

kneat.com, inc.
CHARTER OF THE BOARD OF DIRECTORS

(1) Purpose

The Board of Directors ("**Board**") of kneat.com, inc (the "**Company**") is responsible for the stewardship of the Corporation's business and affairs.

(2) Composition of the Board

- (a) The Board shall consist of no less than three (3) Directors, a majority of whom shall be independent;
- (b) The Board shall appoint a Chair from amongst its directors; and
- (c) If the Chair is not independent then a Lead Independent Director should be appointed from the ranks of the Independent Directors. The Chair shall be tasked with ensuring the Board's agenda enables the Board to successfully carry out its responsibilities to the Corporation.

(3) Duties and Responsibilities of the Board

This Charter of the Company's Board of Directors outlines the mandate of the Board. The Board has the following duties and responsibilities, which may be initially reviewed by the applicable committees of the Board before being recommended to the full Board for approval:

- (a) Strategic Planning:
 - (i) Ensuring that a company-wide strategic planning process is in place and approving the resulting business plan on at least an annual basis. This business plan should take into account, at a minimum the short- and long-term opportunities and risks of the business;
 - (ii) Approving the Company's annual operating and capital budgets; and
 - (iii) Reviewing performance results in relation to the business plan and budgets.
- (b) Risk Management and Internal Controls:
 - (i) Identifying and assessing the principal risks of the Company's business and ensuring the implementation of systems to mitigate these risks;
 - (ii) Ensuring the integrity of the Company's internal control and management information systems and the safeguarding of the Company's assets;
 - (iii) Reviewing, approving, and as required, overseeing compliance with the Company's Disclosure Policy by directors, officers, senior management and other employees;
 - (iv) Reviewing and approving the Code of Business Conduct of kneat.com with the purpose of promoting integrity and deterring wrongdoing, and encouraging and promoting a culture of ethical business conduct, and as required, overseeing compliance with the Company's Code of Business Conduct by directors, officers, senior management and other employees.
- (c) Chief Executive Officer ("**CEO**") and Senior Management:
 - (i) Appointing the CEO of kneat.com and determining the terms and conditions of his appointment;
 - (ii) Developing, along with the CEO, a written position description for the role of the CEO;
 - (iii) Satisfying itself as to the integrity of the CEO; and
 - (iv) Providing attention to succession planning, including the appointment, training, monitoring and continuing education of the CEO, officers and senior management.
- (d) Governance:
 - (i) Developing the Company's approach to governance practices, including expectations

- and responsibilities of individual directors, including expectations for attendance at meetings and the level of engagement that is expected of members of the Board;
- (ii) Approving the nomination of directors to the Board, as well as:
 - (I) determining which directors, in the reasonable opinion of the Board, are independent pursuant to applicable legislation and regulatory requirements;
 - (II) developing qualifications and criteria for the selection of directors; and
 - (III) appointing the Board Chairman, lead independent director, if applicable, and the Chair and members of each Committee of the Board in consultation with the relevant Committee.
 - (iii) Determining that Audit Committee members meet all applicable legislative, regulatory and listing qualifications, including financial literacy and independence;
 - (iv) Providing an orientation program for new directors and continuing education opportunities for all directors;
 - (v) Assessing annually the effectiveness of the Board Chairman and/or lead independent director, each Committee of the Board and their respective Chairs, as well as individual Directors;
 - (vi) Developing position descriptions for the Chairman, the lead independent director and for each Committee Chair so that they may be evaluated objectively; and
 - (vii) Appointing and removing the Company's corporate secretary.
- (e) Financial Reporting, Auditors and Transactions:
- (i) Reviewing and approving, as required, the Company's financial statements and related financial information;
 - (ii) Appointing, subject to the approval of shareholders, and removing the external auditor;
 - (iii) Appointing and removing of the Company's Chief Financial Officer; and
 - (iv) Delegating, to the extent permitted by law, to the CEO, other officers and senior management appropriate powers to manage the business affairs of the Company.
- (f) Legal Requirements and Communication:
- (i) Overseeing the adequacy of the Company's processes to ensure compliance by the Company with applicable legal and regulatory requirements;
 - (ii) Developing and implementing measures through which the Board can receive feedback from security holders; and
 - (iii) Performing any other function that is prescribed by law that has not been delegated by the Board to a Committee of the Board or to management.
- (g) Oversight of the Company's Environmental Risks:
- (i) Review and monitor the environment policy and environmental management system.

(4) Duties and Responsibilities of the Board Chair and Lead Independent Director

The position description for the Company's Board Chairman is outlined in this Charter of the Board of Directors. The Board Chairman and/or lead independent director shall lead the Board in all aspects of its work and are responsible to effectively manage the affairs of the Board and ensuring that the Board is properly organized and functions efficiently. As appropriate, the Chairman and/or the lead independent director will advise the CEO in matters concerning the Board, including the relationship between management and the Board. Specifically, the Board Chairman shall:

- (a) Provide the leadership necessary to enable the Board to carry out its duties and responsibilities described in this Board Charter;
- (b) Work with the CEO, other officers and senior management to monitor progress on the business plan, annual budgets, policy implementation and succession planning;
- (c) Provide advice, counsel and mentorship to the CEO and fellow members of the Board;
- (d) Foster an effective working relationship between the Board and management;

- (e) Chair the Board meetings;
- (f) Determine, in consultation with the CEO, the Secretary, the Chairs of Committees, the frequency, dates and location of meetings of the Board, the Committees of the Board and the shareholders;
- (g) Review the meeting agendas to ensure that all required business comes before the Board so that it may effectively and efficiently carry out its duties and responsibilities;
- (h) Ensure that all items requiring Board and Committee approval are tabled as appropriate;
- (i) Ensure the proper flow of information to the Board;
- (j) Review, with the corporate secretary and CEO, the adequacy and timing of information and materials in support of management proposals to the Board;
- (k) In conjunction with the relevant Committee of the Board and its Chair, review and assess individual director's meeting attendance records and the effectiveness and performance of the Board, its Committees, Committee Chairs and individual directors;
- (l) Act for the CEO and exercise his/her authority in the event that the CEO is absent and is unable to act where action by the CEO is necessary to protect the interests of the Company;
- (m) Attend Committee meetings in a non-voting capacity as deemed appropriate;
- (n) Ensure that an opportunity exists at each regular meeting for the independent directors to meet separately without non-independent directors and management personnel present; and
- (o) Carry out other functions or assignments as requested by the Board.

If there is a Lead Independent Director, he or she shall:

- (a) Chair meetings of Independent Directors and relay comments or recommendations to the Chair of the Board and CEO; and
- (b) Set procedure for meetings of Independent Directors.
- (c) Act as Chair of the Board at any meeting where the Chair of the Board is absent; and
- (d) Carry out other functions or assignments as requested by the Board.