the Audit Committee.

Employees may also report complaints or concerns regarding Accounting Matters on a confidential, anonymous basis to the Audit Committee through regular mail marked CONFIDENTIAL addressed to the Chairman of the Audit Committee.

The complaint should be in writing so as to assure a clear understanding of the issues raised. The complaint should be factual rather than speculative, and should contain as much specific information as possible to allow for proper assessment. The complaint describing an alleged violation or concern should be candid and set forth all the information that the Employee knows regarding the allegation or concern. In addition, all complaints must contain sufficient corroborating information to support the commencement of an investigation. The Corporation may, in its reasonable discretion, determine not to commence an investigation, if a complaint contains only unspecified or broad allegations of wrongdoing and without appropriate information support.

## 6.2 Treatment of Complaints

Upon receipt of the complaint by the Corporate Secretary or the Chairman of the Audit Committee, (each an "**Investigating Officer**"), the Investigating Officer shall make a determination, in his or her reasonable judgment, whether a reasonable basis exists for commencing an investigation into the complaint. To assist in making this determination, the Investigating Officer may conduct an initial, informal inquiry. At the request of the Investigating Officer, other parties may become involved in the inquiry based on their oversight responsibility or expertise.

To the extent possible, all complaints should be handled in a confidential manner. In no event should information concerning the complaint be released to persons without a specific need to know basis. Investigation of complaints should be prompt. The determination by the Investigating Officer will be communicated to the Employee who brought the complaint, unless anonymous, to the Audit Committee and to relevant management, as appropriate.

Upon making a determination to recommend a formal investigation, the Investigating Officer will promptly notify the members of the Audit Committee or its member designee. The Audit Committee or its member designee will then determine, in its reasonable judgment, whether a reasonable basis exists for commencing a formal investigation into the complaint. If the Audit Committee or its member designee makes such a determination, then it shall instruct the Investigating Officer to proceed with a formal investigation. The Investigating Officer shall oversee

all investigations under the authority of the Audit Committee. The Audit Committee shall ensure coordination of each investigation and shall have overall responsibility for implementation of this Policy. The Audit Committee shall have the authority to retain outside legal or accounting expertise in any investigation, as it deems necessary to conduct the investigation in accordance with its charter.

At each meeting of the Audit Committee, the Corporate Secretary shall prepare a report to the Audit Committee stating the nature of each complaint submitted during the quarter, if any, immediately preceding the meeting of the Audit Committee, whether or not the complaint resulted in the commencement of a formal investigation, and the status of each investigation.

### 6.3 Corrective Action

The Audit Committee, with the input of the Investigating Officer and the Corporation management, if requested, will determine the validity of a complaint and any corrective action, as appropriate. It is the responsibility of the Audit Committee to report to the Board and to Corporation management any non-compliance with legal and regulatory requirements and to assure that management takes corrective action including, where appropriate, reporting any violation to the relevant federal, provincial or regulatory authorities. Directors, officers and Employees that are found to have knowingly violated any laws, governmental regulations or Corporation policies will face appropriate, case specific disciplinary action.

### 6.4 Protection of Employees

The Corporation will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any Employee in the terms and conditions of employment based upon any lawful actions or such Employee with respect to good faith reporting of complaints pursuant to this Policy.

### 6.5 Unsubstantiated Allegations

If an Employee makes a complaint in good faith pursuant to this Policy and any facts alleged are not confirmed by subsequent investigation, no action will be taken against the Employee making the complaint. In making a complaint, an Employee should exercise due care to ensure the accuracy of the information disclosed. If after investigation a matter raised under this procedure is found to be without substance and to have been made not in good faith but for malicious or frivolous reasons, the Employee making the complaint could be subject to disciplinary action.

Where alleged facts disclosed pursuant to this Policy are not substantiated the conclusions of the investigation will be made known both to the person who made the complaint and to the person(s) against whom any allegation was made in the complaint. The finding that the allegations were not substantiated will be made a part of the record.

### 6.6 Retention of Complaints and Documents

At the direction of the Audit Committee, the Corporate Secretary will maintain a log of all complaints, tracking their receipt, investigation and resolution. All complaints submitted by an Employee regarding an alleged violation or concern will remain confidential to the extent

practicable. In addition, all written statements, along with the results of any investigations relating thereto, shall be retained by the Corporation for a minimum of three years.

**7. EFFECTIVE DATE**

7.1 This Policy was implemented by the Board on July 20, 2022.