



GOVERNANCE AND NOMINATING COMMITTEE CHARTER

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I. PURPOSE

The Governance and Nominating Committee (the “**Committee**”) is a standing committee appointed by the board of directors (“**Board**”) of Tantalus Systems Holding Inc. (the “**Company**”). The Committee is responsible for, among other things as may be delegated by the Board from time to time:

- A. developing our corporate governance policies and principles and providing governance leadership;
- B. identifying individuals qualified to be nominated as members of the Board;
- C. overseeing director orientation and continuing education;
- D. monitoring compliance with the Company’s code of business conduct (the “**Code of Business Conduct**”);
- E. reviewing the structure, composition and mandate of the Board committees; and
- F. evaluating the performance and effectiveness of the Board and of the Board committees.

II. PROCEDURES

1. *Number of Members* – The members of the Committee shall be appointed by the Board. The Committee will be composed of not less than three (3) Board members.
2. *Quorum* – The quorum of the Committee shall be at least two (2) members.
3. *Independence* – The Committee shall be constituted at all times of members who are “independent” within the meaning of National Instrument 58-101 – *Disclosure*

of *Corporate Governance Practices* (“NI 58-101”). The Board will consider all relevant facts and circumstances in making a determination of independence for each director and, as appropriate, impose independence requirements more stringent than those provided for by NI 58-101 to the extent required by Canadian securities laws, including rules and policies promulgated by the TSX Venture Exchange (“TSXV”) and the Toronto Stock Exchange (“TSX”).

4. *Appointment and Replacement of Committee Members* – Any member of the Committee may be removed or replaced at any time by the Board and shall automatically cease to be a member of the Committee upon ceasing to be a director. The Board may fill vacancies on the Committee by appointing another qualified director to the Committee. The Board shall fill any vacancy if the membership of the Committee is less than three (3) directors. Whenever there is a vacancy on the Committee, the remaining members may exercise all of the Committee’s powers as long as a quorum remains in office. Subject to the foregoing, the members of the Committee shall be appointed by the Board annually and each member of the Committee shall remain on the Committee until his or her successor shall be duly appointed and qualified or his or her earlier resignation or removal.
5. *Committee Chair* – Unless a Chair of the Committee is designated by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee. The Committee Chair shall be responsible for leadership of the Committee, including preparing the agenda in consultation with other Committee members and members of management, presiding over the meetings, making Committee assignments and reporting to the Board following each meeting and as otherwise necessary or appropriate. If the Committee Chair is not present at any meeting of the Committee, one of the other members of the Committee who is present shall be chosen by the Committee to preside at the meeting. The Committee will report through the Committee Chair to the Board following meetings of the Committee on matters considered by the Committee, its activities and compliance with this Charter.
6. *Conflicts of Interest* – If a Committee member faces a potential or actual conflict of interest relating to a matter before the Committee that member shall be responsible for alerting the Committee Chair. If the Committee Chair faces a potential or actual conflict of interest, the Committee Chair shall advise the Chair of the Board. If the Committee Chair, or the Chair of the Board, as the case may be, concurs that a potential or actual conflict of interest exists, the member faced with such conflict shall disclose to the Committee the member’s interest and shall not participate in consideration of the matter and shall not vote on the matter.
7. *Meetings* – The Committee shall meet regularly and as often as it deems necessary to perform the duties described herein in a timely manner, but not less than three (3) times a year. Meetings may be held at any time deemed appropriate by the Committee. The Committee shall maintain written minutes of its meetings, which will be filed with the meeting minutes of the Board.

III. RESPONSIBILITIES

A. BOARD COMPOSITION AND DIRECTOR NOMINATIONS

1. The Committee shall:
 - a. identify and recommend to the Board qualified nominees for election or appointment, as the case may be, as directors;
 - b. review from time to time the size of the Board;
 - c. develop and review periodically standards to be applied in making determinations as to the presence or absence of material relationships between a director and the Company and management and make recommendations to enable the Board to function independently of management;
 - d. review periodically the competencies, skills and personal qualities required of directors in order to add value to the Company, in light of:
 - i. the opportunities and risks facing the Company and the Company's proposed strategy;
 - ii. the need to ensure that for purposes of the composition of the Board a majority of the directors are independent directors; and
 - iii. the Company's corporate governance policies and Board policies with respect to director tenure, retirement and succession, diversity and the number of boards on which directors may sit;
 - e. review periodically the competencies, skills and personal qualities of each existing director, and the contributions made by the director to the effective operation of the Board and review any significant change in the primary occupation of the director;
 - f. make recommendations for changes to the composition of the Board as it deems necessary or appropriate; and
 - g. recruit and consider candidates for director, including any candidates nominated by shareholders, having regard for the independence, background, employment and qualifications of possible candidates and the alignment of such candidate's competencies, skills and personal qualities with the Company's needs and shareholders' interests.
 - h. perform the above items (a) – (g) with the objective to maintain the composition of the Board in a way that provides, in the judgment of the Board, the best mix of skills and experience to provide for the overall stewardship of the Company.

B. SUCCESSION PLANNING AND DEVELOPMENT

1. The Committee shall periodically review with the Chair of the Board and the Chief Executive Officer the succession plans relating to the position of the Chief Executive Officer and generally with respect to other senior positions and make recommendations to the Board with respect to the selection of individuals to occupy these positions.
2. The Committee shall review plans in respect of an unexpected incapacitation of the Chief Executive Officer.
3. The Committee shall oversee the Company's talent management activities with respect to its senior or potential senior positions, including, without limitation, any education and training programs and initiatives with respect to such employees in light of applicable succession planning and the selection of individuals to occupy these positions.

C. CORPORATE GOVERNANCE AND DIVERSITY

1. The Committee is responsible for considering matters of corporate governance and reviewing periodically, the Company's approach to governance issues and its corporate governance policies and, if applicable, recommending to the Board changes to the same.
2. In the event a director submits a resignation for consideration by the Board pursuant to a Board policy, the Committee will recommend to the Board whether or not to accept it.
3. The Committee shall assess any shareholder proposals to be included in the management information circular prepared in connection with any applicable meeting of shareholders and make appropriate recommendations to the Board.
4. The Committee shall oversee the Company's initiatives in promoting diversity in each of its Board and overall workforce, and shall oversee applicable Board and/or workforce diversity policies, programs and initiatives.

D. DIRECTOR PROTECTION

1. The Committee shall assess the director and officer insurance policy of the Company and make recommendations for its renewal or amendment, or the replacement of the insurer.
2. Subject to applicable law and the constating documents of the Company, the Committee is responsible for administering all policies and practices of the Company with respect to the indemnification of directors by the Company and for approving or, in the Committee's sole discretion, recommending that the Board approve, all payments made pursuant to such policies and practices.

E. BUSINESS AND ETHICAL CONDUCT

1. The Committee shall establish and update periodically a Code of Business Conduct for employees, officers and directors of the Company and, in conjunction with the

Audit Committee of the Board or representatives thereof, as applicable, monitor, and review management's monitoring of, compliance with the Company's Code of Business Conduct.

F. DIRECTOR ORIENTATION AND CONTINUING EDUCATION

1. The Committee shall oversee the orientation of new directors to familiarize them with the Company's business and operations, including the Company's reporting structure, strategic plans, significant financial, accounting and risk issues and compliance programs and policies, management and the external auditors as well as the expectations of serving as a director. The Committee shall also oversee ongoing educational opportunities for all directors.

G. BOARD EVALUATIONS

1. The Committee shall periodically review and make recommendations to the Board for changes to the mandate for the Board and the position descriptions for the Chair of the Board and other director roles.
2. The Committee shall annually assess the effectiveness of the Board as a whole, having regard for the mandate of the Board, and make recommendations to the Board regarding such assessment.
3. The Committee shall consider the performance of the incumbent members of the Board in determining whether to recommend that they be nominated for re-election, and evaluate and recommend termination of membership of individual directors in accordance with the Company's constating documents for cause or other appropriate reasons.

H. OPERATIONS OF THE BOARD

1. The Committee shall make recommendations respecting succession planning for the Chair of the Board and, in the event of a change in the Chair of the Board, shall make recommendations to the Board respecting the appointment of a new Chair of the Board.
2. The Committee shall review from time to time the charters of the committees of the Board and, if applicable, make recommendations regarding the charters to the Board and recommend timely changes in the role, size, composition and structure of Board committees.

I. COMPLIANCE WITH DISCLOSURE REQUIREMENTS

1. The Committee shall annually review and recommend approval to the Board (if deemed advisable) the disclosure of the Company's corporate governance practices included in the management information circular prepared in connection with the applicable meetings of shareholders, on the Company website and in other public disclosure or communications.

J. GENERAL

1. The Committee shall undertake on behalf of the Board such other corporate governance or nominating initiatives as may be necessary or desirable to enable the Board to provide effective corporate governance for the Company and to otherwise contribute to the success of the Company and enhance shareholder value.
2. The Committee shall perform such other functions as required by law, the Company's constating documents or the Board.

K. EXCEPTIONS

1. The Committee may delegate from time to time to any person or committee any of its responsibilities that may lawfully be delegated.

IV. THIS CHARTER

The Committee shall review and reassess the adequacy of this Charter at least every three years and/or as required by applicable laws or by the TSXV or TSX. This Charter shall be posted on the Company's website.