

BRI-CHEM CORP. BOARD OF DIRECTORS' MANDATE

General

The Board of Directors (the “Board”) of Bri-Chem Corp. (the “Company”) is responsible for the stewardship, strategic direction and for overseeing management with respect to the Company’s business and affairs. 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 Company. In general terms, the Board will:

1. in consultation with the Chief Executive Officer of the Corporation (the “CEO”), define the principal objectives of the Company;
2. supervise the management of the business and affairs of the Company with the goal of achieving the Company’s principal objectives as developed in association with the CEO and senior management;
3. discharge the duties imposed on the Board by applicable laws; and
4. for the purpose of carrying out the foregoing responsibilities, take all such actions as the Board deems necessary or appropriate.

Duties and Responsibilities

Corporate Strategy

The Board is responsible for reviewing, approving and monitoring throughout the year the operating budget and financial goals of the Company as well as longer term strategic plans. Significant short and long-term goals and strategies of the Company are developed in concert with senior management and the Board’s various committees. Through this process, led by the Chairman, CEO and the CFO, the Board adopts goals and strategies and monitors senior management’s relative performance through a regular reporting and review process. The Board reviews on a quarterly basis the extent to which the Company has met the current year’s strategic, operating and financial goals.

Meetings

Meetings of the Board will be held as required, but generally at least five times a year. Board meeting attendance is recorded and it is expected that all directors attend a majority of meetings throughout the year and minutes of each meeting shall be prepared. It is expected that directors are prepared and have reviewed all advance meeting materials if, and when, any are provided by management. The Board and its committees, when required, meet independently of management.

Selection of Management

The Board is responsible for:

- § Appointing the CEO and monitoring and evaluating the CEO's performance, and compensation;
- § Appointing and determining the remuneration of all executives who are appointed by the Board. Remuneration is based on recommendations of the Compensation Committee;
- § Establish the limits of management's authority and responsibility in conducting the Company's business;
- § Ensuring and monitoring that adequate plans are in place for management development and succession.

Fiscal Management and Reporting

The Board is responsible for:

- § Monitoring the financial performance of the Company;
- § Ensuring, with the advice of the external auditors and the recommendation of the Audit Committee, that the financial results are reported to Shareholders and regulators on a timely basis and represent fairly the Company's financial position and performance;
- § Ensuring that all material developments of the Company are disclosed to the public on a timely basis in accordance with applicable securities regulations;
- § Reviewing and approving the Annual Information Form and Management Information Circular;
- § Recommending to Shareholders the appointment of auditors and setting the auditor's remuneration, upon advice from the Audit Committee and management.

Compliance

Using its best efforts the Board is responsible for:

§ Ensuring compliance with all relevant policies and procedures by which the Company operates and ensuring that the Company operates at all times in compliance with all applicable laws and regulations, and to the highest ethical standards. To achieve the aforementioned, the Board has the ability to consult and depend on the advice of outside legal council;

§ Approving the issuance of additional common shares or other securities.

§ Approving all other matters which require Board approval as prescribed by applicable statutes and regulations;

Formal Board Evaluation, Orientation and Continuing Education

The Board periodically reviews and discusses potential ways to improve Board effectiveness. In addition, led by the Corporate Governance and Compensation Committee, the Board ensures that all newly appointed directors understand their expected contribution and receive a comprehensive orientation. The Board provides continuing education opportunities, as required, for all directors so as they can enhance their respective skills and abilities.

Risk Management

The Board's participation in the strategic planning process includes the consideration of the principal risks associated with the Company's business. The management of these risks is periodically reviewed with senior management of the Company to ensure that all reasonable efforts and appropriate systems are in place to manage the risks of the Corporation's business.

The Audit Committee reviews and reports all existing and potential financial risk issues to the Board.

External Communications

The Board, through a process led by the Corporate Disclosure Committee, is responsible for overseeing the establishment and maintenance of the Company's Disclosure Policy and Code of Business Conducts and Ethics.