



CORPORATE GOVERNANCE GUIDELINES

INTRODUCTION

The following Corporate Governance Guidelines have been developed and adopted by the Board of Directors (the “Board”) of Inmet Mining Corporation (the “Corporation”), acting on the recommendations of its Corporate Governance and Nominating Committee, to serve as a framework within which the Board may conduct business in order to promote the functioning of the Board and its committees and to set forth a common set of expectations as to how the Board should perform its functions. These Guidelines should be read and applied in conjunction with the Corporation’s Code of Business Conduct and Ethics, Statement of Expectations for Directors, Leadership Charter, the Board Mandate and the respective charters of each of the committees of the Board.

COMPOSITION OF THE BOARD

Director Independence

The Board will be composed of a majority of directors who qualify as independent directors in accordance with applicable securities laws and stock exchange rules. The Corporate Governance and Nominating Committee will determine whether a member of the Board, or nominee to the Board, is an independent director.

Non-Executive, Independent Chairman

The Board will have a non-executive, independent director as Chairman of the Board. The Chairman shall be appointed by the Board for a term as determined by the Board. If no term is specified, he or she shall hold office until the first meeting of the directors held after the next Annual Meeting of Shareholders.

Size of the Board

In accordance with the Corporation’s Articles, the Board will consist of a minimum of three and a maximum of 15 directors. The Board currently consists of ten directors. The Corporate Governance and Nominating Committee annually assesses the appropriate size and composition of the Board through the annual Board performance review conducted by the Committee to determine from time to time the size that is most effective.

FUNCTIONING OF THE BOARD

Board Mandate

The Board shall be responsible for supervising the management of the business and affairs of the Corporation. The Board has adopted a written mandate that sets out various responsibilities to be discharged by the Board. The Board Mandate shall be reviewed annually by the Corporate Governance and Nominating Committee.

Position Descriptions

The Board shall review and approve position descriptions that set out the duties and responsibilities of the Chairman and each of the Board Committee Chairs. These position descriptions shall be reviewed annually by the Corporate Governance and Nominating Committee.

Frequency of Meetings

The frequency of meetings shall be set out in the Board Mandate and in the charters of each of the Committees. In addition, special meetings may be called from time to time to address specific needs of the Corporation. The Board may also take action from time to time by unanimous written consent.

Strategy Session

The Board shall set aside at least one meeting per year to review the Corporation's overall business strategies, its annual strategic plan, as well as any major strategic initiatives. Management shall be responsible for development of a strategic plan that will be presented annually to the Board for approval.

Agenda

The Chairman of the Board and the Chair of each committee will approve an agenda in advance of each meeting. Any director may suggest agenda items and may raise at meetings other matters that they consider worthy of discussion.

Distribution of Materials

The agenda and related information and data that is important to a Board member's understanding of the business of the Corporation to be discussed during each regularly scheduled meeting, and where feasible, each special meeting, will be distributed sufficiently in advance of the meeting to provide a reasonable opportunity for review, except when such material is too sensitive to be put in writing. Upon request of any director, an electronic copy of Board or committee materials will be made available through secure means.

Attendance

Directors should make reasonable efforts to attend all meetings of the Board and of all Board committees upon which they serve. A director who is unable to attend a Board or committee meeting in person may participate by telephone. Directors should also make reasonable efforts to attend the

annual meeting of shareholders of the Corporation. Although the Board recognizes that, on occasion, circumstances may prevent directors from attending meetings, directors are expected to ensure that other commitments do not materially interfere with the performance of their duties as a director of a Corporation. Subject to extenuating circumstances, directors are expected to attend at least 75% of regularly scheduled Board and committee meetings. The Corporate Governance and Nominating Committee will review the circumstances that prevent any director from achieving the minimum attendance level and report its findings to the Board.

Attendance of Non-Directors

The Board encourages the Chairman of the Board or the chair of any committee to bring the Corporation's management and outside advisors or consultants from time to time into Board and/or committee meetings to make presentations or provide insight into the items being discussed by the Board which involve the manager, advisor or consultant. Attendance of non-directors at Board or committee meetings will be at the discretion of the Board, or the Chairman, acting on behalf of the Board.

Executive Sessions

Independent Board members will hold an *in camera* session, both with and without the CEO, at the beginning and end of every regular Board meeting, which sessions will be led by the Chairman. An *in camera* session will also be held at each special Board meeting. Board committees will hold an *in camera* session without management present at each committee meeting. The chair of each committee will preside over these sessions. The chairs of the Board and committees shall inform management of the substance of these meetings to the extent that action is required.

Code of Business Conduct and Ethics

The Corporation shall maintain a Code of Business Conduct and Ethics (the "Code") that governs the conduct of directors, officers and employees of the Corporation and its subsidiaries. The Code contains rules and guidelines for ethical behavior at the Corporation, the reporting of illegal or unethical behavior, and also establishes mechanisms to facilitate the effective operation of the Code. The Board shall review the Code at least annually and shall delegate compliance oversight to the Corporate Governance and Nominating Committee. The Committee will also review the process for administering the Code every year.

Conflicts of Interest

Directors should report all actual, potential or perceived conflicts of interest to the Chairman and President and Chief Executive Officer ("CEO") who will bring the conflict to the attention of the Corporate Governance and Nominating Committee and the Board, as appropriate. All directors should recuse themselves from any discussion or decision affecting their business or personal interests. If the conflict is significant and cannot be resolved to the satisfaction of the Committee, the director will be asked to resign.

Other Directorships

Although the Board does not have a formal policy, independent directors are encouraged to limit the number of other boards (excluding non-profit boards) on which they serve to a number that they believe allows them to devote sufficient time to the affairs of the Corporation. Directors should advise

the Chairman of the Board before accepting an invitation to serve on another public company board to provide them an opportunity to be satisfied that no real or apparent conflict of interest would result. In assessing Board member independence, the Corporate Governance and Nominating Committee shall review any interlocking directorships to determine if they present any actual or perceived conflicts of independence.

Material Change in Principal Circumstances

The Board has determined that the Corporate Governance and Nominating Committee will assess the appropriateness of continued Board service when any director has a material change in principal circumstances that could reasonably be expected to compromise his or her ability to act as a director of the Corporation. Any director who has a material change in employment, reputation or health status shall immediately notify the Chair of the Committee. The Committee will advise the Board and provide recommendations on the director's continued service to the Corporation. It is not intended that a director who has a material change in employment, reputation or health status be required to leave the Board, but that the Committee assess the continued appropriateness of Board membership under the relevant circumstances.

A director shall notify the Board annually about his or her principal occupation or business associations. The Board shall review the appropriateness of activities of each director remaining on the Board.

Share Ownership Guidelines

The share ownership guidelines established by the Board require each director to hold at least three times his or her annual retainer fee in the Corporation's common shares or deferred share units within five years of becoming a director.

Director Orientation and Continuing Education

The Corporate Governance and Nominating Committee shall be responsible for establishing and overseeing the Corporation's director orientation and education programs.

Orientation program

The orientation program shall ensure that new directors have a clear understanding of Board responsibilities, develop a good working relationship with current Board members, and become familiar with the Corporation's operations and management team so they can actively participate in meetings when they join the Board. The orientation program for new directors shall include:

Face-to-face meetings

During the recruitment stage, the Chairman, Chair of the Corporate Governance and Nominating Committee and President and CEO will have met with the director candidate to provide an overview of the Corporation's history, strategy and other background information as well as expectations regarding the time commitment and effort required as a member of the Board.

Director Manual

The Director Manual shall include:

- A handbook containing relevant corporate and business information (such as the Corporation's articles, bylaws, organization and corporate charts, Board mandates, committee charters, position descriptions and compensation plans and policies).
- Current disclosure documents (such as the Corporation's annual report, annual information form, management information circular and sustainability report).
- Strategy Document (includes an overview of the Corporation's strategy and objectives, budget and financial review for the current year).
- Board minutes and presentations for the current year.

Meetings with the Chairman and Senior Management

The Chairman and Senior Management will meet with the new director prior to the first Board meeting to familiarize him or her with the Corporation's operations, internal structure and processes, strategic plans, significant financial, accounting and risk management issues and any specific issues facing the Board.

Site Visit

Each new director should use his or her best efforts to visit each of the Corporation's major operations within the first two years of Board membership.

Feedback Process

The Assistant Corporate Secretary will obtain feedback from the new director at the conclusion of the first quarter of service to seek input about the content and delivery of the orientation program as guidance for future efforts and will report to the Corporate Governance and Nominating Committee regarding the feedback results. The Corporate Governance and Nominating Committee will review the feedback results and recommend appropriate changes to the orientation program.

Continuing education program

Continuing education is important for helping directors to keep abreast of developments in the mining industry, various aspects of corporate governance as it continues to evolve and other matters relevant to serving on a board. The Corporation's continuing program for new directors shall include:

Presentations by senior management

Presentations shall be provided by senior management at each meeting on issues relevant to the Corporation's business plan, risk profile and other topics to keep directors up to date on industry practices, corporate governance and other developments.

Presentations by Outside Experts

Presentations by recognized experts shall be provided from outside the company, from time to time, on a subject pertinent to the Corporation's business or of particular interest to directors.

Annual Strategy Session

A full-day Board strategy session shall take place on annual basis with specific focus on topical issues.

Site Visit

All directors shall have the opportunity to visit at least one operation or development project each year.

Professional development opportunities

Board members shall be encouraged to attend conferences, seminars or courses designed especially for directors of public companies or that are relevant to their service on the Board. The Corporation will pay a share of the expense where a director also sits on the boards of other companies who would benefit from the director attending such conferences, seminars or courses. It is the responsibility of each board member to put forth a proposal as to what the Corporation's share of the expense should be for approval by the Chair of the Corporate Governance and Nominating Committee, in consultation with the Chairman, as appropriate.

Annual Performance Evaluation

Board Survey

Through the use of a confidential survey, the Corporate Governance and Nominating Committee shall conduct an annual assessment of the overall effectiveness of the Board and committee structure and processes, the discharge of duties by the Chairman and each committee chair, the Corporation's strategic direction, the Board's operational oversight and relationship with management. The Assistant Corporate Secretary shall administer the questionnaire and prepare a report summarizing feedback from the survey on a confidential basis. The Corporate Governance and Nominating Committee shall review the report and recommend any changes to enhance the performance of the Board and its committees.

Director Interviews

The Chairman and Chair of the Corporate Governance and Nominating Committee shall conduct confidential one-on-one interviews with each Board member about the performance of each director and the group as a whole and present the interview results to the Corporate Governance and Nominating Committee and then to the Board. The Chairman and Chair of the Corporate Governance and Nominating Committee shall share relevant peer feedback with each director and provide follow-up by reviewing their progress and the actions taken.

Director Compensation

Non-Management members of the Board shall be compensated pursuant to the Corporation's Director Remuneration Policy. The Compensation Committee reviews periodically and makes recommendations to the Board on director remuneration policy and practices in accordance with its Charter. Director's compensation should be consistent with market practices but shall not be set at a level that would call into question the Board's objectivity. Officers and employees of the Corporation who are also members of the Board shall not receive additional compensation for their service as directors.

The director compensation program shall include an annual retainer for individual directors, the Chairman, and each committee chair, an attendance fee and a travel fee. A minimum portion of the annual retainer shall be received in the form of deferred share units and directors shall have the option of electing on an annual basis to increase the amount to 100 percent. The Corporate Governance and Nominating Committee shall set the minimum amount of the annual retainer that must be received by directors in deferred share units instead of cash. Directors shall also be reimbursed by the Corporation for reasonable travel and other out-of-pocket expenses incurred in connection with their duties as directors.

Compensation Consultants

The Compensation Committee may retain compensation consultants to report on how the Corporation's director compensation practices compare with those of other large public and peer group Corporations. The compensation consultant's fees will be paid by the Corporation. The Committee shall pre-approve any services the compensation consultants provide to management and related fees. The decisions made by the Committee shall be its responsibility and may reflect factors and considerations other than the information and recommendations provided by its compensation consultants. If an independent compensation consultant or advisor has been retained to assist in determining compensation for any of the directors or officers, the Corporation will disclose the identity of the consultant or advisor, the mandate for which it was retained and a description of the nature of any other work that the consultant or advisor has performed for the Corporation.

Access to Independent Advisors

The Board and its committees shall have the right to consult and retain independent legal, financial or other advisors at the expense of the Corporation in their discretion.

Loans

The Corporation will not make loans to its directors or officers except under Board approval, and where required by applicable law or regulation, shareholder approval, plans or programmes.

COMMITTEES OF THE BOARD

To assist the Board in carrying out its duties, the Board has established four standing committees: the Audit Committee, the Compensation Committee, the Corporate Governance and Nominating Committee and the Safety, Environmental and Community Affairs Committee. The Board may also establish ad hoc committees from time to time. Directors have a standing invitation to attend the meetings of all committees even if they are not members.

Committee Charters

Each committee shall have a charter that outlines its responsibilities. Each committee shall have its own work plan that sets out the strategy and timeline for fulfilling its annual and ongoing responsibilities. Each charter and work plan shall be reviewed by its respective committee as well as the Corporate Governance and Nominating Committee on an annual basis.

Independence

All Committees shall be composed entirely of independent directors.

Committee Member Qualifications

Each of the committees of the Board shall be comprised of a minimum of three directors all of whom will be independent in accordance with applicable securities laws and stock exchange rules. Audit committee members must also meet financial literacy and accounting and financial expertise requirements set out in applicable securities laws as assessed on an annual basis by both the Audit

Committee and the Corporate Governance and Nominating Committee. No more than one-third of Compensation Committee members shall be sitting chief executive officers. The required qualifications for the members of each committee shall be set out in the respective committees' charters. A director may serve on more than one committee.

Committee Assignments

The Corporate Governance and Nominating Committee shall be responsible for the assignment of Board members to various committees, including evaluating and selecting the chair of each Board committee for recommendation to the Board for approval. Unless a Chair is elected by the Board, the members of the respective committee may designate a chair by majority vote of the full committee membership. The Chair will regularly report to the Board on the results of the Committee's deliberations and shall make recommendations for full Board action when required. Consideration should be given to rotating committee members periodically, but the Board does not have a policy that mandates rotation of committee assignments since there may be reasons to maintain an individual director's committee membership for a longer period.

BOARD RENEWAL

Nomination of Directors

The Corporate Governance and Nominating Committee shall be responsible for identifying and recommending to the Board appropriate candidates to serve as director. The Committee has developed a set of criteria and procedures for assessing potential directors that is based on the attributes in the Corporation's Statement of Expectations for our Directors and takes into consideration certain skills and experience for ensuring Board diversity. The Committee may engage a search firm to assist in identifying and evaluating potential nominees.

Skills Matrix

The Corporate Governance and Nominating Committee shall maintain a matrix of the skill sets of current Board members. The matrix is updated regularly as part of the Committee's ongoing assessment of Board composition, and is used in the nomination process so that any gaps in skill set and diversity are considered as potential candidates are assessed.

Evergreen List

The Corporate Governance and Nominating Committee shall maintain an "evergreen" list of potential director candidates. The list is comprised of people whom the Committee has determined would meet the Corporation's "Statement of Expectations for Directors" and would also, based on their other qualities, make excellent Board members. The evergreen list shall be reviewed annually by the Corporate Governance and Nominating Committee.

Election of Directors

Each director shall be elected individually by the Corporation's shareholders each year at the annual meeting. The Board may appoint additional directors, from time to time, between annual shareholders

meetings who will serve until the next annual meeting of shareholders in accordance with the Corporation's Articles.

Majority Voting Policy

If the total votes cast in favour of electing a nominated director is less than a majority of the total shares voted and withheld at the relevant shareholders meeting, the nominated director will offer to resign after such shareholders meeting. The Corporate Governance and Nominating Committee will review the offer to resign and make a recommendation to the Board on whether to accept such offer after reviewing all relevant factors that may have contributed to the director receiving less than a majority of votes in favour of his or her election. The nominated director will not participate in any Board or committee deliberations while the offer is being reviewed. The Board will disclose its decision to the public. This policy does not apply to situations where the election of a director is contested.

Term Limits

The Corporation does not have a policy to establish director term limits as it believes that term limits could result in a loss of directors who have developed, over a period of time, unique insight into the Corporation's business and operations and who have an institutional memory from which the entire Board and management can benefit. Instead, the Corporate Governance and Nominating Committee will review each director's tenure on a regular basis to allow each director the opportunity to confirm his or her desire to continue serving on the Board, and the Committee the opportunity to replace directors who are no longer interested or effective with consideration to the changing needs and skill set of the Board.

Retirement Age

The Corporation has not established an age after which Board members must retire. The Corporate Governance and Nominating Committee shall review retirement on a case-by-case basis.

Board Succession

The Corporate Governance and Nominating Committee shall maintain a Board succession plan.

LEADERSHIP DEVELOPMENT

Position Descriptions

The Board has reviewed and approved a position description that sets out the duties and responsibilities of the CEO. This position description shall be reviewed annually by the Corporate Governance and Nominating Committee.

Evaluating and Approving Salary for the CEO

The Board, acting through the Compensation Committee shall evaluate the performance of the CEO in conjunction with the Company's goals and objectives and, acting through the Committee, shall approve the compensation level of the CEO.

Evaluating and Approving the Compensation of Management

The Board, acting through the Compensation Committee, shall evaluate and approve proposals for overall compensation policies applicable to members of senior management.

Share Ownership Guidelines

Share ownership guidelines for senior management are set out in the Corporation's Share Award Plan and are reviewed annually by the Compensation Committee. Any changes to the share ownership guidelines shall be recommended by the Compensation Committee to the Board for approval.

Succession Planning

The Compensation Committee shall be responsible for overseeing an annual evaluation of succession planning for the CEO and other senior management positions. The Board creates opportunities for directors to become acquainted with employees who have the potential to become members of senior management. Such opportunities may include presentations to the Board by these employees or interaction with them on social occasions.

Access to Management

All directors are invited to contact the CEO at any time to discuss any aspect of the Corporation's business.

REVIEW OF GUIDELINES

The Corporate Governance and Nominating Committee shall review the Corporate Governance Guidelines on an annual basis to determine whether any changes are appropriate for recommendation to the Board for approval.

Approved by the Board of Directors on February 9, 2010.