PROSPECTORS AND DEVELOPERS ASSOCIATION OF CANADA BY-LAW NO. 1

BE IT ENACTED as a by-law of **PROSPECTORS AND DEVELOPERS ASSOCIATION OF CANADA** (the "**Corporation**"), which was incorporated under the *Canada Corporations Act* or a predecessor thereof, and continued under the *Canada Not-for-Profit Corporations Act* (the "**Act**", which term shall include the regulations made pursuant to the Act) as follows:

PART 1- MEMBERSHIP

1.1 **Membership Classes**. There shall be three (3) classes of members in the Corporation (each a "Member" and collectively, the "Members"), namely:

(a) Individual Members: Individual Members are individuals who are interested in the activities of the Corporation;

(b) Corporate Members: Corporate Members are corporations which are interested in the activities of the Corporation; and

(c) Honorary Members: Honorary Members are individuals appointed by the Board of Directors for distinguished service to the Corporation and/or the Canadian mining industry. Honorary Members may be appointed for a definite period or for life.

1.2 **Voting Rights of Members**. All Individual Members, Corporate Members and Honorary Members shall have the right to receive notice of, attend and vote at all meetings of Members. Each Member shall have the right to exercise one (1) vote.

1.3 **Absentee Voting.** In addition to voting in person, every Member entitled to vote at a meeting of Members may vote by any of the following means:

(a) by using a mailed-in ballot in the form provided by the Corporation, provided that the Corporation has a system that enables the votes to be gathered in a manner that permits their subsequent verification and permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how each Member voted; or

(b) by means of a telephonic, electronic or other communication facility, provided that the facility enables the votes to be gathered in a manner that permits their subsequent verification and permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how each Member voted.

1.4 **Other Rights of Members**. The Board of Directors shall determine the other benefits and services that Members of each class shall be entitled to receive.

1.5 **Fees**. The Board of Directors shall determine the fees, if any, to be paid by the Members of each class. The fees may vary for Members within a class based on characteristics approved by the Board of Directors.

1.6 **Applications for Membership**. Any applicant for membership in the Corporation shall apply in writing on a form which has been approved by the Board of Directors. The Board of Directors may use its discretion in deciding whether or not to admit the applicant as a Member. The Board of Directors may delegate to a committee, the executive director or some other officer the authority to accept applications for membership. Applicants for membership shall be promptly notified by the Corporation of the decision regarding their applications.

1.7 **Resignation of Membership**. Any Member may withdraw from the Corporation by delivering to the Corporation a written resignation and no refund of any membership fees or other moneys paid in connection therewith shall be given. Such resignation shall be effective on the later of the date sent or the date specified in the resignation. For the purposes of this section, the date "sent" shall mean the date received by the Corporation which shall be deemed to be three days after the day mailed, if mailed, or the date of transmission if faxed or sent by email.

1.8 **Termination of Membership**. Membership in the Corporation shall cease upon the resignation of a Member, failure to pay membership fees on or before the final due date for payment of same, in the case of an Individual Member or Honorary Member, upon such Member's death and in the case of a Corporate Member, upon such Member's dissolution or winding-up. Membership shall not be transferable or assignable.

Membership in the Corporation may be terminated by the affirmative vote of a three-quarters (3/4) majority of the directors present at a meeting called for such purpose. If such meeting be constituted by less than eighteen (18) directors, a unanimous vote shall be required.

PART 2 - HEAD AND REGISTERED OFFICE

2.1 **Head and Registered Office**. Until changed in accordance with the Act, the head and registered office of the Corporation shall be in the City of Toronto in the Province of Ontario.

PART 3 - BOARD OF DIRECTORS

3.1 **Powers.** The directors of the Corporation may administer the affairs of the Corporation in all things and make or cause to be made for the Corporation, in its name, any kind of contract which the Corporation may lawfully enter into and, save as hereinafter provided, generally, may exercise all such other powers and do all such other acts and things as the Corporation is by its charter or otherwise authorized to exercise and do.

3.2 **Number of Directors, Quorum and Qualifications**. The property and business of the Corporation shall be managed by a board of not fewer than twelve (12) and not more than fifty (50) directors (the "**Board of Directors**"). As empowered by the Members, the fixed number of directors within such range shall be determined from time to time by resolution of the Board of Directors. No decrease in the number of directors shall shorten the term of an incumbent director.

Twelve (12) directors shall constitute a quorum. Directors must be individuals who:

(a) are at least eighteen (18) years of age with power under law to contract;

(b) have not been declared incapable by a court in Canada or another country;

(c) do not have the status of bankrupt; and

(d) are Members.

3.3 **Election and Term**. Directors shall be elected for a term of up to three (3) years by the Members at an annual meeting of Members. No person may be elected for more than five (5) consecutive terms commencing with the term starting after March 1, 2008, nor for more than four consecutive terms or twelve consecutive years commencing after March 1, 2020. However, a person holding the office of president or vice-president may be elected for an additional one to two terms, only as needed to complete their term as vice-president and president.

3.4 **Consent**. A director who is elected or appointed must consent to hold office as a director:

(a) if present at the meeting at which the election or appointment takes place, by not refusing to hold office,

(b) if not present at the meeting at which the election or appointment takes place, by either:

(i) consenting to hold office in writing before the election or appointment takes place or within ten (10) days of the date the election or appointment took place; or

(ii) by acting as a director after such person's election or appointment.

3.5 **Vacancies.** The office of director shall be automatically vacated:

(a) if the director resigns such office by delivering a written resignation to the secretary of the Corporation. The resignation will be effective at the time it is sent or at the time specified in the resignation, whichever is later. For the purposes of this section, the date "sent" shall mean the date received by the Corporation which shall be deemed to be three days after the day mailed, if mailed, or the date of transmission if faxed or sent by email;

(b) if the director is declared incapable by a court in Canada or another country;

(c) if the director becomes bankrupt;

(d) if at a special general meeting of Members a resolution is passed that the director be removed from office;

(e) if the director is determined to be in breach of any code of conduct in place from time to time;

(f) on death of the director; or

(g) if the director ceases being a Member of the Corporation;

provided that if any vacancy shall occur for any reason and if a quorum of directors remains in office, the Board of Directors may, by resolution, appoint a qualified person to fill the vacancy, who shall complete the term of the office of the director which has been vacated.

3.6 **Appointment of Additional Directors.** In addition to filling vacancies, the Board of Directors may appoint one or more additional directors, who shall hold office for a term expiring not later than the close of the next annual meeting of Members, provided that the total number of directors so appointed may not exceed one third of the number of directors elected at the previous annual meeting of Members, and the total number of directors may not exceed the maximum set out in Section 3.2 of this by-law.

3.7 **Retiring Director.** A retiring director shall remain in office until the dissolution or adjournment of the meeting at which such retirement is effective.

3.8 **Place of Meeting and Notice.** Meetings of the Board of Directors may be held at any time and place to be determined by the directors provided that forty-eight (48) hours written notice of such meeting shall be given by fax, e-mail or personal delivery to each director. There shall be at least one (1) meeting per year of the Board of Directors. No error or omission in giving notice of any meeting of the Board of Directors or any adjourned meeting of the Board of Directors of the Corporation shall invalidate such meeting or make void any proceedings taken thereat and any director may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. Each director is authorized to exercise one (1) vote.

3.9 **Meetings by Teleconference.** Directors may hold meetings by teleconference or by other electronic means that permits all persons participating in the meeting to communicate adequately with each other during the meeting.

(a) A director may, if all of the directors consent, participate in a meeting of directors or of a committee of directors using telephonic, electronic or another communication facility that permits all participants to communicate adequately with each other during the meeting. A director participating in the meeting by such means shall be deemed for the purposes of the Act to have been present at that meeting.

(b) At the commencement of each such meeting the secretary of the meeting will record the names of those persons in attendance in person or by electronic communications facilities and the chair will determine whether a quorum is present. The chair of each such meeting shall determine the method of recording votes thereat, provided that any director present may require all persons present to declare their votes individually. The directors shall take such reasonable precautions as may be necessary to ensure that such communications facilities are secure from unauthorized interception or monitoring.

3.10 **Voting.** Resolutions will be passed by a majority of the participating directors by a vote recorded by the secretary, unless the Act or this by-law otherwise provides. In the case of a tie vote, the chair of the meeting shall not have an additional or casting vote.

3.11 **Minutes of Board of Directors Meetings.** Subject to the Act, the minutes of the Board of Directors and its committees' meetings shall not be available to the Members, except the Board of Directors, each of whom shall receive or have access to a copy of such minutes to all such meetings.

3.12 **Remuneration of Directors.** The directors shall serve as such without remuneration from the Corporation and no directors shall directly or indirectly receive any profit from their position as such; provided that directors may be reimbursed for reasonable expenses incurred by them in the performance of their duties in accordance with policies of the Corporation approved by the Board of Directors from time to time.

3.13 **Agents and Employees.** The Board of Directors may appoint such agents and engage such employees as it shall deem necessary from time to time and such persons shall have such authority and shall perform such duties as shall be prescribed by the Board of Directors at the time of such appointment.

3.14 **Expenditures.** The Board of Directors shall have power to authorize expenditures on behalf of the Corporation from time to time and may delegate by resolution to an officer or officers of the Corporation the right to employ and pay salaries to employees on behalf of the Corporation.

PART 4 - INTEREST OF DIRECTORS AND OFFICERS IN CONTRACTS

4.1 Conflict of Interest

Every director and officer of the Corporation shall comply with the requirements of the Act, including regarding declarations of interest, as well as with the terms of any code of conduct in place from time to time.

PART 5 - PROTECTION OF OFFICERS AND DIRECTORS

5.1 **Standard of Care** – Every director and officer of the Corporation, in exercising such person's powers and discharging such person's duties, shall act honestly and in good faith with a view to the best interests of the Corporation and shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Every director and officer of the Corporation shall comply with the Act, the articles of the Corporation, and this bylaw.

5.2 **Limitation of Liability** – Provided that the standard of care required of the director or officer under the Act and this by-law has been satisfied, no director or officer shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the money of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the money, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error of judgment or oversight on the director's or officer's part, or for any other loss, damage or misfortune which may happen in the execution of such person's duties of office, unless the same are occasioned by

the director's or officer's own wilful neglect or default or otherwise result from the director's or officer's failure to act in accordance with the Act.

5.3 **Indemnities to Directors and Others**. The Corporation may indemnify a director, an officer of the Corporation, a former director or officer of the Corporation, or another individual who acts or acted at the Corporation's request as a director or officer or in a similar capacity of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by such person in respect of any civil, criminal, administrative, or investigative action or other proceeding in which the individual is involved because of that association with the Corporation or other entity if:

(a) the person acted honestly and in good faith with a view to the best interests of the Corporation or, as the case may be, to the best interests of the other entity for which the individual acted as director or officer or in a similar capacity at the Corporation's request; and

(b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the person had reasonable grounds for believing that the conduct was lawful.

The Corporation may indemnify such person in all such other matters, actions, proceedings and circumstances as may be permitted by the Act or the law. Nothing in this by-law shall limit the right of any person entitled to indemnity to claim indemnity apart from the provisions of this bylaw.

5.4 **Insurance** – Subject to the Act, the Corporation may purchase and maintain insurance for the benefit of any person entitled to be indemnified by the Corporation pursuant to Section 5.3 against any liability incurred by the individual in the individual's capacity as a director or an officer of the Corporation; or in the individual's capacity as a director or officer, or in a similar capacity, of another entity, if the individual acts or acted in that capacity at the Corporation's request.

PART 6 - COMMITTEES

6.1 **Committees.** The Board of Directors shall maintain an audit and a governance and nominating committee, each to be composed of directors of the Corporation, provided that a past President of the Corporation who is no longer a director may be asked to sit on such committees.

The Board of Directors may establish additional committees and shall review and determine from time to time what committees should be established, maintained or merged in order to best serve the goals of the Corporation and in the context of the strategic plan. Additional committees that may be established by the Board of Directors from time to time, shall establish terms of reference that shall be approved by the Board of Directors. The Board of Directors shall determine when establishing such committees whether the members may include individuals who are not directors.

The Board of Directors may appoint an executive committee, so long as it is determined to be beneficial to the operation of the Corporation. While such executive committee is established, it shall be composed of a minimum of four (4) and a maximum of seven (7) members, including the president, any vice-presidents, as may be appointed from time to time, and the executive director of the Corporation. Additional members may include a past president and additional directors, as

approved by the Board of Directors. The executive committee shall work with the governance and nominating committee to establish terms of reference, that shall include the authorities granted by the Board of Directors, to be approved by the Board of Directors at least biennially.

PART 7 - OFFICERS

7.1 **Appointment.** The officers of the Corporation, which shall include the offices of president and secretary and may include the offices of one or more vice-presidents, a treasurer, an executive director and any such other officers as the Board of Directors may by by-law determine, shall be appointed by resolution of the Board of Directors at the first meeting of the Board of Directors following the annual meeting of Members in which the directors are elected. A person may hold more than one office. The president shall be a director. A person holding the offices of secretary and treasurer may, but need not be, known as the secretary-treasurer.

7.2 **Term and Removal of Officers.** The officers of the Corporation shall hold office until the earlier of the first directors' meeting following the next annual meeting of Members, the date they resign, the date they are removed or the date their successors are elected or appointed in their stead. Officers shall be subject to removal by resolution of the Board of Directors at any time.

PART 8 - DUTIES OF OFFICERS

8.1 **President.** The president is the chief elected officer. The president provides leadership to the Corporation and the Board of Directors. The president is responsible for ensuring protection and promotion of the interests of the Members through the successful implementation of the strategic plan designed and approved by the Board of Directors and implemented by the employees of the Corporation.

8.2 **Vice-Presidents.** The vice-presidents shall, in the absence or disability of the president, perform the duties and exercise the powers of the president and shall perform such other duties as may from time to time be directed by the Board of Directors.

8.3 **Treasurer.** The treasurer has a key role in ensuring good financial management of the Corporation. The treasurer is responsible for oversight and reporting of the Corporation's financial management, financial procedures and financial statements. The treasurer shall also perform such other duties as may from time to time be directed by the Board of Directors.

8.4 **Secretary.** The secretary shall attend all meetings of the Members and of the Board of Directors and act as clerk thereof and record all votes and minutes of all proceedings in the books to be kept for that purpose or ensure that somebody else carries out these functions. The secretary shall give or cause to be given notice of all meetings of the Members and of the Board of Directors and shall perform such other duties as may from time to time be directed by the Board of Directors or by the president. The secretary shall be custodian of the seal of the Corporation, which the secretary shall deliver only when authorized by a resolution of the Board of Directors to do so and to such person or persons as may be named in the resolution.

8.5 **Executive Director.** The executive director manages the Corporation and is the chief staff person of the Corporation. The executive director is responsible for all of the Corporation's

business including the management of employees, all programs and projects, the budget and the implementation of the strategic plan.

8.6 **Duties of Other Officers.** The duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the Board of Directors requires of them.

PART 9 - EXECUTION OF DOCUMENTS

9.1 **Execution of Documents.** Contracts, documents or any instruments in writing requiring the signature of the Corporation, shall be signed by the executive director or any two (2) officers or directors or a combination thereof and all contracts, documents and instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The directors shall have power from time to time by resolution to appoint persons on behalf of the Corporation to sign specific contracts, documents and instruments in writing. The directors may give the Corporation's power of attorney to any registered dealer in securities for the purposes of the transferring of and dealing with any stocks, bonds, and other securities owned by the Corporation. The seal of the Corporation when required may be affixed to contracts, documents and instruments in writing signed as aforesaid or by persons appointed by resolution of the Board of Directors.

PART 10 - MEMBERS' MEETINGS

10.1 **Time and Place of Meetings.** Meetings of the Members shall be held at least once a year or more often if necessary at the head office of the Corporation or at any place in Canada as the Board of Directors may determine and on such day as the said directors shall appoint.

10.2 **Participation in Meeting by Electronic Means**

Any person entitled to attend a meeting of Members may participate in the meeting by means of a telephonic, an electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, if the Corporation makes available such a communication facility. A person so participating in a meeting is deemed for the purposes of the Act to be present at the meeting.

10.3 **Meeting Held by Electronic Means**

If the Directors or Members of a corporation call a meeting of Members under the Act, those Directors or Members, as the case may be, may determine that the meeting shall be held entirely by means of a telephonic, an electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

10.4 **Annual Meetings.** An annual meeting of Members shall be held before March 31st in each year. At every annual meeting of Members, in addition to any other business that may be transacted, the report of the directors, the financial statements and the report of the auditors shall be presented and auditors appointed for the ensuing year. The Members may consider and transact any business either special or general at any meeting of the Members. The Board of Directors, the president or a vice-president shall have power to call, at any time, a general meeting of the Members. The Board of Directors shall call a special meeting of Members on written requisition

of the president, a vice-president, five (5) directors or Members carrying not less than five percent (5%) of the voting rights.

10.5 **Quorum.** Twenty-five (25) of the Members present in person or by telephonic or other electronic means that permits all Members participating in the meeting to communicate adequately during the meeting, shall constitute a quorum at any meeting of Members. At the commencement of each such meeting the secretary of the meeting will record the names of those persons in attendance in person or by electronic communications facilities and the chair will determine whether a quorum is present. Corporate Members shall be represented by an authorized representative. The chair of each such meeting shall determine the method of recording votes thereat. The Members shall take such reasonable precautions as may be necessary to ensure that such communications facilities are secure from unauthorized interception or monitoring.

10.6 **Voting of Members.** At all meetings of Members, every question shall be determined by a majority of votes unless otherwise specifically provided by the Act or this by-law. In the case of Individual Members and Honorary Members, only the individual holding such membership shall be permitted to vote, and in the case of Corporate Members, only the authorized representative of the Corporate Member shall be permitted to vote on behalf of the Corporate Member. In the case of a tie vote, the chair of the meeting shall have an additional or casting vote.

10.7 **Notice.** Thirty (30) days' written or e-mailed notice shall be given to each Member of any meeting of Members. Notice of any meeting where special business will be transacted must contain sufficient information to permit the Member to form a reasoned judgement on the decision to be made and must state the text of any special resolution to be submitted at the meeting.

10.8 **Errors or Omissions in Giving Notice.** No error or omission in giving notice of any meeting or any adjourned meeting, whether annual or general, of the Members shall invalidate such meeting or make void any proceedings taken thereat and any Member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. For purpose of sending notice to any Member, director or officer for any meeting or otherwise, the address of the Member, director or officer shall be that person's last address recorded on the books of the Corporation.

PART 11 - FINANCIAL YEAR

11.1 **Financial Year.** Unless otherwise determined by the Board of Directors, the fiscal year-end of the Corporation shall be the last day of September in each year.

PART 12 - AMENDMENT OF BY-LAWS

12.1 **Amendment of By-laws.**

Subject to the Articles, the Board may, by resolution, make, amend or repeal any by-law that regulates the activities or affairs of the Corporation. Any such by-law, amendment or repeal shall be effective from the date of the resolution of the Board until the next meeting of Members where it may be confirmed, rejected or amended by the Members by Ordinary Resolution. If the by-law, amendment or repeal is confirmed or confirmed as amended by the Members it remains effective in the form in which it was confirmed. The by-law, amendment or repeal ceases to have effect if it is not submitted to the Members at the next meeting of Members or if it is rejected by the Members at the meeting.

Despite the foregoing, a by-law amendment that requires a Special Resolution under the Act is only effective when confirmed by Members.

PART 13 - AUDITOR

13.1 **Auditor.** The Members shall at each annual meeting appoint an auditor to audit the accounts of the Corporation for report to the Members at the next annual meeting of Members. The auditor shall hold office until the next annual meeting, provided that the directors may fill any vacancy in the office of auditor. The remuneration of the auditor shall be fixed by the Board of Directors.

PART 14 - BOOKS AND RECORDS

14.1 **Books and Records.** The directors shall ensure that all necessary books and records of the Corporation required by the by-laws of the Corporation or by the Act or any other applicable statute or law are regularly and properly kept.

PART 15 - RULES AND REGULATIONS

15.1 **Rules and Regulations.** The Board of Directors may prescribe such rules and regulations not inconsistent with this by-law relating to the management and operation of the Corporation as they deem expedient.

PART 16 - INTERPRETATION

16.1 **Interpretation.** In this by-law and in all other by-laws of the Corporation hereafter passed, unless the context otherwise requires, words importing the singular number shall include the plural number and vice versa, and references to persons shall include firms and corporations.

PART 17 - REPEAL

17.1 Repeal. All previously enacted by-laws of the Corporation are repealed upon the enactment of this by-law. Such repeal shall not affect the previous operation of any by-law or affect the validity of any act done or right or privilege, obligation or liability acquired or incurred under, or the validity of any contract or agreement made pursuant to, or the validity of any letters

patent (as defined in the Act) or predecessor charter documents of the Corporation obtained pursuant to, any such by-law prior to its repeal. All officers and persons acting under any by-law so repealed shall continue to act as if appointed under the provisions of this by-law and all resolutions of the Members and of the Board of Directors with continuing effect passed under any repealed by-law shall continue good and valid except to the extent inconsistent with this by-law and until amended or repealed.

ENACTED by the Directors on the 29th day of January, 2021.

CONFIRMED by the Members on the 22nd day of March, 2021.

Secretary