

# BOARD MANDATE

The following Board Mandate (the "**Mandate**") has been approved by the Board of Directors (the "**Board**") of Luca Mining Corp. (the "**Company**") and, along with the charters of the committees of the Board and the key policies and practices adopted by the Board and its committees, provide the framework for the governance of the Company.

## MISSION AND PRIMARY RESPONSIBILITIES OF THE BOARD

The mission of the Board is to oversee the business affairs of the Company, always with the best interests of the Company in mind to ensure the long-term financial strength of the Company, its ability to meet its commitments to all stakeholders, and the creation of enduring shareholder value. The Board must also maintain a sense of responsibility to the Company's customers, employees, suppliers, and the communities in which it operates.

The primary responsibilities of the Board are to:

- a) develop, monitor and, where appropriate, modify the Company's strategic plan.
- b) review and, where appropriate, approve the financial and business goals and objectives, major corporate actions, and internal controls of the Company.
- c) regularly monitor the effectiveness of management policies and decisions.
- d) evaluate and, with input from the Compensation and Nominations Committee, select and set the compensation level of the Chief Executive Officer (the "**CEO**").
- e) identify and assess major risks facing the Company and review options for their mitigation.
- f) ensure that the Company's business is conducted with the highest standards of ethical conduct and in conformity with applicable laws and regulations.
- g) review, with input from the Audit Committee, the financial performance and financial reporting of the Company and assess the scope, implementation, and integrity of the Company's internal control systems.
- h) appoint the officers of the Company (after considering the Company's diversity goals, including gender diversity), ensuring that they are of the calibre required for their roles and planning for their succession as appropriate from time to time; and
- i) establish and oversee committees of the Board as appropriate, approve their mandates and, with input from the Compensation and Nominations Committee, approve any compensation of their members as both members of the Committees and as Board members.

## DIRECTOR QUALIFICATIONS AND SELECTION

### BOARD AND DIRECTOR REQUIREMENTS

The directors will be elected each year by the shareholders at the annual meeting of shareholders. The Board, with input from the Compensation and Nominations Committee, will propose nominees to the shareholders for election to the Board at such meeting. Nominees who receive a greater number of votes "withheld" than votes "for" election must promptly tender their resignation for the consideration of the Board in accordance with the Company's Majority Voting Policy. Between annual meetings of shareholders, the Board may appoint additional directors to serve until the next such meeting or may fill any casual vacancy occurring between such meetings.

Each director should possess the following minimum qualifications: (a) the highest personal and professional ethics, integrity, and values; (b) commitment to representing the long-term interests of the Company and its stakeholders; (c) relevant business or professional experience; and (d) sufficient time to effectively fulfill duties as a Board member.

The Board will have a majority of "independent" directors, as such term is defined in National Instrument 52-110, and any applicable stock exchange rules, each as may be amended or replaced from time to time.

## BOARD LEADERSHIP AND TERM

### BOARD LEADERSHIP

The Board selects the Chair of the Board ("**Chair**") in the manner and based on the criteria that it deems best for the Company at the time of selection. The role of the Chair and CEO should be separate, where possible. The Chair shall perform the duties and responsibilities as outlined for the Chair in this Mandate.

### DIRECTORS' TENURE POLICY

The Board believes that it is in the best interests of the Company that any management director whose employment at the Company terminates for any reason (including normal retirement) is expected to promptly resign from the Board, unless expressly agreed otherwise in advance.

### TERM LIMITS AND RE-ELECTION

The Board does not believe it is appropriate or necessary to limit the number of terms a director may serve because of the time and effort necessary for each director to become familiar with the business of the Company. As an alternative to term limits, the Corporate Governance Committee and Chair will review critically each director's continuation on the Board every year.

### CHANGES TO THE BOARD

Changes to the Board will be announced by press release.

## DUTIES OF BOARD MEMBERS

### DIRECTOR RESPONSIBILITIES

All directors must exercise their business judgment to act in a manner they reasonably believe to be in the best interest of the Company and in the best interests of its stakeholders. Directors must be willing to devote sufficient time and effort to learn the business of the Company and must ensure that other commitments do not materially interfere with service as a director. In discharging their obligations, directors are entitled to rely on management and the advice of the Company's outside advisors and auditors but must at all times have a reasonable basis for such reliance. Directors are expected to attend Board meetings and meetings of committees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities.

The directors are entitled to have the Company purchase reasonable directors' and officers' liability insurance on their behalf, and to the benefits of indemnification to the fullest extent permitted by law, the Company's charter documents and any indemnification agreements.

### SERVICE ON OTHER BOARDS OF DIRECTORS

The Company recognizes that its directors' benefit from service on boards of directors of other companies, so long as such service does not significantly conflict with the interests of the Company.

Prior to accepting a position on the Board of, or executive position with, another reporting issuer, a director must advise the Chairman of the Corporate Governance Committee of the proposed position and all information available to the director regarding: (a) the business of the other reporting issuer; (b) whether the Company has any contractual or other relationship with the other reporting issuer; (c) whether any other director or senior executive of the Company is a director, officer or employee of the other reporting issuer; and (d) the expected time commitment in serving in that position with the other reporting issuer; and (e) any potential issues that may arise from good governance guidelines issued by Institutional Shareholder Services and similar organizations. The Corporate Governance Committee will provide the director with their views as to whether accepting such position is expected to conflict with the interests of the Company.

### CONFLICTS OF INTEREST

Directors are required to disclose to the Board (and any applicable committee) any financial interest or personal interest in any contract or transaction that is being considered by the Board or committee for approval. The interested director shall abstain from voting on the matter and, in most cases, should leave the meeting while the remaining directors discuss and vote on such matter. Disclosed conflicts of interest will be documented in the minutes of the meeting.

If a director has any significant conflict of interest with the Company that cannot be resolved, the director will promptly resign.

## COMPANY LOANS AND CORPORATE OPPORTUNITIES

The Company will not make any personal loans or extensions of credit to directors or executive officers of the Company.

A director that possesses a business opportunity related to the Company's business shall make such business opportunity available to the Company. The director may pursue the business opportunity for the director's own account or on the account of another if the Company informs the director in writing that the Company will not pursue the opportunity.

## DIRECTOR ORIENTATION AND CONTINUING EDUCATION

The Chair will be responsible for mentoring and counselling new members of the Board to assist them in becoming active and effective directors and ensuring that a process is in place to monitor legislation and best practices which relate to the responsibilities of the Board to periodically provide materials for all directors on subjects relevant to their duties as directors. Director orientation and on-going training will include presentations by senior management to familiarize directors with the Company's strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its Code of Business Conduct and Ethics, its principal officers, and its internal and independent auditors.

Each director is encouraged to visit each of the Company's main production facilities at least once every two years.

## BOARD COMPENSATION

### DIRECTORS' FEES

Directors are entitled to receive reasonable directors' fees and other compensation for their services as directors and committee members as may be determined from time to time by the Board, with input from the Compensation and Nominations Committee, as well as reimbursement of expenses incurred on Company business or in attending Board or committee meetings.

### ADDITIONAL COMPENSATION

In addition to directors' fees, directors may be compensated in cash and/or equity for their expert advice and contribution towards the success of the Company. The form and amount of such compensation will be evaluated by the Compensation and Nominations Committee, which will be guided by the following goals: (i) compensation should be commensurate with the time spent by directors in meeting their obligations and reflective of the compensation paid by companies similar in size and business to the Company; and (ii) the structure of the compensation should be simple, transparent, and easy for shareholders to understand.

## BOARD MEETINGS AND COMMUNICATIONS

### ATTENDANCE AT MEETINGS

The number of scheduled Board meetings will vary with the circumstances, but the Board will meet at least once every financial quarter including following the annual meeting of shareholders held each year. In addition, special Board meetings will be called as necessary. Directors should make reasonable efforts to attend all meetings of the Board and of all Board committees upon which they serve. Any director candidate nominated for election at the annual meeting of shareholders is expected to attend such shareholders' meeting.

### BOARD AGENDAS

The Chair will establish the agenda for each Board meeting in advance. Each director is free to suggest the inclusion of items on the agenda and to raise at any Board meeting subjects that are not on the agenda for that meeting. The Board will focus on and review the Company's long-term strategic plans and the principal issues that the Company will face in the future during at least one Board meeting each year.

### BOARD MATERIAL DISTRIBUTION

Meeting agendas and other materials for review, discussion and/or action of the Board should, to the extent practicable, be distributed sufficiently in advance of meetings to allow time for review prior to the meeting. Directors are required to review such materials before Board meetings to enable a full discussion at the meetings. Presentations to the Board may rely on directors having reviewed information set forth in the briefing materials, thus allowing more time for discussion, clarification, and feedback.

### ACCESS TO MANAGEMENT AND INDEPENDENT ADVISORS

Directors have full and free access to officers and employees of the Company. Any meetings or contacts that a director wishes to initiate may be arranged through the CEO or directly by the director. The directors will use their judgment to ensure that any such contact is not disruptive to the business operations of the Company.

The Board has the power to hire independent legal, financial, or other advisors as it may deem necessary.

### EXECUTIVE SESSIONS OF NON-MANAGEMENT DIRECTORS

Non-management directors will meet in executive session (in-camera) at a scheduled Board meeting at least once per year and special meetings can be called as often as necessary. The Chair will lead such sessions.

## COMMUNICATIONS WITH INTERESTED PARTIES

Any interested party that is not an employee, officer, or director of the Company, who desires to contact the Chair or other members of the Board may do so by writing to the Director of Communications, Glen Sandwell, at [Glen@altaleymining.com](mailto:Glen@altaleymining.com) at the address of the Company's head office. Any such communication should state the number of shares the Company beneficially owned by the party making the communication, if such interested party owns shares. The Director of Communications will forward to the Chair any such communication addressed to him or to the Board generally and will forward such communication to other directors (including all non-management directors), as appropriate, provided that such communication addresses a legitimate business issue. For any communication relating to accounting, auditing or fraud, such communication will be forwarded immediately to the chair of the Audit Committee.

## EVALUATION AND SUCCESSION

### ANNUAL PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES, AND INDIVIDUAL DIRECTORS

The Board will conduct an annual self-evaluation to determine whether it, its committees and each individual director are functioning effectively. The Corporate Governance Committee, in conjunction with the Chair of the Board, will ensure that there is an appropriate system in place for the evaluation of the performance of the Board, each of its committees and each individual director which should include a solicitation of comments from all directors and a report to the Board on the results of such evaluation. Such an assessment should consider:

- a) in the case of the Board or a committee, its mandate and charter; and
- b) in the case of an individual director, the applicable position description(s) as well as the competencies and skills each individual director is expected to bring to the Board.

## CEO EVALUATION

The Compensation and Nominations Committee will conduct an annual review of the CEO's performance. The Board will review the Compensation and Nomination Committee's report in order to ensure that the CEO is providing the best leadership for the Company. The evaluation should be based on criteria including performance of the business, accomplishment of long-term strategic objectives, the handling of extraordinary events and development of management. The criteria should ensure that the CEO's interests are aligned with the long-term interests of the Company and its shareholders. The evaluation will be used by the Compensation Committee in the course of its deliberations when considering the compensation of the CEO. In the absence of a Compensation Committee only independent directors will conduct the review of the CEO's performance.

## SUCCESSION PLANNING

The Compensation and Nominations Committee should make an annual report to the Board on management succession planning which should include policies and principles for CEO selection and performance review as well as policies regarding succession in the event of an emergency or the retirement of the CEO. The entire Board will work with the Compensation and Nominations Committee to evaluate and nominate potential successors to the CEO.

## BOARD COMMITTEES

### COMMITTEE STRUCTURE

The Board will always have an Audit Committee, a Corporate Governance Committee and a Compensation and Nominations Committee unless the Board otherwise determines. The Board may from time to time establish additional committees as necessary or appropriate, delegating to such committees all or part of the Board's power. Such additional committees will have a majority of "independent" members, as such term is defined in National Instrument 52-110 and any applicable stock exchange rules, each as may be amended or replaced from time to time. In general, committees of the Board are established to focus on issues that may require in-depth scrutiny. All significant findings of a committee are presented to the full Board for discussion and review.

### AUDIT COMMITTEE

The committee will be composed of a minimum of 3 directors, the majority of which are not officers, employees, or control persons of the Company or any of its subsidiaries. At a minimum, each committee member will have no direct or indirect relationship with the Company which, in the view of the Board, could reasonably interfere with the exercise of a member's independent judgment. The primary function of the Audit Committee is to assist the Board in its oversight of the nature and scope of the annual audit, management's reporting on internal accounting standards and practices, financial information and accounting systems and procedures, and financial reporting and statements.

### CORPORATE GOVERNANCE COMMITTEE

The Committee shall be comprised of two or more directors, the majority of whom shall be "independent" directors (within the meaning set out in National Instrument 58-101 on "Disclosure of Corporate Governance Practices" adopted by the Canadian Securities Administrators) free from any relationship that would interfere with the exercise of the director's independent judgment. The Corporate Governance and Nomination Committee should review with the Board, on an annual basis, the appropriate skills and characteristics required by Board members in the context of the current make-up of the Board. The Corporate Governance and Nomination Committee is responsible for administering the Company's Code of Conduct and will perform such other tasks as indicated in this Mandate, or as assigned by the Board from time to time. If the Board determines to discontinue the Corporate Governance Committee, functions described

herein as functions of the Corporate Governance and Nomination Committee shall be performed by the independent directors of the Company or a committee composed of such directors, as directed by the Board.

#### COMPENSATION AND NOMINATIONS COMMITTEE

The Committee shall be comprised of two or more directors, the majority of whom shall be “independent” directors (within the meaning set out in National Instrument 58-101 on “Disclosure of Corporate Governance Practices” adopted by the Canadian Securities Administrators) free from any relationship that would interfere with the exercise of the director’s independent judgment. The primary function of the Compensation Committee is to review and recommend to the Board appropriate compensation policies, practices and awards for the Company’s employees, executives, committee members and Board members. In addition, the Compensation and Nominations Committee should review with the Board, on an annual basis, the appropriate skills and characteristics required by Board members in the context of the current make-up of the Board. The Corporate Governance and Nomination Committee will endeavour to recommend qualified individuals who, if added to the Board, would provide the mix of director characteristics and diverse experiences, perspectives, and skills appropriate for the Company.

If the Board determines to discontinue the Compensation Committee, functions described herein as functions of the Compensation Committee shall be performed by the independent directors of the Company, unless otherwise stated herein.

#### COMMITTEE CHARTERS AND RESPONSIBILITIES

Each key committee will have its own charter. The charters will establish the purposes, goals and responsibilities of the committees as well as qualifications for committee membership, procedures for committee member appointment and removal, committee structure and operations and committee reporting to the Board. The charters will also provide that each committee will evaluate its performance on an annual basis.

#### COMMITTEE AGENDAS

The chair of each committee, in consultation with the committee members will determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee’s charter. The chair of each committee, in consultation with the appropriate members of the committee and management, will develop the agenda for each committee meeting.

#### ADVISORS

All committees of the Company have the power to hire independent legal, financial, or other advisors, as they deem necessary.



## CODE OF BUSINESS CONDUCT AND ETHICS

All directors, officers and employees will comply with the Company's Code of Conduct, which reaffirms with Company's high standards of business conduct. The Code of Conduct is part of the Company's continuing effort to ensure that it complies with all applicable laws, has an effective program to prevent and detect violations of law, and conducts its business with fairness, honesty and integrity. In the unlikely event of a waiver, any such waivers of this Code for directors or officers will be approved by the Corporate Governance and Nomination Committee and such waiver will be properly disclosed to shareholders as required by law.

## MISCELLANEOUS

This Mandate is not intended to modify, extinguish or in any other manner limit the indemnification, exculpation, and similar rights available to the directors of the Company under applicable law and/or the Company's articles and/or its charter documents. Although this Mandate has been approved by the Board, it is expected that this Mandate will evolve over time as customary practice and legal requirements change.

Guidelines that encompass legal, regulatory or exchange requirements, as they currently exist will be deemed to be modified as and to the extent such legal, regulatory or exchange requirements are modified. In addition, this Mandate may also be amended by the Board at any time as it deems appropriate.

Nothing in this Mandate should be construed or interpreted as limiting, reducing, or eliminating the obligation of any director, officer or employee of the Company to comply with all applicable laws. Conversely, nothing in this Mandate should be construed or interpreted as expanding applicable standards of liability under provincial or federal law for directors or officers of the Company.

This Mandate was originally approved and adopted by the Board effective August 27, 2021.