

February 23, 2012

Last Reviewed: May 9, 2018

Policy

In order to introduce a new level of accountability to the Company's shareholders, any nominee for director in an uncontested election (i.e., an election where the only nominees are those recommended by the board of directors) who receives a greater number of votes "withheld" from his or her election than votes "for" such election (a "majority withheld vote") shall promptly tender his or her resignation following certification of the shareholder vote.

Practice

Forms of proxy for the election of directors will permit a shareholder to vote in favour of, or to withhold from voting, separately for each director nominee. The secretary of the board will ensure that the number of shares voted in favour or withheld from voting for each director nominee is recorded and promptly made public after the meeting.

If a director nominee has more votes withheld than are voted in favour of him or her, the nominee will be considered by the board not to have received the support of the shareholders, even though duly elected as a matter of corporate law. Such a nominee will be expected to forthwith submit his or her resignation to the Corporate Governance and Compensation Committee, effective on acceptance by the board.

The committee will promptly recommend to the board acceptance of the tendered resignation, or, in extraordinary circumstances, to take some other action, such as rejecting the tendered resignation and addressing the apparent underlying causes of the withheld votes. In making this recommendation, the committee will consider all factors deemed to be relevant by its members, including (without limitation) the underlying reasons why shareholders withheld votes for election from such director (if ascertainable); the length of service and qualifications of the director whose resignation has been tendered; the director's contributions to the Company; whether by accepting such resignation the Company will no longer be in compliance with any applicable law, rule, regulation, or governing document; and whether or not accepting the resignation is in the best interests of the Company and its shareholders.

The board will act on the committee's recommendation no later than at its first regularly scheduled meeting following certification of the shareholder vote or no later than sixty (60) days following the certification of the shareholder vote. In considering the committee's recommendation, the board will also study the factors weighed by the committee and such additional information and factors the board believes to be relevant. The Company will promptly and publicly disclose the board's decision and process in a periodic or current report filed with Canadian securities administrators.

Any director who tenders his or her resignation pursuant to this provision will not participate in the committee recommendation or board consideration regarding whether or not to accept the tendered resignation. However, such director shall remain active and engaged in all other committee and board activities, deliberations, and decisions during this committee and board process.

If a majority of the members of the committee received a majority withheld vote at the same election, then the independent directors who are on the board who did not receive a majority withheld vote will appoint a board committee amongst themselves solely for the purpose of considering the tendered resignations and will recommend to the board whether to accept or reject the tendered resignations. This board committee may, but need not, consist of all of the independent directors who did not receive a majority withheld

vote. If the particular directors who did not receive a majority withheld vote in the same election constitute four (4) or fewer directors, then all directors may participate in the board consideration regarding whether or not to accept the tendered resignations.

This corporate governance guideline will be summarized or included in each proxy statement relating to an election of directors of the Company.