

BLUMETRIC ENVIRONMENTAL INC.

CHARTER OF THE BOARD OF DIRECTORS

I. PURPOSE

The Board of Directors (the “Board”) of BluMetric Environmental Inc. (the “Company”) is responsible for providing oversight and guidance for the management of the business and affairs of the Company. The Board shall act in the best interests of the Company and shall discharge its duties directly and through the committees that may exist from time to time.

II. DUTIES AND RESPONSIBILITIES OF THE BOARD

The Board is elected by the shareholders of the Company to provide oversight and guidance to senior management with a view to increasing shareholder value over the long term.

The core responsibility of the Board is to exercise its fiduciary duties to act honestly and in good faith with a view to the best interests of the Company. In all actions taken by the Board, the directors are expected to exercise the care, diligence and skill that a reasonably prudent individual would exercise in comparable circumstances.

The Board assumes the following duties and responsibilities, some of which are initially reviewed and recommended by the applicable committee of the Board to the full Board for approval:

A. STRATEGY AND BUDGET

1. Approve, on at least an annual basis, a business plan which takes into account, among other things, the longer term opportunities and risks of the business;
2. Approve the Company’s annual operating and capital budgets;
3. Review operating and financial performance results in relation to the Company’s business plan and budgets. Monitor corporate performance and advise and alter direction in light of changing circumstances and/or when performance falls short of goals; and
4. Ensure relevant corporate measures related to business performance are developed and monitored.

B. CEO, CFO, AND OTHER EXECUTIVE OFFICERS

1. Appoint the executive officers of the Company including the Chief Executive Officer (the “CEO”) and the Chief Financial Officer (the “CFO”) (collectively, the “Executive Officers”);

2. Advise and coach the CEO in the execution of his/her duties;
3. Assess the performance of the CEO and monitor the performance of other Executive Officers;
4. Approve compensation for the CEO and other Executive Officers; and
5. Provide stewardship in respect of succession planning.

C. BOARD AND COMMITTEE MEMBERS

1. Identify individuals qualified to become Board members considering the size of the Board and the competencies and skills of directors and proposed directors and the nominees for election at the next annual meeting of shareholders;
2. Approve the nomination of directors (“Directors”) to the Board and its committees (“Committees”);
3. Approve the Directors’ remuneration for Board and Committee service;
4. Identify individuals qualified to become members of the Audit Committee in light of the independence, financial literacy, experience and other membership requirements set forth under applicable laws, rules and regulations and listing requirements; and
5. Review and discuss with each of the Committees of the Board the appropriateness of the charters adopted by each such Committee, and as deemed appropriate, recommend changes to the Board.

D. GOVERNANCE, RISK MANAGEMENT AND INTERNAL CONTROLS

1. Identify and assess the principal risks of the Company’s business, and ensure the implementation of appropriate systems to manage these risks;
2. Ensure the integrity of the Company’s internal control systems and management information systems and the safeguarding of the Company’s assets;
3. Oversee the adequacy of the Company’s processes to ensure compliance by the Company with applicable legal and regulatory requirements;
 - a. Ensure employee health, safety and environmental standards are met.
 - b. Ensure statutory payments are made and legally required actions are taken by management.
4. Review, approve and oversee the Company’s disclosure controls and procedures; and

5. Review and approve the Code of Business Ethics policy and oversee compliance by Directors, Executive Officers and other management personnel and employees.

E. FINANCIAL REPORTING

1. Review and approve the Company's financial statements, related financial information, such as management discussion and analysis and other, on an annual and quarterly basis;
2. Ensure compliance with International Financial Reporting Standards ("IFRS");
3. Appoint, subject to approval of shareholders, and remove the external auditor and approve external auditor compensation;
4. Approve press releases of a financial nature. Ensure all other press releases are approved, at a minimum, by the Chief Financial Officer and the Chief Executive Officer; and
5. Review limits on the authority delegated to the Executive Officers and management personnel to manage the business and affairs of the Company.

F. OTHER

1. Approve merger/acquisition/divestiture activities including terms and conditions.
2. Ensure timely reporting of any development that could have a significant and material impact on the value of the shareholders equity.
3. Approve stock options, shareholder loans, and payments of dividends to shareholders.
4. Approve changes in the number or classes of shares authorized and/or any outstanding.
5. Report to shareholders, annually, on stewardship for the preceding year.

III. BOARD CHAIR

The Board shall appoint its Chair from among the Company's Directors immediately following the Company's annual meeting of shareholders.

IV. EVALUATION OF THE BOARD

The Board shall, on an annual basis, evaluate and review its performance as a whole, as well as the performance of each individual director while taking into account the competencies and skills each individual director is expected to contribute to the Board.

V. INDEPENDENCE

At least two of the members of the Board shall be independent, pursuant to applicable laws, rules, regulations and listing requirements.

VI. TERM

The members of the Board shall be elected by the shareholders or appointed by resolution of the Board as permitted by applicable law, to hold office until the next annual general meeting of the shareholders or until their successors are appointed.

VII. PROCEDURES FOR MEETINGS

Meetings of the Board will be held quarterly, or more frequently, as required.

Board members are expected to prepare for, attend, and participate in all Board and applicable committee meetings, to spend the time needed to accomplish all required Board activities, and to meet as frequently as necessary to discharge properly their responsibilities.

VIII. CORPORATE AND BOARD DIVERSITY

The Company recognizes the value of individuals with diverse attributes on the Board and in executive positions, and is committed to the desirability that there is a diverse representation on the Board and in executive positions.

IX. CODE OF CONDUCT, ETHICS AND CONFLICTS OF INTEREST

In the course of discharging their duties and responsibilities, the Board will comply fully with all laws and policies applicable to the Company.

The Board does not permit any waiver of any ethics policy for any director.

The Board has a paramount interest in preserving and protecting the interests of the Company. Accordingly, directors will avoid conflicts of interest with the Company. If an actual or potential conflict arises, directors will disclose their interest and recuse themselves from any discussion or decision affecting their personal, business, financial, or professional interests (other than as such interests relate to the Company).

X. CONFIDENTIALITY

The proceedings and deliberations of the Board and its committees are confidential. Each director will maintain, both during his or her term on the Board and beyond, the confidentiality of information received in connection with his or her service as a director.

XI. REVIEW OF CHARTER

The Board will annually review and assess the adequacy of the Board Charter.