

**HEADWATER EXPLORATION INC. (THE "CORPORATION")**  
**LEAD INDEPENDENT DIRECTOR POSITION DESCRIPTION**

The following sets forth the responsibilities and specific duties of the lead independent director (the "**Lead Director**") of the board of directors (the "**Board**") of the Corporation:

1. **Introduction:** The Lead Director's primary role is to act as liaison between management and the independent directors to ensure the Board is organized properly, functions effectively and meets its obligations and responsibilities, including those matters set forth in the Mandate of the Board.
2. **Appointment:** The Corporate Governance and Sustainability Committee shall be responsible for recommending a candidate for the position of Lead Director from among the independent members of the Board. The Board shall be responsible for approving and appointing the Lead Director. The Lead Director shall hold office at the pleasure of the Board, until a successor shall have been duly elected or appointed or until the Lead Director resigns or is otherwise removed from the office by the Board.
3. **Specific Duties and Responsibilities:** The Lead Director has the responsibility to:
  - (a) chair the "in camera" portions of Board meetings held without management being present;
  - (b) endeavour to ensure that Board leadership responsibilities are conducted in a manner that will allow it to function independently of management;
  - (c) liaise with directors, officers, employees, shareholders and other stakeholders of the Corporation to address any areas of concerns raised by such stakeholders;
  - (d) provide input, as determined appropriate by the Lead Director, on preparation of agendas for meetings of the Board;
  - (e) meet periodically with each director to obtain insight as to where they believe the Board and its committees could be operating more effectively;
  - (f) ensure that reasonable procedures are in place for directors to engage outside advisors at the expense of the Corporation in appropriate circumstances; and
  - (g) perform such other duties and responsibilities as may be delegated to the Lead Director by the Board from time to time.

For the purposes of the by-laws of the Corporation, the Lead Director will be considered the "managing director" with the right to convene meetings of the Board and approve any meeting materials for such meetings.