

# **RAINY RIVER RESOURCES LTD. CORPORATE GOVERNANCE AND NOMINATING COMMITTEE CHARTER**

This charter (the “Charter”) sets forth the purpose, composition, procedures, organization, responsibilities, duties, powers and authority of the Corporate Governance and Nominating Committee (the “Committee”) of the Board of Directors (the “Board”) of Rainy River Resources Ltd. (the “Company”).

## **1. Purpose**

The purpose of the Committee is to:

- (a) provide a focus on corporate governance that will enhance the Company’s corporate performance;
- (b) ensure that the Company’s corporate governance system is effective and satisfies its corporate governance responsibilities under applicable corporate governance legislation, rules, policies and guidelines; and
- (c) establish criteria for Board and committee membership; to recommend composition of the Board and its committees; and to assess directors’ performance as circumstances arise and, in any event, not less than annually.

## **2. Composition, Procedures and Organization**

- (a) The Committee shall consist of at least three members of the Board, a majority of whom shall be “independent” as that term is defined in National Instrument 58-101 *Disclosure of Corporate Governance Practices* and under the rules of the applicable stock exchanges.
- (b) The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
- (c) Unless the Board shall have appointed a chair (“Chair”) of the Committee, the members of the Committee shall elect a chair from among their number.
- (d) The secretary of the Committee shall be designated from time to time from one of the members of the Committee or, failing that, shall be the Company’s corporate secretary, unless otherwise determined by the Committee.
- (e) The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and hear each other.

- (f) The Committee shall have access to such officers and employees of the Company, its external auditors and legal counsel, and to such information respecting the Company, and may engage separate independent counsel and advisors at the expense of the Company, all as it considers to be necessary or advisable in order to perform its duties and responsibilities, provided that the expenses incurred in connection therewith may not exceed \$25,000 without the prior approval of the Board.

### **3. Meetings**

The Committee shall meet no less than twice per year and otherwise as necessary or as directed by the Board. Any member of the Committee may call a meeting of the Committee.

### **4. Duties and Responsibilities**

The Committee will have the following duties and responsibilities:

- (a) to develop and monitor the Company's overall approach to corporate governance issues and, subject to approval by the Board, to implement and administer a system of corporate governance which reflects high standards of corporate governance practices;
- (b) to annually review and assess the adequacy of the Company's corporate governance policies including, without limitation, the Disclosure, Confidentiality and Insider Trading Policy, and develop and recommend to the Board for adoption additional or revised polices, as appropriate, to ensure that the Company's practices conform to high standards of corporate governance;
- (c) to report annually to the Company's shareholders, through the Company's annual management proxy circular or annual report to shareholders, on the Company's system of corporate governance and the operation of its system of governance, having reference to National Policy 58-201 *Corporate Governance Guidelines* and the corporate governance guidelines of the applicable stock exchanges;
- (d) to analyze and report to the Board the relationship of each director to the Company and significant shareholders as to whether such director is an independent director or a non-independent director;
- (e) to determine the appropriate committee structure of the Board and, in fulfilling the Committee's responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee;
- (f) to advise the Board or any of the committees of the Board of any corporate governance issues which the Committee determines ought to be considered by the Board or any such committee;
- (g) to review with the Board, on a regular basis but not less than annually, the role of the Board, the terms of reference of each of the committees of the Board and the methods

and processes by which the Board fulfills its duties and responsibilities, including without limitation:

- (i) the number and content of meetings;
  - (ii) the annual schedule of issues to be presented to the Board at its meetings or those of its committees;
  - (iii) the material which is to be provided to the directors generally and with respect to meetings of the Board or its committees;
  - (iv) the resources available to directors; and
  - (v) the communication process between the Board and management;
- (h) to conduct or oversee an annual evaluation of the effectiveness of the Board and annual peer evaluation process to provide feedback to individual directors on their effectiveness;
- (i) to propose to the Board, annually, the appointment of members to the committees of the Board;
- (j) from time to time, as the Committee deems appropriate, to evaluate the size, composition, membership qualifications, scope of authority, responsibilities, reporting obligations and charters of the Board and each committee of the Board;
- (k) in consultation with the Board to establish criteria for Board membership and recommend Board composition;
- (l) to conduct an annual assessment of the performance and, if applicable, to independence of the Chair of the Board;
- m) to identify and recommend to the Board suitable director candidates. In doing so, the Committee will follow a suitable selection and screening process to ensure that the requisite elements of integrity, diversity, knowledge, skill, experience and judgment are possessed by the Board's members. In addition, the Committee will consider the needs of individual committees and Board succession planning in recruiting prospective directors. The Committee will also recommend to the Board, annually, the Board members proposed as the nominees for re-election as directors at each annual general meeting; and
- (l) to ensure that orientation and education programs are in place for new directors and on an ongoing basis, as determined appropriate.

Approved by the Board of Directors on May 10, 2011.