



MANDATE OF THE BOARD OF DIRECTORS

1. PURPOSE

The purpose of this Mandate is to clarify and to define the boundaries between the roles and responsibilities of management and the Board of Directors of the Corporation. The Board does not manage the Corporation; rather it delegates this function to management, and then supervises and evaluates management's execution of Board approved corporate strategic plan.

2. INTERPRETATION

“Board of Directors” or **“Board”** means the Board of Directors of the Corporation.

“Chairman” means the Chairman of the Board.

“Corporation” means, collectively, Immunovaccine Inc. and its subsidiary, Immunovaccine Technologies Inc.

“Financially Literate” means the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the consolidated financial statements of the Corporation.

“Independent Director” means a director who has no direct or indirect relationship with the Corporation, which could be reasonably expected to interfere with the exercise of an independent judgment regarding the best interest of the Corporation. Save exceptions, is not an Independent Director the person who:

- a) is or has been within the last three years, an employee or executive officer of the Corporation;
- b) is a member of the immediate family of an individual who is or has been, within the last three years, an executive officer of the Corporation;
- c) is or has been (or whose immediate family member is or has been), within the last three years, an executive officer, a partner or an employee of a material service provider of the Corporation (including the external auditors);
- d) is or has been (or whose immediate family member is or has been), within the last three years, an executive officer of an entity if any of the current executive officers of the Corporation serves or served at the same time on the entity's Compensation and Corporate Governance Committee;
- e) has a relationship with the Corporation under which he or she may directly or indirectly accept any consulting, advisory or other fees from the Corporation, except for any compensation as a member of the Board of Directors or as a member of a committee of the Board of Directors of the Corporation;
- f) received (or whose immediate family member received) more than \$75,000 in direct compensation from the Corporation (excluding fees as a director) during any 12 month period within the last three years;

- g) is a natural person who controls the Corporation;
- h) is an affiliate of the Corporation; or
- i) is a natural person who is both a director and an employee of the Corporation.

3. PRINCIPAL DUTIES OF THE BOARD

3.1 GENERAL

The Board must be fully informed of the Corporation's affairs, be actively engaged in the development of the Corporation's strategic direction and must supervise how that direction is conducted by management. In doing so, the Board is responsible to appoint a competent executive management team. The Board will oversee and monitor the management of the business of the Corporation.

The Corporation will maximize its wealth and well-being through thoughtful, independent business decisions. Through an appropriate system of corporate governance and financial controls, the Board will ensure fair financial reporting to the public, as well as ethical and legal corporate conduct. To ensure that the decisions and actions of management serve the interests of the Corporation, the Board will carry out its mandate through the following committees of the Board: the Audit Committee, and the Compensation and Corporate Governance Committee. The Board may also appoint other committees from time to time.

3.2 ASSESSMENT OF INTEGRITY OF MANAGEMENT

The Board will satisfy itself as to the integrity of the Chief Executive Officer and senior management of the Corporation through its ongoing monitoring of their performance as well as through the Whistleblower Policy. The Board will satisfy itself that the Chief Executive Officer and senior management create a culture of integrity throughout the organization by overseeing and monitoring management to ensure a culture of integrity is maintained.

3.3 ADOPTION OF A STRATEGIC PLANNING PROCESS

The Board will adopt a strategic planning process and review and approve annually a corporate strategic plan for the operating subsidiary of the Corporation which takes into account, among other things, industry and other trends, research and development and product development strategies, specific problem areas, action plans, and the opportunities and risks of the business. The Board will then also review operating and financial performance results relative to established strategy, budgets and objectives to monitor the progress of the Corporation against the goals addressed in the strategic plan.

3.4 IDENTIFICATION OF PRINCIPAL RISKS AND IMPLEMENTING MANAGING SYSTEMS

The Board will identify and review with management the principal business risks to the Corporation and will ensure that appropriate procedures are implemented to monitor and mitigate those risks. The Board will also ensure that effective systems are in place to monitor the integrity of the Corporation's internal controls and management information systems.

The Board will confirm that management processes are in place to address and comply with applicable corporate, securities and other compliance matters, as well as with applicable laws and regulations. The Board will also confirm and monitor that processes are in place to comply with the Corporation's by-laws and Whistleblower Policy.

3.5 SUCCESSION PLANNING (APPOINTMENT, TRAINING AND MONITORING MANAGEMENT)

The Board delegates authority to the Chief Executive Officer for the overall management of the Corporation. This includes strategy and operations to ensure the Corporation's long term success. To ensure the integrity of the Chief Executive Officer, the Board will:

- a) approve the Compensation and Corporate Governance Committee’s position description for the Chief Executive Officer. This position description will delineate management’s responsibilities and the corporate goals and objectives that the Chief Executive Officer is responsible for meeting;
- b) assess the performance of the Chief Executive Officer against a set of mutually agreed corporate objectives through a process that includes a comparison of the Chief Executive Officer’s performance against the duties outlined in the Chief Executive Officer position description and review of the Chief Executive Officer’s performance by the Board and the Compensation and Corporate Governance Committee; and
- c) approve Chief Executive Officer compensation as determined by the Compensation and Corporate Governance Committee, through a process described in its mandate.

In meeting its responsibility for ensuring succession planning, the Board will satisfy itself that management possesses the necessary level of integrity, skill and experience. In doing so, the Board will:

- a) establish boundaries between Board and management responsibilities and establish limits of authority delegated to management. In doing so, the Board will decide how engaged it wants to be in influencing management’s decisions and the Corporation’s direction. The Chief Executive Officer and the directors will agree amongst themselves which level of Board engagement best fits the Corporation;
- b) appoint Corporate Officers and approve their compensation, based on level and amount of responsibility, as recommended by the Compensation and Corporate Governance Committee;
- c) monitor the performance of the Chief Executive Officer against corporate objectives directed at maximizing the financial value of the Corporation; and
- d) establish a process to adequately provide for Chief Executive Officer succession.

3.6 COMMUNICATIONS POLICY

The Board will confirm that management has established a system for corporate communications to shareholders and the public, including processes for consistent, transparent and timely public disclosure. In doing so, the Board, through its Compensation and Corporate Governance Committee, will:

- a) adopt a communications and disclosure policy relating to, among other matters, the confidentiality of the Corporation’s business information and conflicts of interest;
- b) ensure the Corporation maintains the communications systems to effectively communicate with its stakeholders; and
- c) assure themselves that information and reporting systems exist in the Corporation that are reasonably designed to provide timely accurate information sufficient to allow themselves and management to reach informed decisions.

3.7 APPROACH TO CORPORATE GOVERNANCE AND GOVERNANCE GUIDELINES

Transparency, accountability and integrity are not just key elements of good governance, but are fundamental values to the Corporation. To ensure that the Corporation continues to uphold a high standard in governance practices, the Board will:

- a) appoint a Compensation and Corporate Governance Committee composed of directors who meet the criteria for independence contained in applicable laws and stock exchange rules and regulations;
- b) clearly articulate what is expected from a director by developing a position description for directors, the Chairman, the Chief Executive Officer and the chair of each Board committee; and

- c) review and assess the adequacy of the Audit Committee and the Compensation and Corporate Governance Committee mandates on an annual basis.

4. BOARD ORGANIZATION

4.1 AVAILABILITY

The Corporation will only recruit individuals who have sufficient time and energy to devote to the task of being a director.

4.2 QUALIFICATIONS

The Board will determine Board member qualifications. In doing so, the Board will first determine the competencies and skills the Board as a whole is expected to possess. The Board will then determine what competencies and skills existing directors have, to ensure the capabilities and qualities of each director contribute to the Board's role in the Corporation.

4.3 COMPOSITION

The Board will consist of directors who represent cosmopolitan personal experiences and backgrounds, particularly amongst the independent directors. At a minimum, each director shall have demonstrated the highest personal and professional integrity; significant achievement in his or her field; experience and expertise relevant to the Corporation's business; a reputation for sound and mature business judgment; the commitment to devote the necessary time and effort in order to conduct his or her duties effectively; and, where required, be Financially Literate.

4.4 SIZE

The Corporation's articles permit a maximum of 15 directors. To facilitate effective decision-making, the Board believes that the appropriate size of the Board is currently in the range of 6 to 8 directors.

4.5 INDEPENDENT DIRECTORS

The Board will ensure that the Board is composed of a majority of independent directors.

4.6 NOMINATION OF DIRECTORS

Although directors may be nominated to bring special expertise or a point of view to Board deliberations, they are not chosen to represent a particular constituency. The best interests of the Corporation must be paramount at all times. To ensure this, the Board will:

- a) appoint a Compensation and Corporate Governance Committee composed of independent directors; and
- b) confirm a formal process for selecting directors by the Compensation and Corporate Governance Committee.

5. BOARD INDEPENDENCE

To promote the effective functioning of the Board and its committees, the Board will:

- a) establish committees composed of independent directors and approve their respective mandates and the limits of authority delegated to each committee; and
- b) ensure that, at the Corporation's expense, the Board and its committees may retain outside legal and other experts where reasonably required to assist and advise the Board and committees in carrying out their duties and responsibilities.

6. CHAIRMAN

- a) The Chairman shall be an Independent Director;
- b) The Chairman shall oversee that the Board of Directors discharge its responsibilities, ensure that it evaluates the performance of the executive officers of the Corporation objectively and that the Board understands the boundaries between the Board's responsibilities and those of the executive officers of the Corporation;
- c) The Chairman should be able to stand sufficiently back from the day-to-day running of the business of the Corporation to ensure that the Board of Directors is in full control of the affairs of the Corporation and alert to its obligations to the Corporation's shareholders; and
- d) The Chairman, in collaboration with senior management, shall prepare the agenda for Board meetings.

7. EVALUATION

The Board will establish appropriate processes for the regular evaluation of the effectiveness and performance of the Board, the Board's mandate, Board committees, the mandates of each Board committee, individual directors and the position descriptions applicable to each individual director.

8. BOARD COMPENSATION

The Board will review the adequacy and form of directors' compensation to ensure it realistically reflects the responsibilities and risks involved in being a director. Therefore, the Board will:

- a) appoint a Compensation and Corporate Governance Committee composed entirely of independent directors; and
- b) approve the Compensation and Corporate Governance Committee's process and determination of directors' compensation. This process is outlined in the mandate of the Compensation and Corporate Governance Committee.

9. ETHICAL BUSINESS CONDUCT

To encourage and promote a culture of ethical business conduct in the Corporation, the Board has adopted a Whistleblower Policy for directors, officers and employees, and monitors compliance with that policy.

10. BOARD'S EXPECTATION OF MANAGEMENT

The Board expects management to act in the best interests of the Corporation. To this end, management will uphold the highest standards of ethical behavior and will create a culture of integrity throughout the Corporation. Management is expected to strive to enhance the financial value and the long term sustainability of the Corporation.