

**AG GROWTH INTERNATIONAL INC.**  
**CORPORATE GOVERNANCE COMMITTEE**  
**TERMS OF REFERENCE**

**Establishment of Committee**

**1. Committee**

The Corporate Governance Committee is established by the Board of Directors (the "**Board**") of Ag Growth International Inc. (the "**Corporation**") to assist the Board in fulfilling its responsibilities relating to corporate governance processes for the Corporation.

**2. Composition of Committee**

The Committee shall consist of as many members as the Board shall determine, but in any event not fewer than three Directors, provided that at least a majority of the members of the Committee shall be determined by the Board to be independent as defined by applicable securities laws, rules and regulations and the requirements of any applicable stock exchange.

**3. Appointment of Committee Members**

The members of the Committee shall be appointed by the Board annually at the time of each annual meeting of shareholders, and shall hold office until the next annual meeting, or until they are removed by the Board or until they cease to be Directors of the Corporation.

**Committee Procedure**

**4. Vacancies**

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board.

**5. Committee Chair**

The Board shall appoint a Chair for the Committee. The Chair may be removed and replaced by the Board.

**6. Absence of Chair**

If the Chair is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside at the meeting.

## **7. Secretary of Committee**

The Committee shall appoint a Secretary who need not be a Director of the Corporation.

## **8. Regular Meetings**

The Chair, in consultation with the Committee members, shall determine the schedule and frequency of the Committee meetings, provided that the Committee shall meet at least two times per year.

## **9. Special Meetings**

The Chair, any two members of the Committee, or the President and Chief Executive Officer of the Corporation (the "**Chief Executive Officer**") may call a special meeting of the Committee.

## **10. Quorum**

A majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak to and hear each other, shall constitute a quorum.

## **11. Notice of Meetings**

Notice of the time and place of every meeting shall be given in writing or by e-mail or facsimile communication to each member of the Committee at least 24 hours prior to the time fixed for such meeting; provided, however, that a member may in any manner waive a notice of a meeting and attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

## **12. Agenda**

The Chair shall develop and set the Committee's agenda, in consultation with other members of the Committee, the Board and management. The agenda and information concerning the business to be conducted at each Committee meeting shall, to the extent practical, be communicated to the members of the Committee sufficiently in advance of each meeting to permit meaningful review.

## **13. Delegation**

The Committee shall have the power to delegate its authority and duties to subcommittees or individual members of the Committee as it considers appropriate.

## **14. Access**

In discharging its responsibilities, the Committee shall have full access to all books, records, facilities and personnel of the Corporation and its subsidiaries.

## **15. Attendance of Officers at a Meeting**

At the invitation of the Chair, one or more officers or employees of the Corporation and its subsidiaries may, and if required by the Committee shall, attend a meeting of the Committee.

## **16. Procedure, Records and Reporting**

The Committee shall fix its own procedure at meetings, keep records of its proceedings and report to the Board when the Committee may deem appropriate (but not later than the next meeting of the Board).

## **17. Outside Consultants or Advisors**

The Committee, when it considers it necessary or advisable, may retain, at the Corporation's expense, outside consultants or advisors to assist or advise the Committee independently on any matter within its mandate. The Committee shall have the sole authority to retain and terminate any such consultants or advisors, including sole authority to approve the fees and other retention terms for such persons.

## **Mandate of the Committee – Corporate Governance**

## **18. Identification and Long-Term Planning of Board Member Characteristics**

The Committee shall:

(a) identify and review with the Board the appropriate skills and characteristics required of Board members, taking into consideration the Board's short-term needs and long-term succession plans; and

(b) develop and update a long-term plan for the Board's composition that takes into consideration the characteristics of independence, age, skills, experience and availability of service of its members, as well as the opportunities, risks, and strategic direction of the Corporation.

## **19. Evaluation, Identification and Recommendation of Nominees to the Board**

In consultation with the Board Chair, the Committee shall identify and recommend to the Board nominees for election or re-election to the Board or for appointment to fill any vacancy that is anticipated or has arisen on the Board;

## **20. Monitoring and Review of Board Member Education and Commitments**

The Committee shall:

(a) review, monitor and make recommendations regarding the initial orientation and education of new Board members, and the ongoing education of directors; and

(b) upon a significant change in a Board member's principal occupation or upon a member assuming any significant outside commitments, review the continued Board membership of such individual.

## **21. Recommendation of Directors to Serve as Committee Members and Chairs**

The Committee shall identify and recommend to the Board individual Directors to serve as members and Chairs of Board Committees.

## **22. Disclosure of Corporate Governance Practices**

The Committee shall be responsible for the Corporation's disclosure obligations regarding compliance with governance guidelines, recommendations or requirements under applicable securities laws, rules and regulations and the requirements of any applicable stock exchange.

## **23. Board Guidelines, Procedures, Terms of Reference and Policies**

The Committee shall:

(a) review periodically the Board manual outlining the policies and procedures by which the Board will operate and the Terms of Reference for the Board, committees of the Board, the Board Chair, Committee Chairs, individual directors and the Chief Executive Officer of the Corporation;

(b) advise the Board regularly with respect to significant developments in the law and practice of corporate governance as well as the compliance with applicable laws and regulations;

(c) make recommendations to the Board on all matters of corporate governance, including any reports that may be required or considered advisable, and on any corrective action to be taken, as the Committee may deem appropriate;

(d) review the Code of Business Ethics, Disclosure Policy, Insider Trading Policy and any other governance-related policies annually or more frequently as required to ensure the adequacy of such policies and approve, for recommendation for approval by the Board, any amendments to such policies considered by the Committee to be necessary or advisable; and

(e) at the request of the Board Chair or the Board, undertake such other corporate governance initiatives as may be necessary or desirable to contribute to the success of the Corporation.

## **24. Establishment and Implementation of Evaluation Processes**

The Committee shall establish criteria for, and implement, an evaluation process for the Board, the Board Chair, each committee of the Board, and individual directors in order to

assess the effectiveness of the Board as a whole, the Board Chair, each committee of the Board, and the contribution of individual directors.

## **25. Standards of Liability**

Nothing contained in these terms of reference is intended to expand applicable standards of liability under statutory, regulatory or other legal requirements for the Board or members of the Committee. The purposes and responsibilities outlined in these terms of reference are meant to serve as guidelines rather than inflexible rules and, subject to applicable law and the articles and bylaws of the Corporation, the Committee may adopt such additional procedures and standards, as it deems necessary from time to time to fulfill its responsibilities.

## **Terms of Reference and Calendar**

### **26. Review**

The Committee shall develop a calendar of activities to be undertaken by the Committee for each ensuing year and shall submit any recommended changes to these terms of reference and the calendar to the Board.

Dated: January 27, 2014

**AG GROWTH INTERNATIONAL INC.**

**CORPORATE GOVERNANCE COMMITTEE**

**CALENDAR OF ACTIVITIES**

<b>Description of Activity</b>	<b>March</b>	<b>November</b>
Approve minutes of last meeting	X	X
Receive notice of proposed memberships on outside boards	X	X
Review independence of Directors	X	
Review and recommend nominees to the Board	X	
Review and recommend to the Board the assignment of Committee members and chairs	X	
Review the Code of Business Ethics	X	
Review the Disclosure Policy	X	
Review the Insider Trading Policy	X	
Evaluate Board performance, performance of Chair and performance of individual directors		X
Review corporate governance practises		X
Review the role of the Board, the Terms of Reference of the Board and each Committee and the methods and processes by which the Board fulfills its duties and responsibilities, including: number and content of meetings; terms of reference and calendars for the Board and Committees; material which is to be provided to the Board; resources available to the Board; director orientation and education; and communication between the Board and management.		X
Review Board Manual contents		X