

YORBEAU RESOURCES INC.
(the “Company”)

MANDATE OF THE BOARD OF DIRECTORS

Introduction

The board of directors (the “**Board**”) of the Company is elected by the shareholders of Company and is responsible for the stewardship of Company. The purpose of this mandate is to describe the principal duties and responsibilities of the Board, as well as some of the policies and procedures that apply to the Board in discharging its duties and responsibilities.

Chairman of the Board

The chairman of the Board (“**Chairman**”) will be appointed by the Board, for such term as the Board may determine.

Role and Responsibilities of the Board

The role of the Board is to represent the shareholders of Company, enhance and maximize shareholder value and conduct the business and affairs of Company ethically and in accordance with applicable standards of corporate governance. The Board is responsible for providing leadership in supervising the management of the business and affairs of Company, as well as establishing strategic direction and objectives. The responsibilities of the Board include:

- adopting a strategic planning process to establish the Company’s financial and other objectives;
- understanding and monitoring the political, cultural, legal and business environments in which Company operates;
- risk identification in connection with material transactions and ensuring that procedures are in place for the management of those risks;
- review and approve annual operating plans and budgets;
- succession planning, including the appointment, training and supervision of management;
- delegations and general approval guidelines for management;
- monitoring financial reporting and management;
- monitoring internal control and management information systems;
- corporate disclosure and communications with the Company’s shareholders, financial analysts and the media; and

- adopting key corporate policies designed to ensure that Company, its directors, officers and employees comply with all applicable laws, rules and regulations and conduct their business ethically and with honesty and integrity.

The Board and its committees shall hold regularly scheduled meetings and such special meetings as circumstances dictate. Meetings of the Board and its committees will be held at such times and places as the Chairman of the Board or the chairman of the relevant committee, as applicable, may determine and may be held in person or telephonically.

Delegations and Approval Authorities

The Board will delegate to the President, Chief Executive Officer and senior management authority over the day-to-day management of the business and affairs of Company.

The Board may delegate certain matters it is responsible for to Board committees, presently consisting of the Audit Committee and the Compensation Committee.

Strategic Planning Process and Risk Management

The Board will adopt a strategic planning process to establish objectives and goals for Company's business and will review, approve and modify as appropriate the strategies proposed by senior management to achieve such objectives and goals. The Board will review and approve, at least on an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of Company's business and affairs.

The Board, in conjunction with management, shall be responsible for identifying the principal risks of Company's business and overseeing management's implementation of appropriate systems to seek to effectively monitor, manage and mitigate the impact of such risks. Pursuant to its duty to oversee the implementation of effective risk management policies and procedures, the Board will delegate to the Compensation Committee the responsibility for assessing and implementing risk management policies and procedures directly connected to Company's compensation practices.

Succession Planning, Appointment and Supervision of Management

The Board will approve the succession plan for Company, including the selection, appointment, supervision and evaluation of the President, Chief Executive Officer and the other senior officers of Company, and will also approve their compensation upon recommendation of the Compensation Committee.

Monitoring of Financial Reporting and Management

The Board will approve all regulatory filings, including the annual audited financial statements, interim financial statements, the notes and management discussion and analysis accompanying such financial statements, quarterly and annual reports, management proxy circulars, annual information forms, prospectuses, and all capital investments, equity financings, borrowings and all annual operating plans and budgets.

The Board will adopt procedures that seek to ensure the integrity of internal controls and management information systems and compliance with all applicable laws.

Corporate Disclosure and Communications

The Board will seek to ensure that corporate disclosure of the Company complies with all applicable laws, rules and regulations and the rules and regulations of the stock exchanges upon which the Company's securities are listed.

Corporate Policies

The Board will adopt and periodically review policies and procedures designed to ensure that Company, its directors, officers and employees comply with all applicable laws, rules and regulations and conduct Company's business ethically and with honesty and integrity.

Review of Mandate

The Board will periodically review and assess the adequacy of this mandate and implement any changes it deems necessary or desirable in light of the state of the Company's affairs and in compliance with applicable laws, rules and regulations.

The Board may, from time to time, permit departures from the terms hereof, either prospectively or retrospectively, and no provision contained herein is intended to give rise to civil liability to securityholders of the Company or other liability whatsoever.