

BREAKWATER RESOURCES LTD.

CORPORATE GOVERNANCE AND NOMINATING COMMITTEE CHARTER

1. Policy Statement

It is the policy of Breakwater Resources Ltd. (the "Corporation") to establish and maintain a corporate governance and nominating committee (the "Committee") to assist the directors (individually a "Director" and collectively the "Board") of the Corporation in carrying out the Board's oversight responsibility for ensuring that the strategic direction of the Corporation is reviewed annually and that the Board and each of its committees carry out their respective functions in accordance with an appropriate process. The Committee is also responsible for assessing the effectiveness of the Board as a whole, each committee of the Board, and the contribution of each individual Director. The Committee is responsible for governance issues and for identifying, recruiting, nominating, endorsing, recommending the appointment of, and orienting, new Directors.

2. Composition of Committee

- (a) The Committee shall consist of a minimum of two Directors, at least half of whom shall be resident Canadians. The Board shall appoint the members of the Committee, The Board may appoint one member of the Committee to be the Chairman of the Committee, or may delegate such authority to appoint the Chairman of the Committee to the Committee.
- (b) Each member of the Committee must be a Director who is independent to the extent required by (and subject to the exemptions and other provisions set out in) applicable laws, rules and regulations, and stock exchange requirements (collectively "Applicable Laws"). In this Charter, the term "independent" has the meaning ascribed to such term by Applicable Laws, and includes the meanings given to similar terms by Applicable Laws.
- (c) A Director appointed by the Board to the Committee shall be a member of the Committee until replaced by the Board or until his or her resignation.

3. Meetings of the Committee

- (a) The Committee shall convene a minimum of once each year at such time and place as may be acceptable to the Chairman of the Committee and whenever a meeting is requested by the Board, a member of the Committee or the Chief Executive Officer of the Corporation (the "CEO").
- (b) Notice of each meeting of the Committee shall be given to each member of the Committee, who shall each be entitled to attend each meeting of the Committee.
- (c) Notice of a meeting of the Committee shall:
 - (i) be in writing, which includes electronic communication facilities;
 - (ii) state the nature of the business to be transacted at the meeting in reasonable detail;
 - (iii) to the extent practicable, be accompanied by a copy of documentation to be considered at the meeting; and

- (iv) be given at least two business days prior to the time stipulated for the meeting or such shorter period as the members of the Committee may permit.
- (d) A quorum for the transaction of business at a meeting of the Committee shall consist of a majority of the members of the Committee. However, it shall be the practice of the Committee to require review, and, if necessary, approval of important matters by all members of the Committee.
- (e) A member or members of the Committee may participate in a meeting of the Committee by means of such telephonic, electronic or other communication facilities as permits all persons participating in the meeting to communicate with each other. A member participating in such a meeting by any such means is deemed to be present at the meeting.
- (f) In the absence of the Chairman of the Committee, the members of the Committee shall choose one of the members present to be chairman of the meeting. In addition, the members of the Committee shall choose one of the persons present to be the secretary of the meeting.
- (g) Minutes shall be kept of all meetings of the Committee and shall be signed by the chairman and the secretary of the meeting.

4. **Duties and Responsibilities of the Committee**

- (a) The Committee shall, at the earliest opportunity after each meeting, report to the Board the results of its activities and any reviews undertaken and make recommendations to the Board as deemed appropriate.
- (b) The Committee shall make such rules and regulations as may be necessary to carry out its responsibilities, which shall include the following:
 - (i) communicating with the Board on corporate governance matters and reviewing and approving, as required, public or regulatory disclosure respecting the corporate governance practices of the Corporation as contained in Applicable Laws;
 - (ii) in the event of a vacancy occurring on the Board, however caused, the Committee shall recommend to the Board a person for appointment as a director to fill the vacancy;
 - (iii) the Committee shall, based upon a consideration of his or her performance in office and any other factors considered relevant, recommend to the Board whether a Director should be nominated for election or re-election at any annual meeting of shareholders at which he or she is eligible to be elected a Director;
 - (iv) notwithstanding subparagraphs (ii) and (iii) above, the Board may direct the Committee to give consideration to other nominations or may propose, appoint, elect or nominate any person to fill any vacancy on the Board or the Committee;
 - (v) in the event of a vacancy occurring on a committee of the Board, however caused, the Committee shall recommend to the Board a person for appointment as a member to fill such vacancy;

- (vi) the Committee shall annually determine whether a Director is independent; and
 - (vii) the Committee shall make recommendations from time to time to the Board concerning such other matters, including matters related to corporate governance, as the Committee may deem appropriate or as may be referred to it from time to time by the Board.
- (c) The Committee shall annually review and evaluate and make recommendations to the Board with regard to the size, composition and role of the Board and its committees (including the type of committees to be established) and the methods and processes by which the Board fulfills its duties and responsibilities, including the methods and processes for evaluating Board effectiveness.
- (d) The Committee shall review the trading policy, disclosure policy and the code of business conduct and ethics and recommend changes and any action required to deal with any breach of either such policy or code.
- (e) The Committee shall review the recommendations of the disclosure committee (the "Disclosure Committee") and, if considered appropriate, make such recommendations to the Board.
- (f) With respect to Board training and development, the Committee shall:
- (i) consider and recommend training and development experiences for the Board as a whole;
 - (ii) consider and recommend individual training or development experiences for individual Directors based on specific identified needs;
 - (iii) monitor and assess the value of training programs and recommend changes; and
 - (iv) ensure the maintenance of records of Director participation in development activities.
- (g) The Committee shall review and approve, where appropriate, the engagement of outside advisors by members of the Board at the expense of the Corporation when requested to do so by a member of the Board.
- (h) The Committee shall assess, on an annual basis, the adequacy of this Charter.