CADILLAC MINES CORPORATION

Mandate of the Board of Directors

1 PURPOSE

The Board of Directors (the "**Board**") of Cadillac Mines Corporation ("**CMC**" or the "**Company**") is responsible for overseeing the management of the business and affairs of the Company. The Board has the responsibilities and obligations set out below, which it can carry out either directly or through committees of the Board.

2 COMPOSITION

The Board should consist of individuals who possess skills and competencies in areas that are relevant to the business and affairs of CMC. At least a majority of the directors will be "independent" directors within the meaning of applicable securities laws, instruments, rules, policies and regulatory requirements (collectively "**Applicable Laws**").

The directors of CMC will serve from the time they are elected or appointed until the next annual meeting of the shareholders of the Company, subject to re-election.

3 MEETINGS

The Board shall have at least four regularly scheduled meetings in each financial year of the Company.

The Chair of the Board (the "**Chair**"), the Chief Executive Officer (the "**CEO**") and the Lead Director of the Board (the "**Lead Director**"), if any, are responsible for the agenda for each meeting of the Board. Prior to each Board meeting, the Chair and the CEO (and the Lead Director, if any) should discuss agenda items for the meeting, and materials for each meeting should be distributed to the Board in advance of the meeting.

Directors are expected to attend at least three quarters of all meetings of the Board held in each financial year of the Company and to review meeting materials in advance of each meeting in sufficient detail to participate meaningfully in Board discussions. Directors may participate in a meeting of the Board by means of telephone or web conference or other communication equipment.

The independent directors should hold an *in camera* session without the non-independent directors and any senior officers present at each meeting of the Board, unless such a session is not considered necessary by the independent directors present. The Chair, if independent, and if not independent, the Lead Director, should chair the *in camera* sessions.

4 BOARD COMMITTEES

The Board currently has the following standing committees: Audit Committee, Compensation Committee, and Governance Committee. The Board may appoint such other committees from time to time as it considers appropriate. Each committee shall have a mandate that is approved by the

Board, setting out the responsibilities of, and the extent of the powers delegated to, such committee by the Board.

5 RESPONSIBILITIES

5.1 Oversight of Management and the Board

The Board is responsible for the appointment and replacement of senior officers of the Company. The Board should ensure that appropriate succession planning, including the appointment, training and monitoring of the senior officers and members of the Board, is in place.

The Board is responsible for satisfying itself as to the integrity of the CEO and the other senior officers, and for ensuring that the CEO and the other senior officers create a culture of integrity and competence throughout the Company.

The Board should annually consider what additional skills and competencies would be helpful to the Board, with the Governance Committee being responsible for identifying specific candidates for consideration for appointment to the Board.

If the Chair is not independent within the meaning of Applicable Laws and a Lead Director is required, or is considered desirable by the Board, the Governance Committee will recommend a candidate for the position of Lead Director from among the independent members of the Board. The Board will be responsible for appointing the Lead Director.

Through the Compensation Committee, the Board should review the compensation of directors to ensure that the compensation realistically reflects the responsibilities and risks involved in being an effective director and should review the compensation of the Senior Executives (as defined in the Compensation Committee Mandate) to ensure that it is competitive within the industry and that the form of compensation aligns the interests of each senior officer with those of the Company. Any recommended changes in the compensation of the directors or the compensation of the Senior Executives must be submitted to the Board for consideration.

The Board should review and assess, or delegate such review and assessment to an appropriate committee of the Board, the policies (the "**Policies**") of the Company previously approved by the Board, from time to time. If such review and assessment is delegated to a committee of the Board, such committee shall submit any proposed amendments to a Policy to the Board for consideration.

The Board should act in an advisory capacity to the senior officers of the Company in all matters concerning the interests and management of the Company.

5.2 Financial Matters

The Board is responsible for reviewing the financial and underlying operational performance of the Company.

The Board should review and approve the annual audited financial statements, management's discussion and analysis, press release and other financial information related to such annual audited financial statements, budgets and forecasts, annual information form, and management information circular of the Company.

The Board delegates to the Audit Committee the review and approval of the quarterly unaudited financial statements, the management's discussion and analysis, press release and other financial disclosure related thereto. If requested by the Audit Committee, the Board should review and approve the quarterly unaudited financial statements and the management's discussion and analysis, press release and other financial disclosure related thereto.

The Board should annually review, together with the Audit Committee, the Company's insurance coverage.

The Board, primarily through the Audit Committee, should monitor and ensure the integrity of the internal controls and procedures (including adequate management information systems) within the Company and the financial reporting procedures of the Company.

5.3 Business Strategy

The Board has primary responsibility for the strategic direction of CMC. The Board will provide advice, counsel and mentorship to the CEO with respect to matters of strategic significance and will contribute to the development of the strategic direction of the Company by approving, at least annually, a strategic plan and budget developed and proposed by the senior officers, subject to any changes required by the Board. The strategic plan and budget should take into account the business opportunities and business risks of the Company.

The Board will review with the senior officers from time to time the strategic planning environment, the emergence of new opportunities, trends and risks, and the implications of these factors on the strategic direction of the Company. The Board will review and approve the financial objectives, plans and actions of the Company, including significant capital allocations and expenditures.

The Board is responsible for ensuring that procedures are in place to manage the principal business risks of the Company appropriately.

The Board should monitor corporate performance against the approved strategic plan and budget to evaluate whether the business of the Company is being appropriately managed.

The Board is responsible for reviewing and approving all material transactions affecting the Company not contemplated in the strategic plan and budget approved by the Board.

5.4 Communications and Reporting to Shareholders

The Board is responsible for overseeing the continuous disclosure program of the Company, with a view to satisfying itself that adequate procedures are in place to ensure that material information is disclosed in accordance with Applicable Laws.

The Board will ensure that CMC has a disclosure policy which includes a framework for investor relations and public disclosure.

5.5 Corporate Governance

The Governance Committee will recommend, and the Board will establish, the Board's approach to corporate governance.

The Board is responsible for assessing annually its own effectiveness in fulfilling this mandate, and will assess from time to time this mandate, as well as the mandate of each committee (considering, among other things, the recommendations of the applicable committee).

The Board is responsible for evaluating the relevant relationships of each independent director and is required to make an affirmative decision that any such relationship does not preclude a determination that the director is independent within the meaning of Applicable Laws.

The Board is responsible for ensuring the establishment of appropriate standards of corporate conduct and should ensure that adequate procedures are in place to monitor compliance with the Code of Business Conduct and Ethics of the Company. Only the Board may grant waivers of any aspect of the Code of Business Conduct and Ethics for any director or senior officer.

5.6 General

The Board is responsible for performing such other functions as are prescribed by law, including all Applicable Laws.

The Board may at any time retain outside financial, legal or other advisors at the expense of the Company. Any director may, subject to the approval of the Governance Committee, retain an outside financial, legal or other advisor at the expense of the Company.