

## **HEADWATER EXPLORATION INC. DIVERSITY POLICY**

### **Purpose and Scope**

1. This Policy is intended to set out a framework to promote diversity on the Board of Directors (the "**Board**") of Headwater Exploration Inc. (the "**Corporation**").

### **Policy Statement**

2. The Board recognizes that diversity among its directors will support balanced decision and debate which, in turn, will enhance decision making by the Board by utilizing the difference in perspective of the members of the Board.
3. The Corporate Governance and Compensation Committee of the Board ("**CGC Committee**") Mandate includes recommending director candidates for election to the Board and annually evaluating the overall performance of the Board. In reviewing the composition of the Board, the CGC Committee will consider the benefits of diversity in order to maintain an optimum mix of skills, knowledge and experience on the Board.
4. The selection of candidates for appointment to the Board will be based on merit. Within that overriding emphasis on merit, the CGC Committee shall seek to fill Board vacancies by considering candidates that bring a diversity of background and industry or related expertise and experience to the Board. The CGC Committee's considerations shall include achieving an appropriate level of diversity having regard to factors such as skills, business and other experience, education, gender, age, ethnicity and geographic location. Women candidates for director will be included in the evergreen list of potential Board nominees.

### **Objectives and Targets**

5. In support of the objectives described in this Policy, the Board will seek to maintain representation by women on the Board of at least 30%.

### **Monitoring and Reporting**

6. The CGC Committee is responsible for monitoring compliance with the Policy and for reviewing and assessing the effectiveness of the Policy in promoting diversity to the Board on an annual basis. To measure the effectiveness of this policy, the Committee will, among other things:
  - (a) review the number of women considered or brought forward for both Board and executive officer positions;
  - (b) take into account the skills, knowledge, experience and character of any such women candidates; and
  - (c) ensure that women candidates are being fairly considered relative to other candidates.
7. On an annual basis, the CGC Committee will measure the diversity on the Board and report to the Board with respect to the Corporation's annual and cumulative progress in achieving the objectives of the Policy.

### **Diversity within the Organization and Among Executives**

8. The Board and the Corporation are committed to ensuring a diverse and inclusive culture across the organization, in particular at the executive level, by promoting equality of opportunity. The Board will encourage and support the Corporation in its efforts, including seeking external independent advisory services as appropriate, to foster a collaborative and innovative workforce and to ensure that a diverse group of individuals are considered for executive and managerial roles.

### **Review of the Policy**

9. The CGC Committee will review this Policy from time to time as necessary and make recommendations on any required changes to the Board for consideration and approval.

Approved by the Board on the 21<sup>st</sup> day of March, 2024