

## **CHARTER OF EXPECTATIONS OF DIRECTOR**

Royal Nickel Corporation's (the "Company" or "RNC") Charter of Expectations of Directors (the "Board Charter") sets out the roles and responsibilities to be discharged by directors. The Board Charter specifies how the board of directors of the Company (the "Board") delegates authority to manage the business of the Company to management.

### **1.0 OVERALL RESPONSIBILITIES**

The Board's mandate is to formulate the policies and procedures under which the Company operates, to oversee the conduct of the business and to monitor management of the Company. In discharging its duty of stewardship of the Company, the Board shall expressly assume responsibility for the following issues:

#### **1.1 Culture of Integrity**

To the extent feasible, satisfying itself as to the integrity of the Chief Executive Officer and other executive officers and that the Chief Executive Officer and other executive officers create a culture of integrity throughout the Company.

#### **1.2 Strategy**

Developing, reviewing and, where prudent, modifying the corporate strategy of the Company. Through the Company's Chief Executive Officer, establishing the business plan for the Company. Providing input to management on emerging trends and issues. Reviewing and approving the Company's financial objectives, plans and actions, including significant capital allocations and expenditures. Monitoring the progress against strategic and business goals, including assessing operating results to evaluate whether the Company is being properly managed.

#### **1.3 Risks**

Identifying, and developing a strategy to manage, the principal risks facing the Company. Monitoring emerging trends and issues which impact the risks of the Company.

#### **1.4 Succession Planning**

Recruiting, training, monitoring, and succession planning specifically for the Chief Executive Officer and board members as well as, with the Chief Executive Officer's recommendations, for other members of senior management.

#### **1.5 Communications**

Ensuring timely and effective communication between the Company and its shareholders and other stakeholders and adopting a communication policy.

#### **1.6 Internal Control Systems**

Ensuring the integrity of the internal control systems and assessment processes for the Company, its directors, management and employees. Ensuring ethical behaviour and compliance with laws

and regulations, audit and generally accepted accounting principles, and the Company's own governing documents.

### **1.7 Corporate Governance**

Developing the Company's approach to corporate governance issues and establishing and implementing the Company's governance system.

### **1.8 Material Transactions**

Reviewing and approving material transactions not in the ordinary course of business. Setting a grant of authority for the Chief Executive Officer for matters outside of the approved annual budget.

### **1.9 Share Capital**

Issuing the Company's equity.

### **1.10 Board Effectiveness**

Assessing its own effectiveness in fulfilling the above and other Board responsibilities, including monitoring the effectiveness of its committees and individual directors.

### **1.11 Other**

Performing such other functions as prescribed by law or assigned to the Board in the Company's governing documents.

## **2.0 DIRECTORS ATTRIBUTES**

To execute the Board's responsibilities, directors must possess the following characteristics and traits.

### **2.1 Integrity and Accountability**

Directors must demonstrate high ethical standards and integrity in their personal and professional dealings, and be willing to act on, and remain accountable for, their boardroom decisions.

### **2.2 Informed Judgement**

Directors must be able to provide wise, thoughtful counsel on a broad range of issues. They must develop a depth of knowledge of the mining industry, in order to understand and question the assumptions upon which the strategic and business plans are based, and to form an independent judgement as to the probability that such plans can be achieved.

### **2.3 Financial Literacy**

Directors must have a high level of financial literacy. They should know how to read financial statements, and they should understand the use of the financial ratios and other indices for evaluating the Company's performance.

#### **2.4 Mature Confidence**

Directors must value Board and team performance over individual performance. Directors must possess respect for others to facilitate Board performance.

#### **2.5 Communication**

Directors must be open to others' opinions, be willing to listen and be able to communicate persuasively. Directors must approach others assertively, responsibly and supportively, and be willing to raise tough questions in a manner that encourages open discussion.

#### **2.6 Track Record and Experience**

Directors must bring a history of achievement that reflects high standards for themselves and others. Directors must have a proven track record of sound business judgement and good business decisions.

### **3.0 GENERAL**

#### **3.1 Term of Office**

Directors are elected or appointed to office until the next annual shareholders meeting.

#### **3.2 Share Ownership**

Directors are encouraged to own shares of the Company and to hold such shares during their board tenure.

#### **3.3 Orientation**

Directors are required to meet with other Board members, the Chief Executive Officer, the Vice President and Chief Financial Officer and other members of senior management, as appropriate, upon first becoming a director of the Company. Directors are strongly encouraged to visit the Company's mine site and operational facilities and meet with senior management, when appropriate. Each director shall be provided with RNC information for reference, which information shall include the Company's governing documents, policies, code of business conduct and ethics, charters and other material information about the Company.

#### **3.4 Continuing Education**

Directors are encouraged to be a member of a professional director organization and/or have a subscription with an organization that provides educational materials or corporate governance and/or director responsibilities, current trends and other relevant director information.

### **3.5 Conflict of Interest**

Directors are required to be free from any material interest which would affect their ability to act in the best interests of the Corporation.

### **3.6 Attendance**

Directors are expected to attend all properly called meetings in person or by phone. As a minimum, directors are required to attend 75% of all properly called meetings.

### **3.7 Compensation**

Directors' remuneration shall be in the form of cash and/or equity or as determined by the Board from time to time. Directors' remuneration shall be determined annually by the Company's Compensation Committee and approved by the Board.

### **3.8 Independent Chairman or Lead Director**

Directors will appoint annually an Independent Chairman and/or a Lead Director. The responsibilities of the Chairman and/or Lead Director shall be confirmed by the Board annually.

### **3.9 Resignation**

If any of the following events occur, a director will be expected to discuss with the Chairman and/or Lead Director and the Chairman of the Corporate Governance Committee, how he/she intends to ensure that such event does not reoccur. If, after the above action has been taken, the event reoccurs, the director will be required to tender his/her resignation. Depending on the individual circumstances the resignation may or may not be accepted.

3.9.1 Director is unable to abide by any of the Company's governing documents.

3.9.2 Director is unable to perform his/her responsibilities.

3.9.3 Director does not meet any of the required director