

POTASH RIDGE CORPORATION CHARTER OF THE TECHNICAL, ENVIRONMENTAL AND SAFETY COMMITTEE

GENERAL

1. PURPOSE AND RESPONSIBILITIES

1.1 Purpose

The Committee's purpose is to assist Board oversight of technical, environmental and safety matters, including with respect to:

- (a) the planning, development and construction of the Corporation's major capital projects;
- (b) technical matters relating to exploration, development, permitting and operation of the Corporation's mining properties;
- (c) material technical commercial arrangements;
- (d) operating and production plans for proposed and existing mines;
- (e) ensuring the Corporation implements best-in-class property development and operating practices;
- (f) the development, implementation and monitoring of all health, safety, environmental and social responsibility policies and programs of the Corporation;
- (g) monitoring and reviewing current and future regulatory issues relating to health, safety and the environment; and
- (h) such other matters as are set out in this Charter or as may otherwise be assigned to the Committee by the Board.

2. DEFINITIONS AND INTERPRETATION

2.1 Definitions

In this Charter:

- (a) "Board" means the board of directors of the Corporation;
- (b) "CEO" means chief executive officer;

- (c) "Chair" means the chair of the Committee;
- (d) "Committee" means the Technical, Environmental and Safety Committee of the Board;
- (e) "Director" means a member of the Board; and
- (f) "the Corporation" means Potash Ridge Corporation.

2.2 Interpretation

The provisions of this Charter are subject to the provisions of the articles and by-laws and to the applicable provisions of the *Business Corporations Act* (Ontario) (the "OBCA"), and any other applicable legislation.

CONSTITUTION AND FUNCTIONING OF THE COMMITTEE

3. ESTABLISHMENT AND COMPOSITION OF COMMITTEE

3.1 Establishment of Technical, Environmental and Safety Committee

The Committee is hereby constituted with the constitution, function and responsibilities herein set forth.

3.2 Appointment and Removal of Members of the Committee

- (a) Board Appoints Members. The members of the Committee shall be appointed by the Board, having considered the recommendation of the Governance, Compensation and Nominating Committee.
- (b) Annual Appointments. The appointment of members of the Committee shall take place annually at the first meeting of the Board after a meeting of the shareholders at which Directors are elected, provided that if the appointment of members of the Committee is not so made, the Directors who are then serving as members of the Committee shall continue as members of the Committee until their successors are appointed.
- (c) Vacancies. The Board may appoint a member to fill a vacancy which occurs in the Committee between annual elections of Directors.
- (d) Removal of Member. Any member of the Committee may be removed from the Committee by a resolution of the Board.

3.3 Number of Members

The Committee shall consist of two or more Directors.

3.4 Qualification and Independence of Members

Qualification of Members. A Director is not required to have any specific qualifications in order to serve as a member of the Committee.

4. COMMITTEE CHAIR

4.1 Board to Appoint Chair

The Board shall appoint the Chair from the members of the Committee (or if it fails to do so, the members of the Committee shall appoint the Chair of the Committee from among its members).

4.2 Chair to be Appointed Annually

The designation of the Committee's Chair shall take place annually at the first meeting of the Board after a meeting of the members at which Directors are elected, provided that if the designation of Chair is not so made, the Director who is then serving as Chair shall continue as Chair until his or her successor is appointed.

5. COMMITTEE MEETINGS

5.1 Quorum

A quorum of the Committee shall be two members.

5.2 Secretary

The Chair shall designate from time to time a person who may, but need not, be a member of the Committee, to be Secretary of the Committee.

5.3 Time and Place of Meetings

The time and place of the meetings of the Committee and the calling of meetings and the procedure in all things at such meetings shall be determined by the Committee; provided, however, the Committee shall meet at least four times per year on a quarterly basis.

5.4 Right to Vote

Each member of the Committee shall have the right to vote on matters that come before the Committee.

5.5 Invitees

The Committee may invite Directors, officers and employees of the Corporation or any other person to attend meetings of the Committee to assist in the discussion and examination of the matters under consideration by the Committee.

6. **AUTHORITY OF COMMITTEE**

6.1 **Retaining and Compensating Advisors**

The Committee shall have the sole authority to retain and terminate any firm engaged to assist in the evaluation of technical, environmental, health and safety matters and to retain outside counsel and any other advisors as the Committee may deem appropriate in its sole discretion. The Committee shall have sole authority to approve related fees and retention terms of any such firm and other advisors.

7. **SUBCOMMITTEES**

The Committee may form and delegate authority to subcommittees if deemed appropriate by the Committee.

7.1 **Recommendations to the Board**

The Committee shall have the authority to make recommendations to the Board, but shall have no decision-making authority other than as specifically contemplated in this Charter.

8. **REMUNERATION OF COMMITTEE MEMBERS**

Members of the Committee and the Chair shall receive such remuneration for their service on the Committee as the Board may determine from time to time.

SPECIFIC DUTIES AND RESPONSIBILITIES

9. **TECHNICAL MATTERS**

9.1 **Capital Projects**

The Committee shall:

- (a) review, monitor and oversee all of the Corporation's major capital projects which have or may have a material impact on the Corporation and which do not represent usual and normal capital expenditures intended to sustain existing operations;
- (b) receive such reports as the Committee shall from time to time determine, including the status of any particular project in terms of organization, personnel, schedule for completion, actual expenditures against budget and any issues of significance that have arisen with respect to the particular capital project and how these issues are being addressed;

- (c) oversee, in consultation with management, how each capital project meets all applicable legal and regulatory requirements and addresses all relevant political, social, community economic benefits and related issues or concerns;
- (d) conduct a review of each capital project within its mandate upon completion of construction of each project and prepare a report, in a form and substance determined by the Committee, for reference by the Corporation and the Committee in future capital projects;
- (e) perform any other duties or responsibilities expressly delegated to the Committee by the Board from time to time relating to the Corporation's major capital projects; and
- (f) visit the principal site of each capital project within its mandate at least once per calendar year during construction of each such project.

9.2 Technical Activities

The Committee shall:

- (a) review the technical aspects of the Corporation's exploration, development, permitting and mining programs;
- (b) review all resource and reserve estimates for the Corporation's mineral resource properties, management's procedures for the disclosure of resource and reserve information and the compliance of such disclosure with regulatory and listing requirements;
- (c) review annual exploration, operating and production plans, together with operating reports, for all proposed and existing operating mines; and
- (d) perform such functions as may be assigned to it from time to time by the Board or as may be required by applicable rules or regulations.

10. ENVIRONMENTAL, HEALTH AND SAFETY MATTERS

The Committee shall:

- (a) periodically review the Corporation's health, safety and environmental plans and policies to ensure the Corporation is complying with applicable laws and the Corporation's policies and provide recommendations for improvements;
- (b) coordinate with management of the Corporation for the review and evaluation of the Corporation's record of compliance with its health, safety and environmental policies and standards as well as laws, regulations and external

standards, and report any conclusions and/or proposed responses with respect to that performance to the Board;

- (c) advise the Board of management's recommendations with respect to health and safety policy and environmental policy, provide recommendations and oversee management's administration of those policies;
- (d) periodically review with management the adequacy and timeliness of investigations into health and safety complaints or incidents and environmental conditions, compliance and incidents;
- (e) periodically confirm compliance by the Corporation with recommendations made by management pursuant to any audit of environmental matters or investigation of health and safety complaints or environmental incidents;
- (f) regularly review the health, safety and environmental risks arising from the Corporation's operations, the procedures and management plans designed to manage and mitigate such risks, and management's reports on those matters;
- (g) apprise the Audit Committee of the Board of significant changes in financial risk exposures or potential disclosure issues relating to environmental, health or safety matters;
- (h) monitor key indicators relating to environmental and health and safety complaints, incidents and compliance and make recommendations to the Board based on such key indicators;
- (i) discuss with management national and international regulatory and technical developments in the fields of health and safety and environmental management and make recommendations to the Board in these areas, as appropriate;
- (j) periodically review with legal counsel the adequacy and effectiveness of the Corporation's health, safety and environmental policies and procedures to ensure compliance with its legal and regulatory responsibilities;
- (k) prepare an annual report on health, safety and environmental matters for use in the preparation of the Corporation's annual management information circular and any other relevant filings; and
- (l) perform such functions as may be assigned to it from time to time by the Board or as may be required by applicable rules or regulations.

11. **DISCLOSURE AND REPORTING TO THE BOARD**

the Committee shall:

- (a) regularly report to the board on all significant matters it has addressed and with respect to such other matters that are within its responsibilities; and
- (b) oversee the preparation of any disclosure required under applicable Canadian securities laws with respect to matters that are within its responsibilities.

12. **ANNUAL PERFORMANCE EVALUATION**

On an annual basis, the Committee shall follow the process established by the Governance, Compensation and Nominating Committee of the Board for assessing the performance and effectiveness of the Committee.

13. **CHARTER REVIEW**

The Committee shall review and assess the adequacy of this Charter annually and recommend to the Governance, Compensation and Nominating Committee any changes it deems appropriate.

Dated: August 1, 2012