

**CENTERRA GOLD INC.  
RISK COMMITTEE CHARTER**

**PURPOSE**

The purpose of the Risk Committee is to assist the Board of Directors in fulfilling its oversight responsibilities in relation to the policies, processes and systems for the identification, assessment and management of the Corporation's principal strategic, financial, and operational risks. The purpose of the risk committee is to oversee and approve the company-wide risk management practices to assist the board in:

- o Overseeing that the executive team has in place a process designed to identify and assess the key risks that the organization faces and has established an appropriate mechanism designed to address those risks;
- o Overseeing, in conjunction with other board-level committees or the full board, significant or critical risks, including strategic, financial and operational risks; and
- o Overseeing the division of risk-related responsibilities to each board committee as clearly as possible and analyze to determine that the oversight of any significant or critical risks is not overlooked.

**COMPOSITION**

The members of the Risk Committee and its Chair shall be appointed annually by the Board on the recommendation of the Nominating and Corporate Governance Committee. The Risk Committee shall consist of:

- at least three and not more than six members;
- at least one member from each other standing committees of the Board; and
- a majority of the Risk Committee members shall be independent.

**MEETINGS**

The Risk Committee will meet at least four times annually and as many additional times as the Risk Committee deems necessary to carry out its duties effectively.

Notice of every meeting shall be given to every member of the Risk Committee and the Chair of the Board.

A majority of the members of the Risk Committee shall constitute a quorum. No business may be transacted by the Risk Committee except at a meeting of its members at which a quorum of the Risk Committee is present.

The Risk Committee may invite such officers, directors and employees of the Corporation and such other persons as it may see fit from time to time to attend meetings of the Risk Committee and assist in the discussion and consideration of any matter, including *in camera* meetings with Corporation's Director, Risk & Insurance, and unit business leaders.

A meeting of the Risk Committee may be convened by the Chair of the Risk Committee or a member of the Risk Committee.

## **DUTIES AND RESPONSIBILITIES**

### **Risk Management Program**

The Risk Committee's responsibilities shall be to:

1. Ensure that management has established an appropriate tone and culture with respect to risk identification, risk awareness, risk-taking and risk mitigation.
2. Review and evaluate management's assessment of the Corporation's principal strategic, financial and operational risks, such as credit, market, liquidity, security, property, IT, legal, regulatory, political, reputational, any other events or circumstances that could have a material impact on the Corporation, and assess the steps management has taken to manage, monitor and control such risks within the Corporation's risk tolerance.
3. Receive reports from management on potential emerging risks to the business and how these may interrelate with or compound known risks.
4. Review and discuss with management, at least annually, the Corporation's overall risk appetite and tolerance and make recommendations to the Board with respect thereto
5. Review and evaluate the Corporation's overall process for the identification and evaluation of principal business and operational risks and the prevention and/or mitigation thereof.
6. Ensure that the due diligence appraisal process on all proposed strategic transactions, including acquisitions, disposals, project developments includes the identification and assessment of risk exposures and their implications for the risk appetite and tolerance of the Corporation.
7. Review and evaluate the development and implementation of appropriate policies, processes and systems to manage the Corporation's principal business risks within its approved risk tolerance, to monitor the effectiveness of such policies, processes and systems and to ensure that the Board receives sufficient information about the Corporation's risk exposures.
8. Review the Corporation's insurance program, including its annual property and casualty insurance program, risk retention, coverage adequacy, and any residual risk exposures.
9. Review the Corporation's public disclosures in respect of risk governance and the Corporation's principal risks.
10. Satisfy itself that management has facilitated appropriate interaction among the external auditor, the internal auditor, legal counsel, and risk and insurance.
11. Annually, together with Management, report and review with the Board the overall effectiveness of the enterprise risk management process and program.

### **Other**

12. Review issues raised by the External Auditor or Internal Auditor that impact the risk management framework or the Corporation's risk management.
13. Direct any special investigations deemed necessary and engage and consult independent experts where considered necessary or desirable to carry out its duties and rely on the advice of such experts.

14. Ensure that new members receive proper orientation for effective participation in Risk Committee activities.

### ***Cross-Committee Coordination***

The Risk Committee will coordinate with the Corporation's other standing Board committees, as needed, including receiving from the other Board committees reports, as necessary, with respect to their review of the principal risks in those areas for which such committees have been delegated oversight responsibility pursuant to their respective committee charters.

### **Reporting**

The Risk Committee will report regularly to the Board on all matters within its responsibilities and on all other significant matters it has addressed.

### **Review and Evaluation**

The Risk Committee will annually review and evaluate the adequacy of its charter and recommend any proposed changes to the Nominating and Corporate Governance Committee. It will also participate in an annual performance evaluation by the Nominating and Corporate Governance Committee.

### **Chair**

Each year, the Board will appoint one member to be Chair of the Risk Committee. If, in any year, the Board does not appoint a Chair of the Risk Committee, the incumbent Chair will continue in office until a successor is appointed.

### **Removal and Vacancies**

Any member of the Risk Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Risk Committee upon ceasing to be a director. The Board may fill vacancies on the Risk Committee by appointment from among its members. If and whenever a vacancy shall exist on the Risk Committee, the remaining members may exercise all its powers so long as a quorum remains in office. Subject to the foregoing, each member of the Risk Committee shall remain as such until the next annual meeting of shareholders after that member's election.

### **Access to Outside Advisors**

The Risk Committee may, without seeking approval of the Board or management, select, retain, terminate, set and approve the fees and other retention terms of any outside advisor, as it deems appropriate. The Corporation will provide for appropriate funding, for payment of compensation to any such advisors, and for ordinary administrative expenses of the Risk Committee.

### **Site Visits**

The Chair of the Risk Committee and at least one other Risk Committee member shall endeavor to visit an operational or development site of the Corporation at least once per year. This site visit may be done in conjunction with other activities of the Board or committee of the Board.