



COSA RESOURCES CORP.

MANDATE OF THE BOARD OF DIRECTORS

Subject to the constating documents of Cosa Resources Corp. (the “**Company**”) and applicable law, the board of directors of the Company (“**Board**”) has a responsibility for the stewardship of the Company, including the responsibility to: supervise the management of and oversee the conduct of the business of the Company; provide leadership to the Company by practicing responsible, sustainable and ethical decision making; provide leadership and direction to management and consider management’s performance in conjunction with the Company’s compensation plans; set policies appropriate for the business of the Company; approve corporate strategies and goals; and direct management to ensure that legal, regulatory and stock exchange requirements applicable to the Company have been met.

1. Composition & Chair

- 1.1 The Board will ensure that it has at all times the minimum number of directors who meet applicable standards of director independence. For the purposes of this mandate, the definition of “**independent**” will be as set out in National Instrument 52-110 - Audit Committees and as set forth in any other applicable stock exchange and the securities laws and regulations of any other applicable jurisdiction.
- 1.2 The directors will be elected each year by the shareholders of the Company and at the annual general meeting of shareholders, subject to the Company’s constating documents and in accordance with the Company’s Majority Voting Policy and Advance Notice Policy (if any).
- 1.3 The Board will consider the appropriate size of the Board, with a view to facilitating effective decision making. In addition, the Board will consider diversity in the selection criteria of new Board members.
- 1.4 The Board shall appoint a Chair of the Board, and the Chair shall have the duties and responsibilities as set out in the Company’s Chair of the Board Mandate.

2. Obligations of Directors

Each director has the responsibility to:

- (a) attend all regularly scheduled meetings of the Board and all of the committees on which they serve and to be prepared for such meetings by reviewing materials provided in advance of meetings;
- (b) act honestly and in good faith with a view to the best interests of the Company; and
- (c) exercise the care, diligence, and skill that a reasonably prudent person would exercise

in comparable circumstances.

3. Nomination of Directors

- 3.1 To be considered for nomination and election to the Board, directors must demonstrate integrity and high ethical standards in their business dealings, their personal affairs, and in the discharge of their duties to and on behalf of the Company.
- 3.2 Prior to nominating or appointing individuals as directors, the Board will consider what competencies and skills the Board, as a whole, should possess and assess what competencies and skills each existing director possesses.

4. Corporate Governance

- 4.1 The Board is responsible to:
 - (a) develop the Company's approach to corporate governance and annually review and either approve or require revisions to this Mandate of the Board of Directors and the charters of each Committee (as defined below), position descriptions, the Code of Business Conduct and Ethics (the "Code") and all other policies of the Company (collectively the "Governance Documents");
 - (b) arrange for the public disclosure of the Governance Documents required by law to be publicly disclosed;
 - (c) ensure that all new directors receive a comprehensive orientation and that all new directors fully understand: (i) the role of the Board, its Committees, and its directors; (ii) the commitment of time and resources that the Company expects; and (iii) the nature and extent of the Company's business and operations; and
 - (d) provide continuing education opportunities for all directors, so that individuals may maintain or enhance their skills and abilities as directors, as well as to ensure their knowledge and understanding of the Company's business and operations remains current.
- 4.2 The Board and each director should be regularly assessed regarding his, her or its effectiveness and contribution.

5. Board Meetings

- 5.1 The Board shall meet at least quarterly, or more frequently as required to discharge the duties of the Board.
- 5.2 The meetings will take place as the Chair shall determine, upon at least 48 hours' notice to each of its members. The notice period may be waived by a quorum of the Board.
- 5.3 The Board may ask members of management or others to attend meetings or to provide information as necessary.
- 5.4 The quorum for the transaction of business at any meeting shall be a majority of the members

of the Board present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.

- 5.5 Decisions by the Board will be by the affirmative vote of a majority of the members of the Board present, or by consent resolutions in writing signed by each member of the Board.
- 5.6 The Board shall prepare and maintain minutes of its meetings and periodically report to the Board regarding such matters as are relevant to the Board's discharge of its responsibilities and shall report in writing on request of the Chair of the Board.
- 5.7 At each regularly scheduled Board meeting, the independent members of the Board shall hold in camera sessions at which non-independent members of the Board and members of management are not in attendance.

6. Committees of the Board

The Board discharges its responsibilities directly and through its committees of the Board (each, a "**Committee**"). Accordingly, the Board shall:

- (a) establish such Committees as are required by applicable laws and stock exchange requirements and as are necessary to effectively discharge the duties of the Board, which Committees shall include an audit committee (the "Audit Committee") and a Compensation & Governance Committee. In due course and when considered appropriate, the Board may establish additional Committees;
 - (b) appoint directors, including independent directors when applicable, to serve as members of each Committee;
 - (c) adopt and maintain appropriate mandates and charters for the Committees;
 - (d) appoint a chair of each Committee to:
 - (i) provide leadership to the Committee;
 - (ii) manage the affairs of the Committee; and
 - (iii) ensure that the Committee functions effectively in fulfilling its duties to the Board and the Company; and
- 6.1 regularly receive and consider reports and recommendations of each Committee, including, in particular, the Audit Committee reports and recommendations, particularly with respect to the Company's annual audit and annual and quarterly reports and financial statements.

7. Management Supervision & Oversight

- 7.1 The Board will ensure that the Company has management with the appropriate skillset and experience. This responsibility is carried out primarily by:
- (a) selecting and appointing the Chief Executive Officer ("**CEO**"), establishing CEO goals and objectives, and evaluating CEO performance and develop a written position description for the CEO which includes delineating management's responsibilities;
 - (b) assisting the CEO in selecting and appointing executive officers, establishing executive

- officers' goals and objectives, and monitoring their performance;
 - (c) determining the compensation of the CEO, and in conjunction with the CEO, setting the compensation of the other executive officers of the Company; and
 - (d) maintaining a succession plan for the replacement of the CEO and other executive officers.
- 7.2 The Board must also take reasonable steps to satisfy itself that each director, the CEO, and the executive officers are:
- (a) conducting business on behalf of the Company in accordance with the requirements and the spirit of the Governance Documents;
 - (b) persons of integrity who are performing their duties ethically; and
 - (c) creating and fostering a culture of integrity throughout the Company.

8. Strategic Planning

- 8.1 The Board is responsible for adopting, supervising, and providing guidance on the strategic planning process and approving a strategic plan which considers, among other things, the opportunities and risks of the business and operations. The Board is also responsible for:
- (a) regularly monitoring the Company's performance against this strategic plan; and
 - (b) approving capital and operating budgets to implement the strategic plan.
- 8.2 The Board shall conduct periodic reviews of the Company's resources, risks, and regulatory constraints and opportunities to facilitate the strategic plan.
- 8.3 The Board shall provide guidance to the CEO and senior management team with respect to the strategic plan, including but not limited to evaluating management's analysis of the strategies of existing and potential competitors and their impact, if any, on the Company's strategic plan.

9. Risk Management, Controls & Information Systems

- 9.1 The Board is responsible to ensure that it has a continuing understanding of the principal risks associated with the business, largely through continuous communication with management.
- 9.2 The Board has the duty to:
- (a) adopt a process to identify business risks and ensure appropriate systems to manage risks;
 - (b) ensure that appropriate internal controls and management information systems are in place;
 - (c) together with the Audit Committee, ensure policies and procedures are in place and are effective to maintain the integrity of the Company's:
 - (i) disclosure controls and procedures;
 - (ii) internal control over financial reporting; and

- (iii) management information systems.

10. Communications

- 10.1 The Board is responsible to:
 - (a) adopt, review, and implement a disclosure policy which provides for disclosure and communications practices governing the Company; and
 - (b) approve and maintain a process for the Company's stakeholders to contact the independent directors directly with concerns and questions regarding the Company.
- 10.2 The Board shall review and, as necessary, approve the content of the Company's major communications to shareholders and the investing public, including but not limited to the Management Information Circular, interim and annual financial reports, Annual Information Form and any prospectuses that may be issued by the Company.
- 10.3 The Board encourages individual directors to make themselves available for consultation with management outside Board meetings in order to provide specific advice and counsel on subjects where such directors have special knowledge and expertise.

11. Other Matters

- 11.1 The Board shall be responsible for approving all material transactions of the Company that are not in the ordinary course of business.
- 11.2 The Board shall have access to all books, records, facilities, and personnel of the Company necessary for the discharge of its duties.
- 11.3 The Board has the power, at the expense of the Company, to retain, instruct, compensate, and terminate independent advisors to assist the Board in the discharge of its duties.

Adopted and approved by the Board as of August 28, 2024.