



## **MANDATE OF THE BOARD, POSITION DESCRIPTIONS AND LIMITS TO MANAGEMENT'S RESPONSIBILITIES**

The Board of Directors of Denison Mines Corp. recognizes the importance of adopting a written mandate and for developing position descriptions for the Board, the Chair of the Board, the Chair of each Committee of the Board and the Chief Executive Officer ("CEO"), involving the definition of the limits to management's responsibilities and has adopted the following amended terms of reference effective March 9, 2016.

On at least an annual basis, the Corporate Governance and Nominating Committee shall review and assess the adequacy of this mandate and make a recommendation to the Board regarding updating or amending the same.

### **1. MANDATE AND POSITION DESCRIPTION FOR THE BOARD**

- (a) The Board has adopted the following mandate in which it explicitly acknowledges responsibility for the stewardship of the Corporation and, as part of the overall stewardship responsibility, responsibility for the following matters:
  - (i) to the extent feasible, satisfying itself as to the integrity of the CEO and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the organization;
  - (ii) adoption of a strategic planning process and approving, on at least an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the business;
  - (iii) the identification of the principal risks of the Corporation's business and ensuring the implementation of appropriate systems to manage these risks;
  - (iv) succession planning, including appointing, training and monitoring senior management;
  - (v) adopting a communications policy for the Corporation; and
  - (vi) the Corporation's internal control and management information systems.
- (b) The Board takes its responsibilities very seriously and expects that all directors will participate in Board and Committee meetings on a regular basis, to the extent reasonably practicable, and will review all meeting materials in advance of each meeting. Attendance of directors shall be taken at each Board meeting by the Corporate Secretary or Assistant Corporate Secretary.
- (c) At all times, a majority of the Board will satisfy the independence requirements set out by the Canadian Securities Administrators in Multilateral Instrument 52-110 and any other applicable laws and regulations as the same may be amended from time to time. The independent directors shall meet once per year to discuss the Corporation's matters.
- (d) The Corporation, together with its subsidiaries, is committed to conducting its business in compliance with the law and the highest ethical standards, and to the highest standards of openness, honesty and accountability that its various stakeholders are entitled to expect. The Audit Committee of the Board has established a Policy and Procedures for the Receipt, Retention and Treatment of Complaints Regarding Accounting or Auditing Matters, and the Corporation has established a Code of Ethics for Directors, Officers and Employees, which establishes procedures for directors, officers and employees to report any concerns or questions they may have about violations of the Code or any laws, rules or regulations. In addition, the Board will consider adopting other measures for receiving feedback from stakeholders if at any time the Board or its independent directors consider the foregoing to be inadequate.
- (e) All new directors will receive a comprehensive orientation. This orientation may vary from director to director, depending on his or her expertise and past experience, but in each case will be sufficient to ensure that each director fully understands the role of the Board and its committees, the contribution individual directors are expected to make (including the commitment of time and

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resources that is expected) and an understanding of the nature and operation of the Corporation's business.

- (f) The Board will provide continuing education opportunities for all directors, where required, so that individual directors may maintain or enhance their skills and abilities as directors, as well as to ensure that their knowledge and understanding of the Corporation's business remains current.
- (g) Prior to nominating or appointing individuals as directors, the Board will consider the advice and input of the Corporate Governance and Nominating Committee on all relevant matters, including:
  - (i) the appropriate size of the Board, with a view to facilitating effective decision making;
  - (ii) what competencies and skills the Board, as a whole, should possess; and
  - (iii) what competencies and skills each existing director possesses.

## **2. POSITION DESCRIPTIONS FOR THE CHAIR OF THE BOARD, THE LEAD DIRECTOR, AND THE CHAIR OF BOARD COMMITTEES AND THE CEO**

- (a) Where the Chair of the Board is not an independent director, in accordance with paragraph 1(c) of this Mandate and upon recommendation of the Corporate Governance and Nominating Committee, the Board will appoint from among the independent directors, a Lead Director to serve as such until the next meeting of shareholders where directors are elected, unless otherwise removed by resolution of the Board of Directors.
- (b) The Chair of the Board, if independent, or the Lead Director will:
  - i. act as the effective leader of the Board and ensure that the Board's agenda will enable it to successfully carry out its duties;
  - ii. provide leadership for the Board's independent directors;
  - iii. organize the Board to function independently of management, and ensure that the responsibilities of the Board are well understood by both the Board and management and that the boundaries between the Board and management responsibilities are clearly understood and respected;
  - iv. ensure that the Board has an opportunity to meet without members of management, regularly, and without non-independent directors at least once per year;
  - v. determine, in consultation with the Board and management, the time and places of the meetings of the Board;
    - i. manage the affairs of the Board, including ensuring that the Board is organized properly, functions effectively and meets its obligations and responsibilities and mandates, where appropriate, through its duly appointed committees, including:
      - ensuring that the Board works as a cohesive team and providing the leadership essential for this purpose;
      - ensuring that the resources available to the Board (in particular timely and relevant information) are adequate to support its work;
      - ensuring that a process is in place by which the effectiveness of the Board and its committees is assessed on a regular basis;
      - ensuring that a process is in place by which the contribution of individual directors to the effectiveness of the board and committees is assessed on a regular basis: and
      - ensuring that, where functions are delegated to appropriate committees, the functions are carried out and results are reported to the Board.
    - ii. ensure that the Board has a succession planning process in place to appoint the Chief Executive Officer and other members of management when necessary;
  - vi. co-ordinate with management and the Corporate Secretary or Assistant Corporate Secretary to ensure that matters to be considered by the Board are properly presented and given the appropriate opportunity for discussion;
  - vii. preside as chair of each meeting of the Board;
  - viii. communicate with all members of the Board to co-ordinate their input, ensure their

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accountability and provide for the effectiveness of the Board; and

- ix. act as liaison between the Board and management to ensure that relationships between the Board and management are conducted in a professional and constructive manner, which will involve working with the Chief Executive Officer to ensure that the conduct of Board meetings provides adequate time for serious discussion of relevant issues and that the Corporation is building a healthy governance culture.

The Chair of the Board or the Lead Director may, as the case may be, delegate or share, where appropriate, certain of these responsibilities with any committee of the Board.

- (c) Any special responsibilities and authorities of the Chair of any committee of the Board will be set out in the Terms of Reference/Mandate for the Committee. In general, the Chair of a Committee shall lead and oversee the Committee to ensure that it fulfills its mandate as set out in the Committee's Terms of Reference/Mandate. In particular, the Chair shall:
  - (i) organize the Committee to function independently of management, unless specifically provided otherwise in the Committee's Mandate;
  - (ii) ensure that the Committee has an opportunity to meet without members of management as necessary;
  - (iii) determine, in consultation with the Committee and management, the time and places of the meetings of the Committee;
  - (iv) manage the affairs of the Committee, including ensuring that the Committee is organized properly, functions effectively and meets its obligations and responsibilities;
  - (v) co-ordinate with management and the Secretary to the Committee to ensure that matters to be considered by the Committee are properly presented and given the appropriate opportunity for discussion;
  - (vi) provide advice and counsel to the CEO and other senior members of management in the areas covered by the Committee's mandate;
  - (vii) preside as chair of each meeting of the Committee; and
  - (viii) communicate with all members of the Committee to co-ordinate their input, ensure their accountability and provide for the effectiveness of the Committee.
- (d) The CEO, subject to the authority of the Board, shall have general supervision of the business and affairs of the Corporation and such other powers and duties as the Board may specify, from time to time. These responsibilities shall include making recommendations to the Board regarding the implementation, performance and monitoring, as the case may be, of each of the items referred to in paragraphs 2(b)(i) to (b)(viii) of this mandate and ensuring that procedures are in place and followed by the Corporation so that each of those items and any other requirement of the Board is implemented, performed and monitored in a prudent and responsible manner in accordance with the determinations of the Board. The Board will develop and approve periodically, as the Board considers necessary, the corporate goals and objectives that the CEO is responsible for meeting.

### **3. LIMITS ON THE CEO'S AUTHORITY**

- (a) Unless specifically instructed otherwise by the Board, and except as set out in Section 127(3) of the Ontario Business Corporations Act (the "OBCA"), the CEO of the Corporation has the responsibility and authority to transact any business or approve any matter:
  - (i) in the ordinary course of business of the Corporation; and
  - (ii) that is not in the ordinary course of business of the Corporation, but that is not likely to result in a material change, within the meaning of the Ontario Securities Act, with respect to the Corporation; and
- (b) in addition to those matters referred to in Section 127(3) of the OBCA, Board approval is required with respect to any business or matter that is not in the ordinary course of business of the Corporation and that is likely to result in a material change, within the meaning of the Ontario Securities Act, with respect to the Corporation.