

Corporate Governance

AS ADOPTED BY THE BOARD OF DIRECTORS OF ASCENDANT COPPER CORPORATION (the “Corporation”) on December 15, 2005

I. PURPOSE

Corporate governance means the process and structure used to direct and manage the business and affairs of the Corporation with the objective of enhancing the value of the total enterprise in the best interest of all stakeholders – shareholders, creditors, customers, employees, and communities in which the Corporation operates. The process and structure define the division of power and establish mechanisms for achieving accountability among shareholders, the Board of Directors and Management.

The role of the Corporate Governance Committee (the “Committee”) is to develop and monitor the Corporation’s and its subsidiaries’ overall approach to corporate governance issues and, subject to approval by the Board, implement and administer the system. The purpose of the Committee is to provide a focus on corporate governance that will enhance corporate performance and to assess and make recommendations regarding Board effectiveness.

II. COMPOSITION

A. Following each annual meeting of shareholders of the Corporation, the Board shall elect from its members no fewer than three (3) directors composed of a majority of outside and unrelated directors.

B. The Chairman of the Board will be a member of the Committee.

C. The CEO will serve as an ex-officio, non-voting member of the Committee except for those meetings of the Committee organized by the Chairman of the Committee for the outside directors only.

D. Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member upon ceasing to be a director of the Corporation. Each member shall hold office until the close of the next annual meeting of shareholders of the Corporation or until the member resigns or is replaced, whichever occurs first.

E. A vacancy may be filled or an additional member may be appointed by the Board to hold office until the next annual meeting.

F. The Chairman of the Committee shall be designated by the Board. In the absence of the Chairman at any meeting of the Committee, the members present at the meeting shall appoint one of their number to act as Chairman of the meeting.

G. The Committee shall hold such number of meetings as may be required to meet its responsibilities and shall meet at the call of its Chairman or any two of its members.

H. The quorum for meetings shall be two (2) directors, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and hear each other. A notice of meeting shall be sent no later than twenty-four (24) hours prior to such meeting. However, meetings of the Committee may be held without formal notice if all of the members are present and do not object to notice not having been given, or if those absent waive notice in any manner either before or after the meeting.

I. The Committee shall invite such officers, directors, and employees of the Corporation, as it may deem appropriate, to attend a Committee meeting and assist thereat in the discussion and consideration of matters relating to the Committee.

J. The minutes of all meetings of the Committee shall be available to all Board members.

K. The Secretary of the Corporation will act as the Secretary of the Committee.

L. The Committee shall report to the Board at its next regular meeting all action it has taken since the previous report.

M. Any matter to be voted upon shall be decided by a majority of the votes cast on the question. In the case of an equality of votes, the Chair shall be entitled to a second or deciding vote.

III. DUTIES AND RESPONSIBILITIES

Subject to the powers and duties of the Board, the Board hereby delegates to the Committee the following powers and duties to be performed by the Committee on behalf of and for the Board. The Committee shall:

A. Develop and monitor the Corporation's overall approach to corporate governance issues and, subject to approval by the Board, implement and administer the system, including with respect to subsidiaries of the Corporation.

B. Advise the Board, or any of the committees of the Board, of any corporate governance issues which the Committee determines should be considered by the Board or any such committees.

C. Develop and monitor the Corporation's and its subsidiaries' compliance with a Code of Business Conduct and Ethics and an Authority Manual, including periodic review of the Code of Business Conduct and Ethics and Authority Manual to determine whether any modifications or changes are necessary or desirable.

D. Develop policies and procedures to implement, and monitor the Corporation's and its subsidiaries' compliance with, statutory and regulatory requirements, including the rules and regulations of the Toronto Stock Exchange.

E. Develop and annually update a long-term plan for the composition of the Board that takes into consideration the current strengths, skills and experience of the Board, retirement dates (if any) and the strategic direction of the Corporation.

F. Ensure development of and review on an annual basis the Terms of Reference for the Board and each of the committees of the Board, which should define limitations, if any imposed on the positions, and make recommendations to the Board, as appropriate.

G. Periodically examine the size of the Board and, with a view to determining the impact of the number upon effective decision-making, recommend to the Board a program to increase or reduce the number of directors.

H. Assess and make recommendations to the Board on a regular basis regarding the effectiveness of the Board as a whole, committees of the Board, and the contribution of its individual members.

I. Establish a process for identifying and recruiting new directors.

J. Provide an orientation and education program for new directors.

K. Communicate, as appropriate, to shareholders and the investment community any discrepancies between the Corporation's governance system and its adopted guidelines.

L. Serve as a forum whereby individual directors may express concerns about matters not easily discussed at a full board meeting.

M. Prepare recommendations for the Board regarding any reports or disclosure required or recommended on corporate governance, including, as appropriate, public disclosure required to meet Toronto Stock Exchange guidelines.

N. Review with the Board, on a regular basis, the methods and processes by which the Board fulfills its duties and responsibilities, including without limitation, discussion of:

(i) the size of the Board;

(ii) the structure of the committees and the committees' terms of reference;

(iii) the number and content of Board meetings;

(iv) the annual schedule of issues which should be considered by the Board at its meetings or those of its committees;

(v) resources available to the directors; and

(vi) the communication process between the Board and management.

O. In consultation with the Chairman, direct and supervise the investigation into any matter brought to the Committee's attention within the scope of its duties.

P. In appropriate circumstances, authorize a committee or an individual director to engage separate independent counsel and/or advisors at the expense of the Corporation.

Q. Have such other powers and duties as delegated to it by the Board.