



## BOARD MANDATE

### I. GENERAL

The Board of Directors (the “**Board**”) has the responsibility to supervise the management of the business and affairs of BTQ Technologies Corp. (the “**Corporation**”) and all entities controlled by the Corporation other than those controlled entities that have securities listed on a securities exchange and are subject to their own corporate governance standards and policies, (collectively, “**BTQ**”) in the best interests of the holders of Corporation’s shares (the “**Shareholders**”). A fundamental objective of the Board is to enhance and preserve long-term value to the Corporation, to confirm that BTQ meets its obligations on an ongoing basis and to confirm that BTQ operates in a reliable and safe manner. In performing its functions, the Board will, when required by law, consider the legitimate interests of its other stakeholders (such as employees, service providers and communities).

The Board has responsibility for managing its own affairs and the stewardship of BTQ, including constituting committees of the Board and determining director compensation. The Board will oversee the systems of corporate governance and financial reporting and controls to satisfy itself that the Corporation reports adequate and fair financial information to Shareholders and engages in ethical and legal conduct. The Board will appoint the officers of the Corporation by resolution.

### II. BOARD CHAIR

The Board may appoint a chair (the “**Board Chair**”), who, if possible and if in the best interests of BTQ, will be a person other than an officer or employee of the Corporation. The Board Chair reports to the Board and provides leadership to the Board in matters relating to the effective execution of all Board responsibilities, and works with the Chief Executive Officer (the “**CEO**”) to ensure that the Corporation fulfills its responsibilities to stakeholders including Shareholders, employees, partners, governments and the public.

### III. STRATEGIC PLANNING

The Board has the responsibility to confirm there are long-term operational and financial goals and a strategic planning process in place for BTQ and to participate with management in developing and approving the strategy by which it proposes to achieve these goals.

### IV. RISK MANAGEMENT

The Board has the responsibility to understand the primary risks of the business in which BTQ is engaged and verify that BTQ achieves a proper balance between risks incurred and the potential return to the Corporation and its Shareholders. The Board must also confirm that there are systems in place which effectively monitor and manage those risks with a view to the long-term viability of BTQ. The Board will:

- (a) confirm that a management system is in place to identify the principal risks to BTQ and its business and that appropriate procedures are in place to monitor and mitigate those risks;
- (b) confirm that management processes are in place to address and comply with applicable regulatory, corporate, securities and other compliance matters; and
- (c) review insurance coverage periodically.

## **V. FINANCIAL REPORTING AND MANAGEMENT**

The Board will, with the assistance of reports and/or recommendations of the Audit Committee:

- (a) approve financial statements and review and oversee compliance with applicable audit, accounting and financial reporting requirements;
- (b) approve operating and capital budgets;
- (c) approve cash management plans and strategies and all activities relating to cash accounts and cash investment portfolios, including the establishment and maintenance of bank, investment and brokerage accounts;
- (d) confirm that the Audit Committee has established a system for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, including the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters; and
- (e) approve significant changes in accounting practices or policies.

## **VI. CORPORATE GOVERNANCE**

The Board as a whole is responsible for overseeing and developing the Corporation's approach to corporate governance.

The Board will:

- (a) review and approve changes to the Corporation's Corporate Governance Guidelines, which guidelines shall set out the expectations of directors, including basic duties and responsibilities with respect to attendance at Board meetings and advance review of meeting materials;
- (b) establish from time-to-time committees so as to assist it in discharging its responsibilities and functions more effectively and so as to comply with all applicable rules and regulations relating to the Corporation, and approve and periodically review their respective charters and limits of authority delegated to each committee;
- (c) if it deems desirable, develop, approve and periodically review written position descriptions for the Board Chair, the CEO and the chair of each committee of the Board, and measure the performance of those acting in such capacities against such position descriptions; and

- (d) oversee, either directly or through an appropriate committee, the review of the effectiveness of the Board, its committees and individual directors on a periodic basis.

## **VII. CODE OF BUSINESS CONDUCT AND ETHICS**

The Board has adopted a Code of Ethics that governs the behaviour of directors, officers and employees working for the Corporation. The Board must approve any amendments and waivers and ensure disclosure of any amendments and waivers as required by applicable law or regulation.