

CLEARWATER SEAFOODS INCORPORATED
(the “Corporation”)

MANDATE OF THE BOARD OF DIRECTORS (“Board”)

1.0 COMPOSITION AND TERM

- 1.1 The Board shall be comprised of such number of directors as are elected by the shareholders from time to time within the minimum and maximum number of directors contemplated by the Corporation’s Articles, the majority of whom shall be “independent” (as defined in National Instrument 52-110 – *Audit Committees*).
- 1.2 Directors shall be elected by the shareholders at the annual meeting of shareholders of the Corporation in each year and shall serve until the next such annual meeting or until the position is otherwise vacated.

2.0 RESPONSIBILITIES

- 2.1 The Board is responsible to:

(a) **Provide Strategic Stewardship**

- (i) Adopt a strategic planning process and approve a strategic plan for the Corporation developed in collaboration and consultation with the Chief Executive Officer (“CEO”);
- (ii) Devote sufficient time at Board meetings to consider strategic issues developed by and under the leadership of the CEO with other members of management;
- (iii) Review and approve the strategic goals of the Corporation, which should be strongly tied to relevant metrics; and
- (iv) Remain abreast of emerging trends and their implications on the Corporation’s business and provide strategic advice and direction to the CEO.

(b) **Approve Annual Business Plan and Monitor Performance**

- (i) Approve the annual budget and business plan of the Corporation (the “**Annual Budget and Business Plan**”);
- (ii) Approve the annual and interim financial reports of the Corporation and related news releases with oversight of the Audit Committee, and other continuous disclosure documents (including management’s discussion and analysis, annual information form and any management information circular of the Corporation), subject to any corporate disclosure and corporate governance policies, for submission to the shareholders and securities regulatory authorities, as applicable;
- (iii) Approve any other material documents filed with securities regulatory authorities, such as prospectuses; and

- (iv) Approve any material (as determined by the Board from time to time) change to the Corporation's Annual Budget and Business Plan.
- (c) **Maintain Effective Risk Management**
- (i) Review and assess the Corporation's policies, controls and procedures that are in place to ensure the integrity of the Corporation's disclosure and internal controls, management information system and risk-management activities in other areas of enterprise risk;
 - (ii) Review and assess the Corporation's risk management policy and system that is in place to effectively identify, assess and mitigate strategic, operational and emerging risks to the Corporation;
 - (iii) Review and identify strategic risks, in conjunction with the CEO and other members of management, and provide strategic advice on the effective mitigation of those risks;
 - (iv) Review the Corporation's capital structure, corporate development activity, financial strategies and other financial risks, in conjunction with the Finance Committee and management, to develop short, medium and long-term capital structures aligned with the Corporation's strategic plan; and
 - (v) Receive and consider reports on the Corporation's key risks and review and assess the Corporation's management of these risks.
- (d) **Monitor the Performance of the CEO**
- (i) With the assistance of the Human Resource Development and Compensation Committee ("HRDCC"):
 - (A) establish specific annual performance targets and results to be achieved by the CEO;
 - (B) evaluate the CEO annually against agreed upon performance targets; and
 - (C) establish a CEO succession plan; and
 - (ii) Provide advice on significant and/or strategic issues to the CEO.
- (e) **Ensure the Board's Effectiveness**
- (i) In conjunction with the Corporate Governance Committee, develop and approve Board governance policies and procedures;
 - (ii) Implement processes to ensure the discharge of specific duties imposed on the Board;
 - (iii) Assist, where appropriate, with the development and implementation of corporate governance principles and guidelines developed by the Corporate Governance Committee;
 - (iv) Approve the mandates of Board committees;

- (v) With the assistance of the Corporate Governance Committee, assess, at least annually, the effectiveness of the Board as a whole, its Committees and the performance of individual directors, including consideration of the appropriate size of the Board and the competencies and skills of the directors;
 - (vi) With the assistance of the Corporate Governance Committee, remove or replace Board committee members or fill any vacancies in the membership of a Board committee;
 - (vii) Review and assess the orientation and education program for new appointees to the Board and identify appropriate continuing education opportunities for all directors;
 - (viii) With the assistance of the Corporate Governance Committee, consider what competencies and skills the Board, as a whole, should possess and review the competencies and skills each existing director possesses; and
 - (ix) Review and assess the Corporation's Code of Business Conduct that governs the behaviour of directors, officers and employees.
- (f) **Discharge its Fiduciary Duties**
- (i) Act at all times in good faith, with loyalty and in the best interests of the Corporation in adherence to its corporate and legal responsibilities;
 - (ii) Engage in continuous learning;
 - (iii) Devote time to enhancing personal knowledge of the Corporation's business;
 - (iv) Ask questions, seek information and challenge management; and
 - (v) Require the CEO and other members of management to provide information:
 - (A) *For decision:* Decision information is put before the Board in order to make decisions or provide requisite approvals (i.e. to approve a recommendation of management on a subject matter requiring Board approval);
 - (B) *For monitoring:* Monitoring information is used to gauge whether previous Board matters or directions have been satisfied and to assess performance against specific goals and objectives; and
 - (C) *For knowledge:* Information that may be required by or useful to the Board that would not otherwise be required to make decisions or monitor results.
- (g) **Supervision over Executive Compensation**
- (i) Oversee the Corporation's approach to human resources and compensation policies, with recommendations from the HRDCC;

- (ii) With the assistance of the HRDCC, approving the compensation frameworks for senior management, including alignment of those frameworks with applicable regulatory principles;
- (iii) Ensuring that the Corporation's executive compensation policies continue to meet the objectives of attracting, retaining and motivating skilled executives; and
- (iv) In conjunction with the HRDCC, ensuring that appropriate human resource management practices, including annual and long-term incentive compensation plans, are in place for senior management.

3.0 EXPECTATIONS

- 3.1 Directors are expected to attend all meetings of the Board unless absence is unavoidable.
- 3.2 Directors are expected and required to have reviewed Board materials in advance of the meeting and to come to Board meetings prepared to discuss such materials and to participate fully in the meeting, which materials are to be provided to the Board by management sufficiently in advance to allow the Board to reasonably complete a review of the materials.

4.0 DIRECTORS' FEES

- 4.1 Directors shall receive compensation for serving on the Board, in such amount and on such terms as the Board may approve based on the recommendation of the Corporate Governance Committee.

5.0 REVIEW OF MANDATE

- 5.1 The Board shall review and assess the adequacy of this Mandate at least annually and, if appropriate, revise this Mandate as required.