

**COM DEV INTERNATIONAL LTD.  
CHARTER OF THE BOARD OF DIRECTORS**

**I. PURPOSE**

The Board of Directors of COM DEV International Ltd. (the “**Corporation**”) is responsible for the general supervision of the management of the business. The Board of Directors, directly and through its Committees and its Chair, shall provide direction to senior management generally through the Chief Executive Officer, to pursue the best interests of the Corporation. The Board of Directors shall meet regularly to review the business operations, corporate governance and financial results of the Corporation.

**II. COMPOSITION**

The Board of Directors shall be constituted at all times of a majority of independent directors in accordance with National Instrument 58-201. A director is considered to be “independent” if he or she has no direct or indirect material relationship which could in the view of the Board of Directors reasonably interfere with the exercise of a director’s independent judgment. Notwithstanding the foregoing, a director shall be considered to have a material relationship with the Corporation (and therefore shall be considered a “non-independent” director) if he or she falls in one of the categories listed in Schedule “A” attached hereto.

**III. RESPONSIBILITIES**

The Board of Directors’ mandate is the stewardship of the Corporation and its responsibilities include, without limitation to its general mandate, the following specific responsibilities:

1. The assignment to the committees of directors, certain areas of responsibility as follows:
  - (a) ***Corporate Governance and Nominating Committee*** – developing the Corporation's approach to corporate governance and nomination of directors and related issues;
  - (b) ***Audit Committee*** – developing the Corporation's approach to financial reporting and internal controls;
  - (c) ***Compensation Committee*** – developing the Corporation's approach to issues relating to compensation generally, and to the compensation of the executive officers; and
  - (d) ***Strategic Initiatives Committee*** – developing the Corporation's approach to strategic initiatives of the Corporation.
2. With the assistance of the Corporate Governance and Nominating Committee:
  - (a) Reviewing the composition of the Board of Directors and ensuring it respects its independence criteria;
  - (b) The assessment of the effectiveness of the Board of Directors as a whole, the committees of the Board of Directors and the contribution of individual directors, including consideration of the appropriate size of the Board of Directors;

- (c) Ensuring that an appropriate review selection process for new nominees to the Board of Directors is in place;
  - (d) Ensuring that an appropriate orientation and education program for new members of the Board of Directors is in place; and
  - (e) Approving disclosure and securities compliance policies, including communications policies of the Corporation.
3. With the assistance of the Audit Committee:
- (a) Reviewing and monitoring the integrity of the Corporation's internal controls and management information systems;
  - (b) Reviewing and monitoring the Corporation's ethical behaviour and compliance with laws and regulations, audit and accounting principles and the Corporation's own governing documents; and
  - (c) Identification of the principal risks of the Corporation's business and ensuring that appropriate systems are in place to manage these risks.
4. With the assistance of the Compensation Committee,
- (a) the review and approval of the compensation of the executive officers, (including the review and approval of corporate objectives and goals applicable to the executive officers); and
  - (b) the approach of the Corporation to compensation, generally.
5. The selection, appointment, monitoring, evaluation and, if necessary, the replacement of the Chief Executive Officer, and, on the recommendation of the Chief Executive Officer, the selection and appointment and, if necessary, the replacement of the other executive officers.
6. With the assistance of the Strategic Initiatives Committee, the adoption of a strategic planning process, approval of a strategic plan that takes into account business opportunities and business risks identified by the Board, the Strategic Initiatives Committee and the Audit Committee and monitoring performance against such plans.
7. Reviewing with the executive officers major corporate decisions which require Board approval and approving such decisions as they arise. This includes the review and pre-approval of all actions, plans and decisions requiring Board approval as set out in the Corporation's policies and procedures, and the annual review of the delegation of decision-making authority through the Corporation and its subsidiaries.
8. Performing such other functions as prescribed by law or assigned to the Board of Directors in the Corporation's constituting documents and by-laws.
9. Meetings of the Board of Directors shall also include regular meetings of the independent members of the Board without management being present.

10. The Board will communicate its expectations of management through various established practices including but not limited to the review and approval of the Corporation's annual business plan and operating budget, the objectives of the Chief Executive Officer, and corporate policies, including compliance with all applicable laws and regulations.

#### **IV. OTHER**

The Board will periodically review its Charter and where appropriate will make changes.

Approved by the Board of Directors on December 13th, 2006.

### SCHEDULE "A"

The following individuals are considered to have a material relationship with the Corporation:

- (a) an individual who is, or has been, within the last 3 years, an employee or executive officer of the Corporation;
- (b) an individual whose immediate family member is, or has been, within the last 3 years, an executive officer of the Corporation;
- (c) an individual who:
  - (i) is a partner of a firm that is the Corporation's external auditor,
  - (ii) is an employee of that firm, or
  - (iii) was within the last three years a partner or employee of that firm and personally worked on the Corporation's audit within that time;
- (d) an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual:
  - (i) is a partner of a firm that is the Corporation's external auditor,
  - (ii) is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice; or
  - (iii) was within the last three years a partner or employee of that firm and personally worked on the Corporation's audit within that time;
- (e) an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the Corporation's current executive officers serves or has served at the same time on the entity's compensation committee; and
- (f) an individual who received, or whose immediate family member who is employed as an executive officer of the Corporation received, more than \$75,000 in direct compensation from the Corporation during any 12 month period within the last three years other than as remuneration for acting in his or her capacity as a member of the Board of Directors or any Board committee,

provided that an individual will not be considered to have a material relationship with the Corporation if such relationship is described in (a) to (f) hereof and ended before March 31, 2004.

For the purposes of clauses (c) and (d), a partner does not include a fixed income partner whose interest in the firm that is the internal or external auditor is limited to the receipt of fixed amounts of compensation (including deferred compensation) for prior service with that firm if the compensation is not contingent in any way on continued service.

For the purposes of clause (f), direct compensation does not include:

- (i) remuneration for acting as a member of the board of directors or of any board committee of the issuer, and
- (ii) the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.

An individual will not be considered to have a material relationship with the issuer solely because the individual or his or her immediate family member

- (i) has previously acted as an interim chief executive officer of the issuer, or
- (ii) acts, or has previously acted, as a chair or vice-chair of the board of directors or of any board committee of the issuer on a part-time basis.

For the purposes of this definition, the “Corporation” includes a subsidiary entity of the Corporation or a parent of the Corporation provided that an individual will not be considered to have a material relationship with such entity if the relationship ended before June 30, 2005.