

CONTINENTAL NICKEL LIMITED
MANDATE FOR THE BOARD OF DIRECTORS

The term "Corporation" herein shall refer to Continental Nickel Limited and the term "Board" shall refer to the Board of Directors of the Corporation.

The Board is responsible for establishing and maintaining a culture of integrity in the conduct of the affairs of the Corporation. The Board seeks to discharge this responsibility by satisfying itself as to the integrity of the Chair & Chief Executive Officer and Management and by overseeing and monitoring Management to ensure a culture of integrity is maintained.

Although Directors may be nominated by certain persons to bring special expertise or a point of view to Board deliberations, they are not chosen to represent a particular constituency. The best interests of the Corporation must be paramount at all times.

DUTIES OF THE DIRECTORS

The Board discharges its responsibilities directly and through its committees, the Audit Committee, the Nominating and Corporate Governance Committee and the Compensation Committee. In addition to these regular committees, the Board may appoint *ad hoc* Committees periodically to address certain issues of a more short-term nature. In addition to the Board's primary roles of overseeing the affairs of the Corporation, principal duties include, but are not limited to the following categories:

Oversee Management

1. The Board has the responsibility for approving the appointment of the Chief Executive Officer and any other officers of the Corporation (collectively, the "Officers"), and approving the compensation of the Chief Executive Officer and the employees of the Corporation following a review of the recommendations of the Compensation Committee.
2. The Board has delegated authority to the Chief Executive Officer for the overall management of the Corporation, including strategy and operations to ensure the long term success of the Corporation and to maximize shareholder value.
3. The Board may from time to time delegate authority to the Officers, subject to specified limits. Matters which are outside the scope of the authority delegated to the Officers and material transactions are reviewed by and subject to the prior approval of the Board.
4. The Board is responsible for monitoring the performance of Management.

Board Organization

5. The Board will respond to recommendations received from the Nominating and Corporate Governance Committee, but retains the responsibility for managing its own affairs by giving its approval for its composition, the selection of the Chair of the Board, candidates nominated for election to the Board, Committee and Committee chair appointments, Committee charters and executive compensation.
6. The Board may delegate to Board Committees matters it is responsible for, including the approval of compensation of the Board and Management, the approval of interim financial results, the conduct of performance evaluations and review of internal controls systems, as well as safety matters. However the Board retains its oversight function and ultimate responsibility for these matters and all other delegated responsibilities.

Monitoring of Financial Performance and Other Financial Reporting Matters

7. The Board oversees responsibility for reviewing and questioning the strategies and plans of the Corporation.
8. The Board has oversight responsibility for reviewing systems for managing the principal risks of the Corporation's business including, but not limited to, insurance coverage, conduct of material litigation and the effectiveness of internal controls.
9. The Board is responsible for considering appropriate actions if the performance of the Corporation falls short of its goals or if other special circumstances warrant.
10. The Board shall be responsible for approving the interim and annual audited financial statements and the notes thereto and the Corporation's management discussion and analysis with respect to such financial statements.
11. The Board is responsible for reviewing and approving material transactions involving the Corporation and those matters which the Board is required to approve under its governing legislation and documents, including the payment of distributions, acquisitions and dispositions of material assets by the Corporation and material expenditures by the Corporation.
12. The Board has responsibility for effectively overseeing the principal risks of the Corporation.

Policies and Procedures

13. The Board is responsible for:
 - approving and monitoring compliance with all significant policies and procedures within which the Corporation operates;

- approving policies and procedures designed to ensure that the Corporation operates at all times within applicable laws and regulations and to the highest ethical and moral standards;
 - implementing the appropriate structures and procedures to ensure that the board functions independently of management;
 - enforcing obligations of the Directors respecting confidential treatment of the Corporation's proprietary information and Board deliberations; and
 - establishing policies and procedures whereby members of the Board will be required on an annual basis to assess their own effectiveness as directors and the effectiveness of committees of the Board and the Board as a whole.
14. The Board has approved a Disclosure Policy respecting communications to the public.

Reporting

15. The Board is responsible for:
- overseeing the accurate reporting of the financial performance of the Corporation to its shareholders on a timely and regular basis;
 - overseeing that the financial results are reported fairly and in accordance with generally accepted accounting principles;
 - reviewing the integrity of the internal control and management information systems of the Corporation;
 - ensure timely disclosure of material information; and
 - ensuring the appointment of a qualified corporate secretary to attend to organizing the meetings of the Board and the committees in accordance with the by-laws and the corporate governance policies, and punctually preparing minutes which are an accurate, valid and complete documentation of such meetings and the business conducted therein.

Third Party Advisors

16. The Board, and any individual director with the approval of the Chairman, may retain at the expense of the Corporation, independent counsel and to provide advice as appropriate.

CONTINENTAL NICKEL LIMITED
ACCOUNTABILITIES OF INDIVIDUAL DIRECTORS

The accountabilities set out below are meant to serve as a framework to guide individual Directors in their participation on the Board, with a view to enabling the Board to meet its duties and responsibilities. Principal accountabilities include:

- assuming a stewardship role, overseeing the management of the business and affairs of the Company;
- maintaining a clear understanding of the Company, including its strategic and financial plans and objectives, emerging trends and issues, significant strategic initiatives and capital allocations and expenditures, risks and management of those risks, internal systems, processes and controls, compliance with applicable laws and regulations, governance, audit and accounting principles and practices;
- preparing for each Board and Committee meeting by reviewing materials provided and requesting, where appropriate, information that will allow the Director to properly participate in the Board's deliberations, make informed business judgments and exercise oversight;
- absent a compelling reason, attending every Board and Committee meeting, and actively participating in deliberations and decisions. When attendance is not possible a Director should become familiar with the matters to be covered at the meeting;
- voting on all decisions of the Board or its Committees, except when a conflict of interest may exist;
- preventing personal interests from conflicting with, or appearing to conflict with, the interests of the Company and disclosing details of such conflicting interests should they arise;
- acting in the highest ethical manner and with integrity in all professional dealings.