



LiquidMeta

LIQUID META CAPITAL HOLDINGS LTD.

BOARD OF DIRECTORS' MANDATE

(Adopted and approved by the Board of the Corporation effective as of December 17, 2021)

Purpose

1. The board of directors (the "**Board**") of Liquid Meta Capital Holdings Ltd. (the "**Corporation**") is responsible for stewardship of the Corporation, supervising the management of the business and affairs of the Corporation, and providing leadership to the Corporation by practicing responsible, sustainable and ethical decision making. In discharging its responsibility, the Board will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances and will act honestly and in good faith with a view to the best interests of the Corporation.

Board Composition

2. The Board will consist of a minimum of three members.
3. A majority of the members of the Board will be independent pursuant to National Policy 58-201 *Corporate Governance Guidelines* (as implemented by the Canadian Securities Administrators and as amended from time to time).
4. The Board should consist of professional and competent members with an appropriate mix of skills and abilities to ensure that the Board carries out its duties and responsibilities in the most effective manner and that the Corporation meets its legal, financial and operational objectives.
5. The directors will be elected at the annual general meeting of the Corporation each year and will hold office until their successors are duly elected or appointed.
6. To be considered for nomination and election to the Board, individuals must demonstrate integrity and high ethical standards in their business dealings, their personal affairs and in the discharge of their duties to and on behalf of the Corporation.

Committees of the Board

7. The Board will carry out its mandate directly and through the following committees of the Board (and such other committees as it appoints from time to time):
 - (a) Audit Committee; and

- (b) Corporate Governance and Compensation Committee;
- (collectively, the “**Committees**”).

- 8. Each Committee will function according to a written mandate, as approved by the Board. The Committees will review and assess the adequacy of the mandates of the Committees on an annual basis.

Duties and Responsibilities

- 9. The Board will have the specific duties and responsibilities outlined below:

Legal Obligations

- 10. Act honestly and in good faith with a view to the best interests of the Corporation;
- 11. Exercise the care, diligence and skill that a reasonably prudent Board would exercise in comparable circumstances; and
- 12. Direct management to ensure legal, regulatory and exchange requirements applicable to the Corporation have been met.

Supervision of Management

- 13. Select and appoint the Chief Executive Officer (“**CEO**”), and with the assistance of the Corporate Governance and Compensation Committee, establish CEO goals and objectives and evaluate CEO performance;
- 14. Assist the CEO to select and appoint the Chief Financial Officer, Chief Operating Officer, Chief Technology Officer, Secretary and any Vice President, establish each of these officers’ goals and objectives and monitor their performance
- 15. Maintain a succession plan for the replacement of the CEO and executive officers; and
- 16. To the extent feasible, to satisfy itself as to the integrity of the CEO and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the Corporation.

Governance

- 17. Review on an annual basis, and either approve or require revisions to the mandates of the Board and the Committees, position descriptions, the code of business conduct and ethics (the “**Code**”) and all other policies of the Corporation (collectively the “**Governance Documents**”);
- 18. Take reasonable steps to satisfy itself that each director, the CEO and the executive officers are:
 - (a) performing their duties ethically;

- (b) conducting business on behalf of the Corporation in accordance with therequirements and the spirit of the Governance Documents; and
 - (c) fostering a culture of integrity throughout the Corporation;
- 19. As governance standards evolve and following each annual review of the Corporation's Governance Documents, either confirm or amend the Corporation's governance policies;
- 20. Take reasonable steps to create procedures and policies that are designed to ensure that the Board, the Committees, the chair of the Board, the chair of the Committees, each director, the CEO, the executive officers, management and employees are, in the discharge of their duties:
 - (a) acting ethically;
 - (b) conducting business on behalf of the Corporation in accordance with therequirements and the spirit of the Governance Documents; and
 - (c) are fostering a culture of integrity throughout the Corporation;
- 21. Ensure that the Corporation's Governance Documents are readily available to the directors, executive officers, management, employees and consultants and be publicly disclosed;
- 22. Administer the receipt of conflicts of interest concerns raised pursuant to the Code, conduct investigations and respond to their resolution; and
- 23. Review conflicts of interest and departures from the Code, determine whether material change reports or any other disclosure is required in respect of the conflicts and departures.

Communications

- 24. Review, with reasonable frequency, the disclosure policy which provides for disclosure and communications practices governing the Corporation.

Waivers & Conflicts

- 25. Review departures from the Code;
- 26. Provide or deny waivers from the Code; and
- 27. Disclose departures from the Code including by filing required material change reports for material departures from the Code containing:
 - (a) the date of the departure;
 - (b) the parties involved;
 - (c) the reason why the Board has or has not sanctioned the departure; and
 - (d) any measures taken to address or remedy the departure.

Strategic Planning

28. Adopt a strategic planning process for increasing shareholder value, annually approve a strategic plan, and regularly monitor the Corporation's performance against its strategic plan;
29. Approve capital and operating budgets to implement the strategic plan;
30. Conduct periodic reviews of the Corporation's resources, risks, and regulatory constraints and opportunities to facilitate the strategic plan; and
31. Evaluate management's analysis of the strategies of existing and potential competitors and their impact, if any, on the Corporation's strategic plan.

Risk Management

32. Adopt a process to identify the principal risks of the Corporation's business and ensure the implementation of appropriate systems to manage these risks; and
33. Together with the Audit Committee, ensure policies and procedures are in place and are effective to maintain the integrity of the Corporation's:
 - (a) disclosure controls and procedures;
 - (b) internal controls over financial reporting;
 - (c) management information systems; and
 - (d) auditing and accounting principles and practices.

Financial Management

34. Review, and on the recommendation of the Audit Committee, approve, prior to their public dissemination:
 - (a) interim and annual financial statements and notes thereto;
 - (b) managements' discussion and analysis of financial condition and results of operations;
 - (c) relevant sections of the annual report, annual information form and management information circular containing financial information;
 - (d) forecasted financial information and forward looking statements; and
 - (e) all press releases and other documents in which financial statements, earnings forecasts, results of operations or other financial information is disclosed;
35. Approve dividends and distributions, material financings, transactions affecting authorized capital or the issue and repurchase of shares and debt securities, and all material divestitures and acquisitions; and

36. Review and approve budgets, major expenditures and cash flow forecasts.

Board Meetings

37. The Board will meet in person, or by telephone conference call, at least once each quarter and as often thereafter as required to discharge the duties of the Board;
38. Hold meetings of the independent directors without management and non-independent directors present; and
39. Comply with the position description applicable to individual directors.

Materials

40. The Board has access to all books, records, facilities and personnel of the Corporation necessary for the discharge of its duties.

Advisors

41. The Board has the power, at the expense of the Corporation, to retain, instruct, compensate and terminate independent advisors to assist the Board in the discharge of its duties.