

**TRILOGY METALS INC.**  
**(the "Company")**

**CORPORATE GOVERNANCE & NOMINATING COMMITTEE**

**TERMS OF REFERENCE**

**A. PURPOSE**

The purposes of the Corporate Governance and Nominating Committee (the "Committee") are to:

- (i) propose new members to the Board of Directors of the Company (the "Board"), establish criteria for Board membership, recommend composition of the Board and its committees and assess Directors' performance on an ongoing basis; and
- (ii) provide a focus on corporate governance that will enhance corporate performance and to ensure, on behalf of the Board and shareholders of the Company that the Company's corporate governance system is effective in the discharge of its obligations to the Company's stakeholders.

**B. COMPOSITION, PROCEDURES AND ORGANIZATION**

- 1. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee and the Chair 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.
- 2. The Committee shall consist of at least three members of the Board, all of whom shall be independent as defined by applicable securities laws, rules and regulations.
- 3. If the Chair is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside at the meeting.
- 4. The Secretary of the Company shall be the Secretary of the Committee, unless otherwise determined by the Committee.
- 5. The Committee shall meet regularly, and at least semi-annually, each year on such dates and at such locations as the Chair of the Committee shall determine and may also meet at any other time or times on the call of the Chair of the Committee or any two of the other members.

6. The quorum for meetings shall be a majority of the members of the Board, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other. The Committee may also act by unanimous written consent of its members.
7. The Chief Executive Officer shall be available to advise the Committee, shall receive notice of all meetings of the Committee and may attend meetings at the invitation of the Chair of the Committee.
8. Notice of the time and place of every meeting shall be given in writing or by e-mail or facsimile communication to each member of the Committee at least 48 hours prior to the time fixed for such meeting; provided, however, that a member may in any manner waive a notice of a meeting and attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.
9. The Chair shall develop and set the Committee's agenda, in consultation with other members of the Committee, the Board and management. The agenda and information concerning the business to be conducted at each Committee meeting shall, to the extent practical, be communicated to the members of the Committee sufficiently in advance of each meeting to permit meaningful review.
10. The Committee shall have the power to delegate its authority and duties to subcommittees or individual members of the Committee as it considers appropriate.
11. In discharging its responsibilities, the Committee shall have full access to all books, records, facilities and personnel of the Company.
12. At the invitation of the Chair, one or more officers or employees of the Company may, and if required by the Committee shall, attend a meeting of the Committee.
13. The Committee shall fix its own procedure at meetings, keep records of its proceedings and report to the Board when the Committee may deem appropriate (but not later than the next meeting of the Board).

### **C. OUTSIDE CONSULTANTS AND ADVISORS**

The Committee, when it considers it necessary or advisable, may retain, at the Company's expense, outside consultants or advisors to assist or advise the Committee independently on any matter within its mandate. The Committee shall have the sole authority to retain and terminate any such consultants or advisors or any search firm to be used to identify director candidates, including sole authority to approve the fees and other retention terms for such persons.

## **D. DUTIES AND RESPONSIBILITIES**

The duties and responsibilities of the Committee shall be as follows:

### Corporate Governance Duties

1. 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 corporate governance system with emphasis on superior corporate governance practices;
2. to report annually to the Company's shareholders on the Company's approach to corporate governance;
3. 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;
4. to review, 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:
  - (a) the number and content of meetings;
  - (b) the annual schedule of issues to be presented to the Board at its meetings or those of the committees of the Board;
  - (c) material which is to be provided to the Directors generally and with respect to meetings of the Board or the Board's committees;
  - (d) resources available to Directors;
  - (e) the communication process between the Board and management;
  - (f) Director orientation and education; and
  - (g) the contents of the Board manual;
5. to approve position descriptions for the Chair, the Committee chairs, individual Directors and the Chief Executive Officer for the purpose of assessing their performance;
6. to oversee the development and implementation of a director orientation and ongoing education program;
7. to establish and administer a process for assessing the effectiveness of the Board as a whole, the committees of the Board, the chair of the Board, the Committee chairs and individual Directors;
8. to receive a report from management on any issues arising from the Code of Business Ethics and consider any required waivers;

9. to periodically review corporate governance issues, trends, best practices and proposed, new or amended regulatory requirements and recommend changes to the Company's corporate governance practices and principles for approval by the Board;
10. to review compliance with and consider any changes required or recommended to the Company's governance policies, including without limitation, the Code of Business Ethics, the Insider Trading Policy, the Disclosure Policy and the Conflict of Interest Policy, on an annual basis;
11. to review the necessity of a corporate share ownership policy for directors and management and recommend any changes to the Board; and
12. to review and discuss with management the disclosure regarding the operations of the Committee and director independence, and to recommend that this disclosure be, included. as appropriate, in the Company's annual information form, annual report on Form 10-K and management information circular.

#### Nominating Duties

1. to recommend to the Board, annually, the members proposed for re-election to the Board and identify and recommend new nominees for the Board;
2. to recommend to the Board, annually, the assignment of members to the committees of the Board and the chair for each committee;
3. in consultation with the Board, to consider the competencies, skills and diversity the Board should have, the competencies, skills and diversity that the existing Directors have and the competencies, skills and diversity required for nominees to the Board and to establish criteria for Board membership and recommend Board composition;
4. to consider any director candidates recommended by the Company's shareholders pursuant to procedures described in the Company's proxy statement; and
5. to develop and oversee a process for director succession, including reviewing and assessing new candidates for appointment or nomination to the Board.

Approved: January 31, 2012

Amended and restated: October 23, 2012, with effect from December 1, 2012

Amended and restated: December 15, 2016

**APPENDIX A**

**CORPORATE GOVERNANCE & NOMINATING COMMITTEE**

**CALENDAR OF ACTIVITIES**

<b>DESCRIPTION OF ACTIVITY</b>	<b>BEGINNING OF YEAR</b>	<b>MID-YEAR</b>	<b>END OF YEAR</b>
Approve minutes of last meeting	X	X	X
Evaluate performance of the Board, Committees, the Board Chair, Committee Chairs and Individual Directors			X
Review of corporate governance practices, including the role of the Board, the Terms of Reference of the Board, each Committee, the Chair, the Committee Chairs and the CEO and the methods and processes by which the Board fulfills its duties and responsibilities, including:  (a) Number and Content of Meetings (b) Annual Schedule of Issues to be Presented to the Board at its Meetings and Committee Meetings (c) Material which is to be Provided to the Directors generally and with respect to Meetings of the Board and its Committees (d) Resources Available to Directors (e) Communication Process between the Board and Management (f) Director Orientation and Education (g) Board Manual			X

DESCRIPTION OF ACTIVITY	BEGINNING OF YEAR	MID-YEAR	END OF YEAR
Review Board composition and succession planning, including director independence and required competencies and skills			X
Review compliance with and any recommended changes to the Code of Business Ethics, Communications Policy, Insider Trading Policy and Conflicts of Interest Policy			X
Approve report on corporate governance and disclosure regarding the operations of the Committee and director independence to be included in the annual report on Form 10-k and management information circular		X	
Recommend director nominees to the Board		X	
Recommend to the Board the assignment of Committee members and Chairs		X	
Review Director and officers' share ownership, if applicable		X	