



## **CONSOLIDATED NICKEL MINES LTD**

(the “Company”)

### **SAFETY, HEALTH, ENVIRONMENT AND COMMUNITY**

#### **COMMITTEE CHARTER**

##### **PURPOSE**

The Safety, Health, Environment and Community (SHEC) Committee is appointed by the Board of Directors to discharge the Board of Directors’ responsibilities relating to compliance with applicable safety, environmental and health legislation, rules and regulations in the jurisdictions in which the company operates, as well as community issues and responsibilities. The purpose of the SHEC Committee is to assist the Board of Directors in management of the Company’s policies, programs and systems relating to safety, environmental, community and health issues.

##### **REPORTS**

The SHEC Committee shall report to the Board of Directors on a regular basis and at least quarterly. The SHEC Committee shall prepare an annual report relating to the safety, environmental, community and health matters of the Company, including any issues of which the SHEC Committee is aware with respect to compliance with legal or regulatory requirements.

##### **COMPOSITION**

The members of the SHEC Committee shall be a minimum of two or more individuals who are appointed by and serve at discretion of Board of Directors (and may be replaced). The Board of Directors may appoint a member to fill a vacancy that occurs in the SHEC Committee between annual elections of directors. Any member of the SHEC Committee may be removed from the SHEC Committee by a resolution of the Board of Directors. Unless the Chair is appointed by the Board of Directors, the members of the SHEC Committee may designate a Chair by majority vote of the members of the SHEC Committee.

Each member of the SHEC Committee shall have an understanding of safety, environmental and health matters and best practices.

## **RESPONSIBILITIES**

The SHEC Committee shall:

- Review with senior management the Company's goals and policies in respect of the safety, environment, employee health and community issues and provide oversight on the development and implementation of management systems relating to such matters.
- Ensure that senior management has implemented a safety, environmental, community and health policy compliance audit program. This program should provide an indication of the Company's risk exposures, steps taken to monitor and control such exposures, the effect of relevant regulatory initiatives and trends and material claims. The committee shall request from senior management periodic status reports on such program and provide feedback on necessary improvements to the program.
- Receive safety, environmental, community and health reports from management that include any issues of a material nature, including details of incidents reports.
- Review financial reserves set aside for environmental remediation obligations.
- The SHEC Committee shall assist the Board in fulfilling its oversight responsibilities relating to the Company's Enterprise Risk Management program by program by overseeing management's identification and monitoring of risks related to safety, environmental, community and health issues and recommending strategies to mitigate against such risks.

## **MEETINGS**

The SHEC Committee shall meet regularly or as circumstances require, and in any event at least quarterly. All members of the SHEC Committee should strive to be at all meetings. Minutes shall be taken of all meetings, which shall be distributed before the next meeting, at which the minutes must be formally approved. The SHEC Committee may request any member of the Company's senior management or the Company's outside advisors to attend meetings of the SHEC Committee or with any members of, or other advisors to, the SHEC Committee.

Quorum for the transaction of business at any meeting of the SHEC Committee shall be a majority of the number of members of the SHEC Committee or such greater number as the SHEC Committee shall by resolution determine. The powers of the SHEC Committee may be exercised at a meeting at which a quorum of the SHEC Committee is present in person or by telephone or other electronic means or by a resolution signed by all members entitled to vote on that resolution at a meeting of the SHEC Committee. Each member (including the Chair) is entitled to one (but only one) vote in SHEC Committee proceedings.

Meetings of the SHEC Committee shall be held from time to time and at such place as a member of the SHEC Committee may request upon 24 hours prior notice. The notice period may be waived by a quorum of the SHEC Committee. In addition to the minutes of the meeting, The Chairperson shall document any recommendations to be made by the committee to the Board of Directors for approval, and ensure that these matters are addressed by the Board of Directors.

The SHEC Committee may delegate authority to individual members and subcommittees of its members where the SHEC Committee determines it is appropriate to do so.

### **INDEPENDENT ADVICE**

In discharging its mandate, the SHEC Committee shall have the authority to request the Board of Directors for the authority to retain (and authorize the payment by the Company of) and receive advice from special legal or other advisors as the SHEC Committee determines to be necessary to permit it to carry out its duties.

### **ANNUAL EVALUATION**

The SHEC Committee shall, in a manner it determines to be appropriate:

- Conduct a review and evaluation of the performance of the SHEC Committee and its members, including the compliance of the SHEC Committee with this Charter.
- Review and assess the adequacy of its Charter and recommend to the Board of Directors any improvements to this Charter that the SHEC Committee determines to be appropriate.

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