

# Corporate Governance and Nominating Committee Charter

## I. MANDATE

The Corporate Governance and Nominating Committee plays a critical role by assisting the Board of Directors in discharging its fiduciary responsibility regarding the composition and functioning of the Company's Board of Directors. The purpose of the SemBioSys Genetics Inc. (the "Corporation") Corporate Governance and Nominating Committee is to:

1. Identify qualified individuals to serve on the Board of Directors;
2. Select Board members in advance of the Annual Meeting of Shareholders;
3. Evaluate Board performance and monitor adherence of the Audit, Compensation, and Corporate Governance and Nominating Committees to their respective charters; and
4. Annually review the Governance policies and performance.

## II. COMPOSITION

The Corporate Governance and Nominating Committee shall be composed of at least three members of the Board of Directors, at least two of whom shall be independent directors. The members of such committee shall be selected by a simple majority of the vote of the Board and such selection shall be disclosed in the Company's annual report. Membership shall meet all of the independence requirements of the TSE and other regulatory agencies as may be required from time to time. The Board shall elect, by majority vote, one member to serve as Chairman. A member of the SemBioSys Corporate Governance and Nominating Committee shall not receive, other than fees as a Committee member, a member of the Board of Directors or as a member of another Committee, any other compensation from the Company.

## III. MEETINGS

1. The Committee shall meet as often as required and not less than once per year.
2. A quorum for the transaction of business at a meeting of the Corporate Governance and Nominating Committee shall consist of a majority of the members of the Corporate Governance and Nominating Committee.

## IV. RESPONSIBILITIES

The Committee shall have the following responsibilities and authority:

1. Select nominees for the Board of Directors which are to be proposed for election at each annual general meeting;
2. Review recommendations for candidates to fill vacancies on the Board of Directors between annual general meetings;
3. Oversee the effective functioning of the Board of Directors and undertake a periodic review of board performance;
4. Oversee the relationship between the management and the Board of Directors and to recommend improvements in such relationship to the Board of Directors;
5. Review (at least annually) and make recommendations to the Board of Directors with respect to the:
  - (a) size and composition of the Board of Directors, with a view to promoting effectiveness and efficiency;

- (b) appropriateness of the committees of the Board of Directors, their mandate and responsibilities and the allocation of Directors to the committees;
  - (c) appropriateness of the terms of the mandate and responsibilities of the Board of Directors;
  - (d) compensation of the directors in light of time commitments, comparative fees, risks and responsibilities;
  - (e) appropriateness of the duties and responsibilities of the Chairman of the Board;
  - (f) conduct annual evaluation of the performance of the Board;
  - (g) oversee the functioning of the Board of Directors including orientation and integration of new Directors;
  - (h) recommend and periodically review a Code of Ethics for the Company's senior officers; and
  - (i) plan succession for the Company's senior officers.
6. Where deemed necessary, the Committee and any individual Committee member may meet privately with any independent consultant and be free to talk directly and independently with any members of Management or consultants to the Corporation, in discharging its responsibilities.
7. Undertake such other initiatives as are needed to assist the Board in providing efficient and effective corporate governance for the benefit of shareholders and to permit the Board to function independently of Management; including a Committee of independent directors to meet and discuss the Company's business in the absence of Management.
8. Perform such functions as may be required by law, by the Company's Certificate of Incorporation, memorandum, articles or similar documents, or by the Board of Directors

**V. AUTHORITY**

Where necessary, the Committee shall present its recommendations, including the overall financial impact of such recommendations, to the full Board of Directors, and/or shareholders for approval. In such circumstances, the Committee's approval of a resolution shall be binding only after ratification by the Board.