

**EUROMAX RESOURCES LTD.**  
(the "Company")

**TECHNICAL COMMITTEE CHARTER**

March, 2018

**Purpose of the Technical Committee**

The Technical Committee (the "**Technical Committee**") is an advisory appointed by the Board of Directors (the "**Board**") of Euromax Resources Ltd (the "**Company**" or "**Euromax**"). Its role is to establish a project governance and reporting framework for the Ilovica-Shtuka Project (the "**Project**") and any other projects that the Company may acquire. It will also regularly assess and review the progress of the Project and make recommendations on Project matters for the Board's or management's consideration with the aim of:

- supporting and advising the Euromax Board in technical and operational matters, its performance targets and results in technical and operational matters ("**Purpose**").
- completion of the Project in accordance with the Company's development strategy, budget and schedule;
- alignment of the Project with the Company's business principles and processes; and
- providing guidance to the Company and Board on technical, permitting, technical requirements (such as report submissions), operational matters, HSE and community/stakeholder engagement aspects of the Project.

**Membership**

- a. The Technical Committee shall be comprised of no more than Seven (7) members (collectively, the "**Members**"). Galena Resource Equities Limited ("Galena") shall be entitled to appoint two (2) Members to the Technical Committee and Euromax shall be entitled to appoint five (5) Members to the Technical Committee, each by way of delivery of notice in writing to other party.
- b. Galena's right to representation on the Technical Committee shall end upon termination of the Technical Services Agreement between Galena and Euromax.
- c. The Technical Committee shall be chaired by a nominee of Euromax. The first chair nominated shall be Bill Abel. The chair of the Technical

Committee shall not have a deciding vote or other extraordinary powers other than running meetings of the Technical Committee.

- d. The chair of the Technical Committee shall appoint a secretary for each meeting

## **Meetings**

### ***Number of Meetings***

The Technical Committee shall, unless the Technical Committee determines a shorter interval, meet once each quarter, in line with quarterly board meetings and when agreed major milestones have been reached.

### ***Location***

The Technical Committee shall determine the most suitable location for the next meeting at the conclusion of each meeting.

### ***Quorum***

A quorum for a meeting of the Members of the Technical Committee shall be at least two (2) Members of Galena and two (2) Members of Euromax, each present in person, by telephone or video conference. Members absent from a meeting may delegate a proxy vote to any other Member of the Technical Committee.

### ***Notice***

At least seven (7) business days' notice (with agenda and particulars) shall be given before each meeting of the Technical Committee. Members shall be permitted to participate in all meetings of the Technical Committee by means of telephone or video conference. Any notice of a meeting of the Technical Committee may be given orally or by letter, electronic mail, or telephone and must specify in reasonable detail the purpose of, or the business proposed to be transacted at, such meeting. No business may be put to the Members at a meeting unless such business is specified in the notice or all of the Members are present at such meeting and do not object to the business being put to the Members at such meeting

Any member shall have the right to call for a meeting of the Technical Committee by providing the chair at least ten (10) Business Days' notice (with agenda and particulars) of a request to call a meeting. The chair shall then call a meeting of the Technical Committee in accordance with Paragraph 3(c).

### ***Minutes & Reporting to the Board***

Written minutes shall be kept for all meetings of the Technical Committee and copies of such minutes shall be delivered to the Members of the Technical Committee and to the Euromax Board, as the case may be, within five (5) working days following each meeting.

### ***Attendance of Non-Members***

The Technical Committee may invite any officers or employees of the Company, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out responsibilities. Any director of the Company shall be entitled to receive notice of and attend meetings of the Technical Committee. For greater certainty, any individuals who are not members of the Technical Committee and that attend the Technical Committee meetings shall do so solely in the capacity of observers and shall not have the right to vote on the matters that comprise the business of the Technical Committee meetings.

### ***Duties and Responsibilities***

The role of the Technical Committee is to monitor project progress and to identify Project risks and opportunities and make recommendations on these matters for the Board's or management's consideration. The Technical Committee will provide recommendations on matters including, but not limited to:

- the appointment of an HSE manager
- overall HSE performance including system implementation, high potential risk incidents, lost time injuries and reportable environmental incidents;
- The Technical Committee shall review the annual budget of each of Euromax's mining projects with the underlying assumptions, which shall thereafter be submitted to the Euromax Board, for approval.
- identifying and reviewing any material technical matter of Euromax's business and operations which may arise or be foreseen (the "**Technical Matters**");
- advising on material planning, implementation and monitoring of all decisions relating to the Technical Matters;
- the overall Project development strategy in order to maximise value whilst ensuring the Project is developed in accordance with the financing plan;

- monitor project performance against target cost, schedule and HSE and project controls;
- matters which may or will require further approvals from the Board such as capital overruns and major contract awards, such as those exceeding US\$500,000 in value;
- material changes to the approved Project scope, cost and/or schedule when risk or opportunity events occur;
- review of the monthly Project progress as described in monthly reports from the COO/PM against key milestones;
- the Project construction permitting plan and progress in respect of material permits, including any material communication received from government or permitting agencies in respect of key Project permits and approvals;
- stakeholder management and progress against key elements of the stakeholder plan;
- definition and adherence to the Project execution plan including contracting strategy, controls/reporting, critical path, control budget and use of contingency; and
- the Project staffing plan, cognisant of the operational phase of the Project.
- reviewing any proposed new material exploration, development or operating activity of Euromax.
- as appropriate, making recommendations to the Euromax Board, as the case may be, on the Technical Matters and monitor implementation; and
- providing advice on any dispute between Euromax and a third party relating to the Technical Matters.

For certainty, the Technical Committee shall not derogate from the duty of the Euromax Board, as the case may be, to manage the business and affairs of Euromax, and all members of the Technical Committee who are also directors of Euromax will at all times be entitled to act in accordance with their fiduciary duties to Euromax.

### **Tender Adjudication Review**

The Technical Committee will review that the tender process has been followed by the COO and Owners team when adjudicating tenders in terms of the following criteria:

- Technical compliance with the invitation to bid.
- Cost estimation and basis of cost estimation in relation to budget cost and in relation to other bids.
- Experience of the contractor and support to the proposed contractor project team offered by the contract company.
- Timing of mobilisation.
- Time required completing contract compared to budget and compared to other bids.
- Safety Record of contractor.
- Safety policies of the contractor compliance with the Company's policies, national standards in the country where the project is located and international standards.
- Ability and experience in operating in Macedonia
- The recommendation of the technical team as expressed by the COO

Once reviewed by the Technical Committee, the COO will submit the recommendation to the board.

## **7. Advice**

The Technical Committee, in appropriate circumstances, has the right to seek independent technical advice as is necessary or appropriate to carry out its duties.

### **Access to information**

In the performance of any of its duties and responsibilities, the Technical Committee shall have access to any and all relevant books and records of Euromax necessary for the execution of the Technical Committee's obligations and shall have reasonable access to the officers of Euromax to discuss such records and other matters considered appropriate.

### **Annual Review of Charter**

At least annually the charter will be updated by the Technical Committee and submitted to the Board for approval.

Technical Committee member costs, including transport and accommodation associated with attending meetings, not directly covered by the Company can be claimed as expenses on approval by the Chairman and for this purpose the valid calling of a meeting of the Technical Committee shall be deemed to be approval of such associated expenses.