

STARREX INTERNATIONAL LTD.

CORPORATE GOVERNANCE COMMITTEE CHARTER

(Effective: April 17, 2014)

The Corporate Governance Committee (the “**Committee**”) is a committee of the Board of Directors (the “**Board**”) of Starrex International Ltd. (the “**Corporation**”).

Composition

The Committee shall consist of at least two directors, a majority of whom should be independent and free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director’s ability to act with a view to the best interests of the Corporation, other than interests and relationships arising from shareholdings.

One of the members of the Committee should be appointed chair (the “**Chair**”) by the members of the Committee or by the Board. The Chair should be an independent director. Where this is not appropriate, an independent director should be appointed to act as “lead director”. However, either an independent chair or an independent lead director should act as the effective leader of the Committee and ensure that the Committee’s agenda will enable it to successfully carry out its duties.

The members’ terms of appointment shall be at the pleasure of the Board and generally should coincide with the terms of appointment of the Board and other committees of the Board namely, annually, and should provide for continuity of membership while, at the same time, allowing fresh perspectives to be added. However, in the event of failure to review and/or appoint Committee members following election of the Board by the shareholders, members of the Committee (who continue to be directors of the Corporation) shall continue as such until their successors are appointed by the Board.

Objectives

The Committee is responsible for:

- (a) developing the Corporation's approach to Board governance issues and the Corporation's response to corporate governance guidelines and policies;
- (b) developing the Corporation's approach to the ethical and social conduct of the Corporation in all jurisdictions in which it operates; and
- (c) helping to maintain an effective working relationship between the Board and management.

Meetings

The Committee should meet at least once a year or more often at the request of any member of the Committee.

Upon consultation with and approval by all persons participating in a meeting of the Committee, the meeting may be conducted by way of a telephone conference call.

The presence in person or by telephone or other similar means of a majority of the Committee's members shall constitute a quorum for any Committee meetings. All decisions of the Committee will require the vote of a majority of its members present at a meeting at which a quorum is present.

Responsibilities

Corporate Governance

The Corporation hereby adopts the following definition for corporate governance:

“Corporate governance” means the process and structure used to direct and manage the business and affairs of the Corporation with the objective of enhancing shareholder value, which includes ensuring the financial viability of the business. The process and structure define the division of power and established mechanisms for achieving accountability among shareholders, the board of directors and management. The direction and management of the business should take into account the impact on other stakeholders such as employees, customers, suppliers and communities.”

1. The Committee is responsible for:
 - (a) advising the Board on the implementation of and compliance with corporate governance laws, regulations, guidelines and policies of any applicable stock exchange or securities regulatory authority or regulator in effect from time to time;
 - (b) developing, for recommendation to the Board, a set of “Corporate Governance Guidelines” for the Corporation and periodically reviewing the adequacy of such guidelines and recommending changes to the Board, if and when advisable;
 - (c) monitoring the working relationship between the Board and management of the Corporation and recommending changes to the Board, if and when advisable;
 - (d) ensuring that the Board can function independently of management and, to this end, arranging for meetings periodically of the independent directors without management present;
 - (e) defining and recommending to the Board the role of the Board and the general division of duties between the Board and the chief executive officer of the Corporation;

- (f) advising the Board on the disclosure to be contained in the Corporation's public disclosure documents, such as the annual management proxy circulars or annual reports, on matters of corporate governance;
- (g) reviewing and making recommendations to the Board on shareholder proposals relating to corporate governance, including nominations for directors;
- (h) reviewing programs adopted or carried out from time to time by the Board, and the methods and processes to be pursued in carrying out such programs, including the frequency and content of meetings (including committee meetings) and the requirement for any special meetings, the foreseeable issues to be presented to the Board or any committee at its meetings (including a list of prospective topics for presentation and discussion) and the material to be provided to directors generally and with respect to meetings of the Board or its committees;
- (i) receiving and considering any significant concerns of individual directors;
- (j) reviewing all proposed related party transactions and situations involving a potential conflict of interest that are not required to be dealt with by an "independent special committee" pursuant to securities laws (where appropriate under applicable laws, the Committee may sit as an independent special committee); and
- (k) generally monitoring and advising the Board on all other matters of corporate governance.

Compliance

2. In respect of laws and policies, the responsibilities of the Committee include the following:
 - (a) reviewing the effectiveness of the system for monitoring the laws, rules, policies and regulations of applicable securities commissions, stock exchanges and other regulatory authorities having jurisdiction over the Corporation to assess whether the Corporation and its directors and officers are in full compliance with those rules, policies and regulations;
 - (b) reviewing the Corporation's policies relating to compliance with applicable corporate, securities, environmental, employment, privacy and other laws, regulations and policies;
 - (c) monitoring developments and changes in the law relating to the responsibilities and liabilities of directors;
 - (d) reviewing reports from management regarding compliance with corporate, securities, environmental, employment, privacy and other laws and regulations in each of the jurisdictions in which the Corporation operates; and

- (e) reviewing the results of management's investigation and follow-up (including disciplinary action) of any fraudulent acts or non-compliance.

Ethics and Socially Responsible Conduct

- 3. The Committee is responsible for developing the Corporation's approach to:
 - (a) developing any necessary codification for the business conduct and ethics for directors, officers and employees of the Corporation (the "**Code**") to address, among other things, conflicts of interest, corporate opportunities, confidentiality of corporate information, fair dealing with the Corporation's securityholders, customers, suppliers, competitors and employees, protection and proper use of the Corporation's assets, compliance with applicable laws, rules and regulations (including insider trading laws) and the reporting of illegal or unethical behaviour;
 - (b) ensuring that arrangements are made for all employees to be aware of the content of any such Code and any amendments thereto and evaluating whether management is setting the appropriate "tone at the top" by communicating the importance of any such Code and any amendments thereto;
 - (c) reviewing the process for monitoring compliance with the Code and obtaining regular updates from management regarding compliance with the Code;
 - (d) establishing mechanisms to facilitate the effective operation of the Code and the granting of waivers of the Code and approving any waivers of the Code sought by directors, officers or members of senior management;
 - (e) confirming that any waivers of the Code for directors, officers or members of senior management are promptly disclosed to shareholders;
 - (f) reviewing the Code periodically and recommending amendments, where appropriate;
 - (g) developing and recommending, where appropriate, policies, programs and initiatives to ensure that the Corporation carries on business in a socially responsible way in the best interests of its shareholders, employees and the communities in which it operates; and
 - (h) developing and recommending, where appropriate, corporate policies on the protection and enhancement of the environment, health and safety of employees, employment equity, privacy protection and community relations and other policies dealing with similar matters.

Reporting

The Committee should regularly update the Board about Committee activities and should make appropriate recommendations. The minutes of all meetings of the Committee should be provided to all members of the Board. Oral reports by the Chair of the Committee on recent matters not yet recorded in the minutes should be provided to the Board at its next meeting.

Supporting schedules and information reviewed by the Committee should be available for examination by any director upon request to the Chair of the Committee.

Access to Independent Advisors

The Committee may, at any time, upon approval by a majority of the members of the Committee, retain outside financial, legal or other advisors, if deemed advisable, at the expense of the Corporation.

References to Regulatory Rules and Policies

The Committee should refer to National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and National Policy 58-201 – *Corporate Governance Guidelines*.