

SUNWARD RESOURCES LTD.

Board Mandate

1.0 Introduction

The board of directors (the “Board”) of Sunward Resources Ltd. (“Sunward”) is elected by the shareholders of Sunward and is responsible for the stewardship of Sunward. The purpose of this mandate is to describe the principal duties and responsibilities of the Board as well as some of the policies and procedures the Board will adopt to assist it in discharging its duties and responsibilities.

2.0 Role and Responsibilities of the Board

The role of the Board is to represent the shareholders of Sunward, enhance and maximize shareholder value and conduct the business and affairs of Sunward ethically and in accordance with the highest standards of corporate governance. The Board is ultimately accountable and responsible for providing independent, effective leadership in supervising the management of the business and affairs of Sunward. The responsibilities of the Board include:

- adopting a strategic planning process;
- risk identification and ensuring that procedures are in place for the management of those risks;
- review and approve annual operating plans and budgets
- corporate social responsibility, ethics and integrity;
- succession planning, including the appointment, training and supervision of management;
- delegations and general approval guidelines for management;
- monitoring financial reporting and management;
- corporate disclosure and communications;
- adopting measures for receiving feedback from stakeholders; and
- adopting key corporate policies designed to ensure that Sunward, its directors, officers and employees comply with all applicable laws, rules and regulations and conduct their business ethically and with honesty and integrity

The Board will delegate responsibility for the day-to-day management of Sunward’s business and affairs to Sunward’s senior officers and will supervise such senior officers.

The Board may delegate certain matters it is responsible for to Board committees, presently consisting of the Audit Committee, Corporate Governance Committee, Compensation Committee, Finance Committee, and Technical Committee. The Board will, however, retain its oversight function and ultimate responsibility for these matters and all other delegated responsibilities.

3.0 Strategic Planning Process and Risk Management

The Board will adopt a strategic planning process to establish objectives and goals for Sunward's business and will review, approve and modify as appropriate the strategies proposed by senior management to achieve such objectives and goals. The Board will review and approve, at least on an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of Sunward's business and affairs.

The Board, in conjunction with management, will identify the principal risks of Sunward's business and oversee management's implementation of appropriate systems to effectively monitor, manage and mitigate the impact of such risks.

4.0 Corporate Social Responsibility, Ethics and Integrity

The Board will provide leadership to Sunward in support of its commitment to Corporate Social Responsibility, set the ethical tone for Sunward and its management and foster ethical and responsible decision making by management. The Board will take all reasonable steps to satisfy itself of the integrity of the Chief Executive Officer and management and satisfy itself that the Chief Executive Officer and management create a culture of integrity throughout the organization.

5.0 Succession Planning, Appointment, Supervision and Compensation of Management

The Board will approve the succession plan for Sunward, including the selection, appointment, supervision and evaluation of the Chief Executive Officer and the other senior officers of Sunward, and will also approve the compensation of the Chief Executive Officer and the other senior officers of Sunward.

6.0 Delegations and Approval Authorities

The Board will delegate to the Chief Executive Officer and senior management authority over the day-to-day management of the business and affairs of Sunward. This delegation of authority will be subject to specified financial limits and any transactions or arrangements in excess of general authority guidelines will be reviewed by and subject to the prior approval of the Board.

7.0 Monitoring of Financial Reporting and Management

The Board will approve all regulatory filings, including the annual audited financial statements, interim financial statements, the notes and management discussion and analysis accompanying such financial statements, quarterly and annual reports, management proxy circulars, annual information forms, prospectuses, and all capital investments, equity financings, borrowings and all annual operating plans and budgets.

The Board will adopt procedures to ensure the integrity of internal controls and management information systems to ensure compliance with all applicable laws, rules and regulations, and to prevent violations of applicable laws, rules and regulations relating to financial reporting and disclosure, violations of Sunward's code of business conduct and ethics, and fraud against the Corporation.

8.0 Corporate Disclosure and Communications

The Board will ensure that all corporate disclosure complies with all applicable laws, rules and regulations and the rules and regulations of the stock exchanges upon which Sunward's securities are listed. In addition, the Board will adopt procedures to ensure the Board receives feedback from security holders on material issues.

9.0 Review of Mandate

The Corporate Governance Committee will annually review and assess the adequacy of this Mandate and recommend any proposed changes to the Board for consideration.

Original Approval Date:	May 31, 2011
Approved by:	Corporate Governance Committee Board of Directors