

HEADWATER EXPLORATION INC.
CORPORATE GOVERNANCE AND COMPENSATION COMMITTEE CHAIR POSITION
DESCRIPTION

The following sets forth the position description of the chairperson (the "**Chair**") of the Corporate Governance and Compensation Committee (the "**Committee**") of the Board of Directors (the "**Board**") of Headwater Exploration Inc. (the "**Corporation**"):

1. **Appointment:** The Chair will be a duly elected or appointed member of the Board and be appointed as the Chair by the Board annually; provided that if the Board does not appoint the Chair in any given year the incumbent Chair will continue to serve as long as such person continues to be a member of the Board. The Chair will be independent under the standards for independence adopted by the Board and applicable law. The Chair will have the competencies and skills as determined necessary and desirable by the Board.
2. **General Responsibilities:** The Chair's primary role is managing the affairs of the Committee, including ensuring the Committee is organized properly, functions effectively and meets its obligations and responsibilities, including those matters set forth in the mandate of the Committee. The Chair will maintain on-going communications with the Chair and Chief Executive Officer ("**CEO**"), Lead Independent Director, Corporate Secretary and with such other officers and employees of the Corporation as the Chair determines appropriate. The Chair shall also ensure that the Committee maintains ongoing and effective communication with any outside advisor engaged to assist the Committee in its duties.
3. **Specific Duties and Responsibilities:** The Chair shall, in addition to any other duties and responsibilities specifically delegated to the Chair by the Committee or the Board, will have the following specific duties and responsibilities to:

Working with the Board

- (a) lead the Committee in establishing, overseeing and ensuring the effectiveness of the corporate governance, compensation and board nomination policies, programs and practices of the Corporation;
- (b) lead the Committee in overseeing the preparation of the Corporation's public disclosure relating to its compensation, corporate governance and board nomination policies and procedures, and generally relating to compliance with compensation, corporate governance and board nomination related legal and regulatory requirements and recommended best practices;
- (c) report to the Board after each Committee meeting at the Board's next meeting;
- (d) serve as the focal point of all of the Board's compensation, corporate governance and Board nomination activities, overseeing all aspects of direction and administration of the Committee, endeavoring to ensure that the Committee assists the Board in building a culture of effective, ethical corporate governance;

Managing the Committee

- (e) chair Committee meetings;

- (f) establish the frequency of Committee meetings and review such frequency from time to time, as considered appropriate;
- (g) ensure that the Committee meets in separate, regularly scheduled, non-management, closed sessions with internal personnel or outside advisors, as needed or appropriate;
- (h) ensure that the Committee is fulfilling its duties as set out in the Mandate of the Committee and pursuant to applicable laws and ensure that the Committee members are aware of such duties;
- (i) assist the Board in its recommendation of Committee members and its review of the performance and suitability of the Committee members;
- (j) ensure the coordination of the agenda, information packages and related events for Committee meetings in conjunction with the CEO, Lead Independent Director and/or Secretary;
- (k) endeavour to ensure sufficient time during Committee meetings to fully discuss agenda items;
- (l) maintain a liaison and communication with Committee members, the CEO, Lead Independent Director and other directors to coordinate input from Committee members and directors, and optimize the effectiveness of the Committee;
- (m) in collaboration with the CEO, Lead Independent Director and/or Secretary, ensure information requested by Committee members is provided and meets their needs; and
- (n) in conjunction with the Board, review and assess Committee attendance, performance and compensation, skills and experience, and the size and composition of the Committee.