



## MANDATE OF THE BOARD OF DIRECTORS

### Responsibilities

The Board of Directors (the “**Board**”) of Gamehost Inc., (the “**Company**”) is responsible for the stewardship of the Company. All directors shall act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The Board retains plenary authority and power to do all lawful acts and things that are not by law otherwise directed or required to be exercised or done by the shareholders of the **Company** or in some other manner. In carrying out its responsibilities, the Board (or the committees of the Board duly constituted by the Board to the extent such delegation is permitted by law and is specifically made by the Board) shall have the following specific responsibilities:

- the adoption of a corporate strategic plan that includes the periodic review and approval of business plans, which take into account, among other things, the opportunities and risks of the business;
- of the appropriate systems to manage these risks;
- the adoption of processes for succession planning, the periodic review of succession plans for key members of senior management, including the Chief Executive Officer (the “**CEO**”) and other senior officers when applicable, and the appointment and training of, and monitoring the performance and compensation of senior management, including officers of the Company;
- the adoption of a communications policy and the periodic review of such policy;
- the establishment of adequate systems of internal controls and management information systems;
- the adoption of corporate governance guidelines or principals applicable to the Company, including with respect to: (i) the size and composition of the Board; (ii) the orientation of new directors; (iii) the provision of continuing education to directors; (iv) the compensation and tenure of directors; (v) the periodic assessment of the performance of the Board, its committees and directors, this Mandate, the Charter for each committee of the board; and (vi) the position description(s) applicable to each individual director, as well as the competencies and skills each individual director is expected to bring to the Board;
- the oversight of the maintenance by management of practices and processes to ensure compliance with applicable laws and appropriate ethical standards, including the adoption by management of corporate policies and procedures and the adoption of a written code of business conduct and ethics applicable to directors, officers and employees of the Company containing standards that are reasonably designed to deter wrongdoing;
- to the extent feasible, satisfying itself as to the integrity of the CEO and other senior officers and that the CEO and other senior officers create a culture of integrity throughout the Company;

- the submission of matters or questions requiring the approval of shareholders to the shareholders for approval;
- the approval of the submission to the shareholders of any amendment to the articles of the Company or the approval of any adoption, amendment or repeal of any bylaws of the Company;
- the recommendation of candidates for election or appointment to the Board of Directors, including the review of nominations recommended by shareholders;
- the approval of the annual objectives of the Company and the CEO, and the assessment of the performances of the Company and the CEO against the approved objectives;
- the approval of an annual operating budget for the Company and its subsidiaries on a consolidated basis;
- the authorization of the issuance of securities of the Company as required in accordance with applicable laws;
- the declaration of dividends on shares of the Company or the approval of the purchase, redemption or other acquisition of shares issued by the Company as required in accordance with applicable laws;
- the oversight of the reliability and integrity of accounting principals and practices followed by management, financial statements and other financial reporting, and disclosure practices followed by management;
- the oversight of the qualifications and independence of the independent auditors of the Company and the approval of the terms of their audit and non-audit services engagements as required in accordance with applicable laws and the requirements of any stock exchanges on which the Company lists its securities and of securities regulatory authorities, as adopted or in force or amended from time to time, and the assessment of the performance of the independent auditors, the filling of vacancy in the office of the independent auditor between shareholders' meetings, and the recommendation of the annual appointment or, if appropriate, the removal, of the independent auditors of the Company to the shareholders of the Company for their approval in accordance with applicable laws;
- the approval of the annual audited consolidated financial statements of the Company and, as required in accordance with applicable laws, the approval of the quarterly unaudited consolidated financial statements of the Company and overview of the accounting principals and practices followed by management;
- the approval of prospectuses, annual information forms, annual reports and proxy circulars and proxy statements sent to shareholders of the Company and the review of managements' discussion and analyses of financial condition and results of operations, and other material disclosure documents as determined by the Board of Directors from time to time;
- the establishment and periodic review of the Company's measures for receiving feedback from security holders;

- the development of clear position descriptions for directors, including the Chair of the Board, the Lead Director, if required, and the chair of each board committee; and, together with the CEO, a clear position description for the CEO, which includes delineating management's responsibilities;
- the oversight of the management of environmental risks and practices, charitable activities and other social responsibility matters; and
- to the extent not otherwise referred to above, the review and approval of all proposed transactions and matters described below under the heading "Decisions Requiring Prior Approval of the Board".

And, where applicable, in accordance with the requirements of the applicable corporate legislation, the stock exchanges on which the Company lists its securities and securities regulatory authorities, as adopted or in force or amended from time to time.

In discharging its duties and responsibilities, the Board of Directors is expected to be fully diligent in its oversight to avoid fraud or abuse. Accordingly, the Board may conduct such examinations, investigations or inquiries, and engage such special legal, accounting or other advisors, at the expense of the Company, at such time or times and on such terms and conditions as the Board of Directors considers appropriate.

#### **Decisions Requiring Prior Approval of the Board**

In addition to such other approvals as required by applicable law or the stock exchanges on which the Company lists its securities and securities regulatory authorities, the Board (or the committees of the Board duly constituted by the Board to the extent such delegation is permitted by law and is specifically made by the Board of Directors) shall review and approve:

- the strategic plan, financial plans and operating budget of the Company on at least an annual basis;
- the quarterly and annual financial statements of the Company;
- all material capital expenditures not part of the approved operating budget, all mergers and acquisitions, and all material investments and dispositions of the Company;
- all material borrowings and banking arrangements of the Company;
- all financing by the Company including the issuance of debt, equity and derivative instruments; for greater certainty, this includes the approval of all off-balance sheet financings by the Company or by special purpose entities or affiliates;
- the purchase and redemption of securities;
- any changes to the articles or by-laws of the Company;
- the hiring and, if necessary, the termination of the CEO;
- the compensation paid to senior management and directors, including the issuance of stock options and non-arm's length consulting arrangements;

- any other material matters outside the ordinary course of the Company's business including all major strategic and policy decisions; and
- any other matter specified by the Board as requiring its approval.

### **Expectations of Management**

The CEO, through the senior management, is responsible for the day-to-day operations of the Company and for providing the Board, directly or through the Chair of the Board or the appropriate committee, with timely, complete and accurate information on such operations. The Board expects management to propose and, after Board approval, implement the Company's strategic plan and to be accountable for the Company's financial and competitive performance. The Board expects the Company's resources to be managed in a manner consistent with enhancing the value of the Company and with consideration for ethics and corporate social responsibility.

The Board may request that certain members of senior management attend all or any portion of a Board or committee meeting and may schedule presentations by managers who can provide additional insight based on their personal involvement in the matter or their particular expertise. Each director shall have complete access to any member of senior management. The Chief Financial Officer of the Company shall have access to meet separately with the Audit Committee.

The Board may reasonably rely on the information provided to them by the Company's senior management personnel and outside advisors and auditors.

### **Expectations and Responsibilities of Directors**

The Board is responsible for the stewardship of the Company. It oversees the conduct of the Company's business and supervises the executive management, which is responsible for the conduct of the business. The Board determines matters of corporate policy, assesses management's executions of these policies and reviews the results obtained. Its duties include the approval of strategic plans, review of corporate risks identified by management and of the Company's practices and policies for dealing with these risks, management's succession and planning, approval of the corporate communications policy and assessment of the integrity of the Company's internal controls and information systems. The Board also acts on other matters brought to it by its committees or management. The Board approves the appointment of all executive officers and their compensation, the annual capital plan, individual material capital expenditures and divestments and strategic development plans.

The basic responsibilities of the directors are to exercise their business judgment to act in what they reasonably believe to be in the best interest of the Company and its shareholders. In discharging that obligation, directors should be entitled to rely on the honesty and integrity of the Company's senior executives and its outside advisors and auditors. The directors shall also be entitled to have the Company purchase reasonable directors and officers' liability insurance on their behalf, to the benefits of indemnification to the fullest extent permitted by law and the Company's charter, bylaws and any indemnification agreements and to protection as provided by Provincial law and the Company's charter.

Directors are expected to attend board meetings and meetings of committees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. Information and data that are important to the Board's understanding of the business to be conducted at a

board or committee meeting should generally be distributed in writing to the directors before the meeting, and directors should review these materials in advance of the meeting.

### **Measures for Receiving Shareholder Feedback**

The Company adheres to a general policy of disclosure intended to facilitate consistent disclosure practices aimed at informative, timely and broad dissemination of material information to the market in compliance with applicable securities laws and the rules and policies of any exchange on which the Company's securities are listed. The Board is responsible to overseeing and monitoring communications with, and responses to inquiries from, both institutional and individual investors and the financial community consistent with the objectives of the Company's disclosure policy.

Company spokespersons as appointed by the Board of Directors from time to time are available to shareholders by telephone, fax and e-mail and the Company maintains up-to-date materials of interest to shareholders and investors on the Company's web site at [www.gamehost.ca](http://www.gamehost.ca).

### **General**

The Board of Directors shall review and assess the adequacy of the Mandate of the Board on an annual basis.

Nothing in this Mandate is intended, or may be construed, to impose on any member of the Board a standard of care or diligence that is in any way more onerous or extensive than the standard required by law.