

TERRAVEST GROUP GOVERNANCE AND NOMINATING COMMITTEE CHARTER

Mandate of the Committee

The mandate of the Governance and Nominating Committee (the "**Committee**") of the TerraVest Group is to oversee and assess the functioning of the board (the "**Board**") of directors ("**Directors**") of TerraVest Capital Inc. (the "**Corporation**") and the Senior Management Team of the TerraVest Group and for the development, recommendation to the Board, implementation and assessment of effective corporate governance principles applicable to the Board and the portfolio companies (i.e. the corporations and limited partnerships) in which the Corporation holds business investments (e.g. RJV and Diamond), including reviewing the TerraVest Group's overall compensation policies and guidelines and succession and development plans for the Board and the Senior Management Team.

This Charter contains a number of references to the "**Senior Management Team**" of the TerraVest Group. The Senior Management Team includes the chief executive officer and chief financial officer of the TerraVest Group and the president of each portfolio company in the TerraVest Group.

Within the TerraVest Group's overall governance structure, the Committee is formally structured as a committee of the Board, which is the governance body directly accountable to the shareholders of the Corporation. As the Corporation has also been delegated authority for managing the portfolio companies in which the Corporation holds business investments, the Committee has overall responsibility for the business and operations of the TerraVest Group as a whole. Accordingly, to the extent required, the Committee's mandate extends to oversight of the Corporation and all of the portfolio companies of the Corporation from time to time and references in this Charter to the "**TerraVest Group**" are intended to include all such entities. This framework is intended to provide reasonable assurance that the financial, operational and regulatory objectives of the TerraVest Group are achieved and that the legal responsibilities of the Corporation and the Board are appropriately discharged. The role of the Committee is primarily one of review, monitoring and recommendation to the Board of the Corporation.

The Committee will have the following duties:

(A) Governance

Reviewing, approving or making recommendations to the Board in respect of guidelines, policies, procedures and practices relating to matters of corporate governance, including, but not limited to:

1. the TerraVest Group's approach to corporate governance in general, including the roles and responsibilities of the Board and appropriate policies and procedures to enable the Board to carry out its duties with due diligence and in compliance with all legal and regulatory requirements, including developing a set of corporate governance principles and guidelines applicable to the TerraVest Group;

2. the structure, membership and functioning of the Board, committees of the Board and the boards of portfolio companies, including:
 - (a) number and structure of committees,
 - (b) mandates, charters and plenary powers, including position descriptions for chairs,
 - (c) composition and size,
 - (d) frequency and location of meetings, and
 - (e) procedures for effective meetings;
3. the existence of appropriate and effective governance policies and practices in respect of:
 - (a) strategic planning,
 - (b) risk identification and management,
 - (c) appointing, training and monitoring the Senior Management Team,
 - (d) corporate communication policies and practices, and
 - (e) internal control and management information systems;
4. assessing on an on-going basis (and at least annually) in accordance with an evaluation process approved by the Board, the performance of the Board, committees of the Board and the boards of the portfolio companies, including the effectiveness of each board or committee as a whole and the contribution of individual directors;
5. reviewing, at least annually, the TerraVest Group's overall compensation policies and guidelines and its objectives related to Board and executive compensation, as well as its corporate succession and development plans at the Senior Management Team level;
6. if necessary in the view of the Committee, retaining a compensation consultant or advisor to assist in determining compensation for any of the Directors or the executive officers of the Corporation;
7. pre-approving any services provided to the Corporation by any such compensation consultant or advisor other than or in addition to the services described above;
8. developing an orientation program and continuing education program for new Directors of the Corporation and of the portfolio companies within the TerraVest Group with respect to their duties as directors;
9. determining that the compensation of Board members realistically reflects the responsibilities and risks involved in being an effective Board member;

10. the indemnification by the TerraVest Group of any director or officer of the TerraVest Group;
11. the appropriate resolution of any conflict of interest involving a director, officer or shareholder, which is properly directed to the Committee by the Board, the board of a portfolio company, management, an individual director, a shareholder, the internal auditors, the external auditors or an officer of the TerraVest Group (in respect of conflicts of interest relating to audit matters, the Committee will liaise with the Audit Committee);
12. the content of and compliance with the Code of Business Conduct and Ethics, including ensuring that there is an adequate process administered by the Audit Committee to encourage all levels of employees to bring "whistleblower" issues to the attention of the Audit Committee in accordance with the TerraVest Group's Whistleblower Policy;
13. recommending for approval by the Board and, where appropriate, the portfolio companies, the descriptions contained in the required public disclosure documents concerning the governance standards of the TerraVest Group in respect of compliance with applicable legislative, regulatory and stock exchange requirements or standards; and
14. reviewing management's periodic status and assessment reports, not less than annually, with respect to compliance by the TerraVest Group with corporate governance policies and with respect to applicable legislative, regulatory and stock exchange standards regarding matters of corporate governance.

(B) Nominations

Reviewing, approving or making recommendations to the Board in respect of:

1. criteria for qualification as a member of the Board;
2. the long-term plan for the composition of the Board that takes into consideration current strengths, skills and experience and the overall strategic direction of the TerraVest Group;
3. annually, in consultation with the Chair of the Board, proposing the nominees for election as members of the Board, including identifying and proposing new qualified nominees to act as directors;
4. the membership of committees of the Board and the membership of the boards of each of the portfolio companies; and
5. retaining and terminating any search firm to be used to identify director candidates.

(C) Disclosure

In the context of its responsibility for implementing and assessing effective corporate governance principles generally, the Committee has been delegated responsibility for reviewing, monitoring and evaluating the TerraVest Group's disclosure and communications policies and practices to ensure compliance with applicable legislative, regulatory and stock exchange requirements and to

ensure adherence to standards of good governance. As reflected in the TerraVest Group's Disclosure Committee Charter, primary responsibility for disclosure and communications rests with the Senior Management Team, and the Committee's role is focused on ensuring that appropriate policies and procedures are in place and being observed.

The Committee's responsibilities include:

1. evaluating corporate communications policies and practices;
2. consulting with the Senior Management Team as required;
3. preparing, where considered advisable by the Committee, and updating regularly, the TerraVest Group's formal disclosure policies, including the Disclosure Committee Charter and the Disclosure, Communications and Insider Trading Policy, including to take account of new developments and standards of practice;
4. monitoring the effectiveness of and compliance with the TerraVest Group's formal or informal policy or policies relating to disclosure;
5. meeting as needed, but at least quarterly, to discuss drafting responsibilities for public documents and to identify any areas of particular risk and sensitivity that require special care;
6. in conjunction with the Audit Committee, monitoring and evaluating the disclosure controls and procedures and internal controls and procedures for financial reporting of the TerraVest Group;
7. reporting to the Audit Committee on any significant issues arising in connection with performance of its responsibilities regarding disclosure, including circumstances where there is a serious occurrence of selective disclosure;
8. reviewing and updating, if necessary, this Charter on an annual basis or as needed to ensure compliance with changing regulatory requirements; and
9. reporting to the Board on an annual basis on disclosure issues.

(D) General

The Committee shall also be responsible for:

1. retaining and compensating independent advisors (including legal counsel), as deemed necessary by the Committee;
2. meeting separately with the Senior Management Team, employees or independent advisors in respect of governance matters, as deemed necessary by the Committee;
3. preparing the Committee's report or reports for publication in applicable disclosure documents;

4. reporting regularly to the Board through the Chair of the Committee or through such other person appointed by the Committee the conclusions reached and the issues considered by the Committee;
5. considering and making recommendations to the Board with respect to any other matters properly referred to the Committee by the Board; and
6. performing any other activities consistent with this Charter as the Committee deems necessary or appropriate in order to carry out its mandate.

Composition of the Committee

1. The Committee shall be comprised of at least three Directors.
2. Each member of the Committee shall be "independent", "outside" and "unrelated" (collectively, "**independent**"), as affirmatively determined by the Directors, which, for the purposes of this Charter shall mean:
 - (a) a Director who is independent of management and is free from any interest in any business or other relationship which could, or could reasonably be perceived to materially interfere with the Director's ability to act with a view to the best interests of the TerraVest Group, other than interests and relationships arising from shareholdings;
 - (b) a Director who has no direct or indirect material relationship with the TerraVest Group (a material relationship is a relationship which could, in the view of the Directors, reasonably interfere with the exercise of a Director's independent judgment), including any relationship explicitly considered to be material under NI 52-110 and any other applicable Canadian law or regulation;
 - (c) other than as a member of the Committee, the Board, any other committee of the the Board or the board of a portfolio company, a Director who does not and has not accepted any consulting, advisory or compensatory fee from the TerraVest Group; and
 - (d) a Director who is not an "affiliated person" of the TerraVest Group within the meaning of applicable Canadian law and regulation.
3. A majority of the members of the Committee shall have a working familiarity with basic human resources and remuneration practices.
4. At least half of the members of the Committee must be resident Canadians, for the purposes of the *Income Tax Act* (Canada).
5. The Directors shall appoint the members of the Committee at the first meeting of the Directors following each annual meeting (an "**Annual Meeting**") of the shareholders of the Corporation.

6. The Directors shall appoint one member of the Committee to be the Chair of the Committee.
7. A Director appointed by the Board to the Committee shall be a member of the Committee until the next Annual Meeting or until his or her earlier resignation or removal by the Board. A member shall cease to be a member of the Committee upon ceasing to be a Director.
8. The Board may remove or replace any member of the Committee at any time.
9. The Corporate Secretary of the Corporation or, in the alternative, one of the members chosen by the Committee shall be the Secretary of the Committee.

Meetings of the Committee

1. The Committee shall convene at such times and places designated by the Chair of the Committee, at least on a quarterly basis, and whenever a meeting is requested by the Board, a member of the Committee or a member of the Senior Management Team.
2. Notice of each meeting of the Committee shall be given to each member of the Committee.
3. Notice of a meeting of the Committee shall:
 - (a) be in writing (which may be communicated by electronic, facsimile or other communication facilities);
 - (b) state the nature of the business to be transacted at the meeting in reasonable detail;
 - (c) to the extent practicable, be accompanied by copies of documentation to be considered at the meeting; and
 - (d) be given at least 24 hours preceding the time stipulated for the meeting.
4. A quorum for the transaction of business at a meeting of the Committee shall consist of a majority of the members of the Committee.
5. A member of the Committee may participate in a meeting of the Committee by means of such telephonic, electronic or other communication facilities as pennit all persons participating in the meeting to communicate adequately with each other. A member participating in such a meeting by any such means is deemed to be present at that meeting.
6. In the absence of the Chair of the Committee, the members of the Committee shall choose one of the members present to be Chair of the meeting and the members shall choose one of the persons present to be the Secretary of the meeting.
7. Management of the TerraVest Group may attend meetings of the Committee, as deemed appropriate by the Committee, and shall attend meetings of the Committee when requested to do so by the Committee.

8. Minutes shall be kept of all meetings of the Committee and shall be signed by the Chair and Secretary of the meeting. The minutes shall be maintained with the TerraVest Group's records, shall include copies of all resolutions passed at each meeting and shall be available for review by members of the Committee, the Board and management.

Related Governance Documents:

- Mandate of the Board of Directors of the Corporation
- Mandate of the Boards of Directors of Portfolio Companies
- Governance and Nominating Committee Chair Position Description
- Audit Committee Charter
- Code of Business Conduct and Ethics
- Whistleblower Policy
- Disclosure, Communications and Insider Trading Policy
- Disclosure Committee Charter