

**SPROTT RESOURCE HOLDINGS INC.**

**CONFLICT RESOLUTION, CORPORATE GOVERNANCE AND NOMINATING COMMITTEE  
CHARTER**

**(Adopted by the Board effective February 9, 2017)**

**1. Purpose And Scope**

Sprott Resource Holdings Inc. (the “**Company**”) believes that “Corporate Governance” means the process and structure used to oversee the management of the business affairs of the Company in the best interests of the Company. The process and structure define the division of power between, and establish mechanisms for achieving accountability by, the Board of Directors (the “**Board**”) and senior management.

**2. Authority**

The Conflict Resolution, Corporate Governance and Nominating Committee (the “**Committee**”) has the authority to engage and compensate any outside adviser that it determines to be necessary or advisable to carry out its duties. The Committee has the authority to delegate to individual members or subcommittees of the Committee.

**3. Membership**

***Number of Members***

The Committee shall be composed of three or more members of the Board.

***Independence of Members***

Each member of the Committee shall be independent with respect to both the Company and Sprott Inc. and its affiliates (collectively, “**SII**”). “**Independent**” shall have the meaning, as the context requires, given to it in National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, as replaced or amended from time to time (including any successor rule or policy thereto).

***Term of Members***

The members of the Committee shall be appointed annually by the Board. Each member of the Committee shall serve at the pleasure of the Board until the member resigns, is removed, or ceases to be a member of the Board. Unless a Chair is elected by the Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership. If the Chair of the Committee is absent from any meeting, the Committee shall select one of the other members of the Committee to preside at that meeting.

#### **4. Meetings**

The Committee shall meet as many times as the Committee deems necessary to carry out its duties. The Chair shall develop and set the Committee's agenda, in consultation with other members of the Committee, the Board and senior management.

Notice of the time and place of every meeting shall be given in writing to each member of the Committee, at least 24 hours (excluding holidays) prior to the time fixed for such meeting.

A majority of the Committee shall constitute a quorum. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present in person or by means of such telephonic, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously.

The Committee may invite such directors, officers and employees of the Company and advisors as it sees fit from time to time to attend meetings of the Committee.

The Committee shall meet without management present whenever the Committee deems it appropriate.

The Committee shall appoint a Secretary who need not be a director or officer of the Company. Minutes of the meetings of the Committee shall be recorded and maintained by the Secretary and shall be subsequently presented to the Committee for review and approval.

#### **5. Committee and Charter Review**

The Committee shall conduct an annual review and assessment of its performance, effectiveness and contribution, including a review of its compliance with this Charter. The Committee shall conduct such review and assessment in such manner as it deems appropriate and report the results thereof to the Board.

#### **6. Reporting to the Board**

The Committee shall report to the Board in a timely manner with respect to each of its meetings held. This report may take the form of circulating copies of the minutes of each meeting held.

#### **7. Duties and Responsibilities**

Subject to the powers and duties of the Board, the Board has delegated the following powers and duties to be performed by the Committee on behalf of and for the Board:

##### ***Conflict Resolution***

The Committee shall be responsible for reviewing and, where appropriate, reporting and making recommendations to the Board regarding matters in respect of which those members of the Board who are nominees of SII may have a conflict of interest due to their relationship

with SII (“**SII Matters**”). In fulfilling this mandate, the Committee may undertake any of the following activities which it determines are appropriate:

- (a) consulting and entering into such discussions with SII and with management, professional advisors and the Board and such other persons as the Committee may deem necessary or desirable in relation to an SII Matter;
- (b) negotiating or supervising the negotiation of the terms of any agreements relating to an SII Matter;
- (c) reporting to the Board on its activities and recommendations from time to time and to providing such advice as may be requested by the Board in respect of SII Matters;
- (d) engaging or retaining for and on behalf of the Committee or its individual members as required, at the expense of the Company, such professional advisors on such terms as the Committee considers appropriate, including, without limitation, legal, financial, accounting, tax or other advisors, to assist the Committee in evaluating, negotiating and executing SII Matters, and determining the remuneration of such professional advisors, which remuneration shall be at the Company’s expense;
- (e) reviewing and commenting upon, in the course of preparation thereof, all press releases, circulars or documents issued, mailed or delivered to securityholders of the Company in connection with any SII Matters or matters considered by the Committee to be reasonably ancillary thereto, and, in particular, approving those portions of such press releases, circulars and documents which pertain to the Committee;
- (f) requesting and directing management of the Company to provide information to the Committee and its professional advisors;
- (g) requesting management to take such actions as the Committee considers necessary or advisable for the proper performance by the Committee of its responsibilities hereunder;
- (h) doing any other such things as the Committee may deem necessary or advisable so as to allow the Committee to properly perform its responsibilities;

it being understood that the Committee (i) shall be entitled, without further authorization from the Board, to consider such additional matters that it may consider relevant to those listed above and (ii) shall not be entitled to bind the Company in respect of any SII Matter, other than in respect of retaining advisors or any confidentiality or similar agreements with third parties, but that any transaction or agreement with SII or relating to an SII Matter shall only be entered into upon approval, subject to applicable law, by the Board.

#### ***Composition and Qualifications for the Board***

The Committee shall develop and update a long-term plan for the composition of the Board that takes into consideration the current strengths, competencies, skills, diversity and

experience of the Board members, retirement dates and the strategic direction of the Company, and report to the Board thereon at least annually.

The Committee shall undertake an annual examination of the size of the Board, with a view to determining the impact of the number of directors, the effectiveness of the Board, and recommend to the Board, if necessary, a reduction or increase in the size of the Board.

### ***Compensation of Board Members***

In consultation with the Compensation Committee, the Committee shall recommend to the Board the remuneration (fees and/or retainer) to be paid to and the benefits to be provided to directors.

### ***Annual Assessments***

The Committee, in consultation with the Chair, shall endeavour to ensure that an appropriate system is in place to evaluate the effectiveness of the Board as a whole as well as the committees of the Board with a view to ensuring that they are fulfilling their respective responsibilities and duties. In connection with these evaluations, each director shall be requested to provide his or her assessment of the effectiveness of the Board and each committee as well as the performance of the individual directors on an annual basis.

### ***Conflicts of Interest***

The Committee shall monitor conflicts of interest (real or perceived) of both the Board and management in accordance with the Code of Business Conduct and Ethics.

### ***Annual Nominations***

Based on the guidelines referred to in this Charter, the Committee shall, in consultation with the Chair of the Board and the Chief Executive Officer (the “**CEO**”), annually or as required, recruit and identify individuals qualified to become new Board members and recommend to the Board new director nominees (other than the nominees who are nominated by Sprott Consulting LP (“**SCLP**”) pursuant to the management services agreement entered into between SCLP and the Company (the “**MSA**”)) for the next annual meeting of shareholders.

In making its recommendations, the Committee shall: (i) consider the competencies and skills that the Board considers to be necessary for the Board as a whole to possess; (ii) consider the competencies and skills that the Board considers each existing director to possess (including the personality and other qualities of each director); (iii) review the qualifications of candidates suggested by members of the Board, shareholders, management and others and assess what competencies and skills each new nominee will bring to the boardroom; and (iv) consider the appropriate size of the Board, with a view to facilitating effective decision-making. The Committee shall also consider whether or not a new nominee can devote sufficient time and resources to his or her duties as a Board member.

In order to promote the Company's objective of gender diversity, as described in the Company's Diversity Policy, the Committee shall compile a short-list identifying potential candidates for appointment/nomination that includes at least one female candidate for each available Board seat. If, at the end of the selection process, no female candidates are selected, the Committee must be satisfied that there are objective reasons to support this determination.

The Committee may also recommend for Board approval the removal of a director from the Board or from a Board Committee if he or she is no longer qualified to serve as a director under applicable requirements or for any other reason the Committee considers appropriate.

The Committee shall also, in consultation with the Chair of the Board and the Lead Director, annually or as required, recommend to the Board, the appropriate size for each of the committees and the individual Directors to serve on each committee.

On an annual basis, the Committee will (i) assess the effectiveness of the Board appointment/nomination process at achieving the Company's diversity objectives (as described in the Company's Diversity Policy) and (ii) consider and, if determined advisable, recommend to the Board for adoption, measurable objectives for achieving diversity on the Board. At any given time the Committee may seek to adjust one or more objectives concerning the Board's diversity and measure progress accordingly.

### ***Corporate Governance Overview***

The Committee shall conduct a periodic review of the Company's corporate governance policies and make policy recommendations aimed at enhancing Board and committee effectiveness. The Committee shall review overall governance principles, monitor disclosure and best practices of comparable and leading companies, and bring forward to the Board a list of corporate governance issues for review, discussion or action by the Board or a Committee thereof.

The Committee shall review the disclosure in the Company's public disclosure documents relating to corporate governance practices and prepare recommendations to the Board regarding any other reports required or recommended on corporate governance.

The Committee shall propose agenda items and content for submission to the Board related to corporate governance issues and provide periodic updates on recent developments in corporate governance to the Board.

The Committee shall conduct a periodic review of the relationship between management and the Board, particularly in connection with a view to ensuring effective communication and the provision of information to directors in a timely manner.

### ***Functioning of Committee***

The Committee shall have unrestricted access to Company personnel and documents and the resources necessary to carry out its responsibilities.

### ***Education of Board Members***

The Committee shall review, monitor and make recommendations regarding new director orientation and the ongoing development of existing Directors.

In consultation with the Board, the Committee shall ensure that all new directors receive a comprehensive orientation enabling them to fully understand the role of the Board and its committees, as well as the contribution individual directors are expected to make, and the nature and operation of the Company's business.

In consultation with the Board, the Committee shall provide continuing education opportunities for all directors, so individuals may maintain or enhance their skills and abilities as directors, as well as to ensure that their knowledge and understanding of the Company's business remains current.

### ***Responsibilities of Board, Committees, CEO, Chief Investment Officer, Chair and Vice-Chair***

The Committee shall review annually the Board of Directors Mandate and the Charters for each Committee of the Board, together with the Position Descriptions of the CEO, Chief Investment Officer, Chair of the Board and Vice-Chair of the Board, and where necessary, recommend changes to the Board, taking into account all applicable legislative and regulatory requirements, as well as any guidelines recommended by regulators or the Toronto Stock Exchange. In addition, the Committee shall recommend procedures to ensure that the Board and the committees function independently of management.

### ***Succession Planning***

SCLP, in consultation with the Committee, provides the CEO and other officers of the Company pursuant to the MSA. The Committee shall make recommendations for approval by the Board with respect to succession planning for the CEO (including when necessary the appointment of a new CEO or the dismissal of the existing CEO) and other management. The Committee shall take into consideration the diversity of the Company's senior management when making recommendations with respect to succession planning.

On an annual basis, the Committee shall (i) assess the effectiveness of the senior management appointment process at achieving the Company's diversity objectives (as described in the Company's Diversity Policy) and (ii) consider and, if determined advisable, recommend to the Board for adoption, measurable objectives for achieving diversity in senior management. At any given time the Committee may seek to adjust one or more objectives concerning senior management diversity and measure progress accordingly.

### ***Review of Breaches of the Code of Business Conduct and Ethics***

The Committee shall receive reports from the CEO regarding breaches of the Code of Business Conduct and Ethics, and shall in turn report those breaches to the Board. The Committee shall review investigations and any resolutions of complaints received under the Code of Business Conduct and Ethics and report annually to the Board thereon.

## **8. No Rights Created**

This Charter is a statement of broad policies and is intended as a component of the flexible governance framework within which the committees of the Board assist the Board in directing the affairs of the Company. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Company's Articles and By-laws, it is not intended to establish any legally binding obligations.