

October 25, 2007



THE BOARD OF DIRECTORS

MANDATE

The Board of Directors (the “Board”) of Samuel Manu-Tech Inc., (the “Corporation”) is responsible for managing or supervising the management of the business and affairs of and the governance and overall stewardship of the Corporation. The Board is committed to being at the leading edge of best practices in Corporate Governance which it takes to mean “the process and structure used to direct and manage the business and affairs of the Corporation, to ensure the long-term growth and financial viability of the business”. This process will identify levels of authority and accountability and establish processes for achieving accountability among officers, directors and management of the Corporation. The overall governance of the Corporation will take into account the impact(s) on other stakeholders such as employees, customers, suppliers and the communities within which it operates.

BOARD COMMITTEES

The Board will fulfill its mandate directly and indirectly through the appointment of four or more sub-committees of the Board including:

1. The Corporate Governance Committee,
2. The Audit and Finance Committee,
3. The Human Resources and Compensation Committee, and
4. The Investment Committee.

COMPOSITION AND MEETINGS

The Board will comprise of at least seven or not more than nine directors, at least one-third of which shall not be officers or employees of the Corporation, or any of its affiliates and preferably having at least that number of independent directors and reflect fairly on a percentage basis the public ownership of its issued and outstanding capital.

The Board will meet four times or more each year as circumstances may demand, or at the reasonable request of any director. At each regularly scheduled meeting of the Board the independent directors will meet “in camera” without the presence of non-independent directors or members of management.

RESPONSIBILITIES

1. To the extent feasible:
 - a) the Board will satisfy itself as to the integrity of the CEO, senior executives of the Corporation, executives and the Presidents and General Managers of the Corporation's operational divisions;
 - b) Ensure that management of the Corporation:
 - fulfills its obligations against strategic and operational plans in a manner compliant with all applicable laws and regulations of the various jurisdictions and oversight agencies within which it operates,
 - is forever cognizant of the long-term growth and viability of the enterprise and focused on the maintenance and enhancement of shareholder value,
 - Develops a strategic and long-term planning process to fully identify and evaluate opportunities and risks to the business, and to develop actions to optimize the response to selected opportunities as well as nullify or minimize the impact of identified risks. The Board will take a leadership role in this process and will meet at least annually with management to:
 - (i) Reaffirm or revise the Corporation's strategic direction
 - (ii) Review and approve management's operational plans for the coming year, and
 - (iii) Evaluate the outlook for subsequent years,
 - Establishes a communication policy and process through which to communicate regularly and openly with all agencies, shareholders and the public, whether required by regulatory process or where visibility of the Corporation is reasonably necessary to the interests of other interested parties, and
 - Designs and inculcates, for Board approval, a Code of Conduct to govern the moral, ethical and professional behaviour of directors, executives, members of management and all employees in the fulfillment of their responsibilities. The "Code" will constitute written standards that are reasonably designed to promote integrity and deter wrongdoing.
2. The Board is responsible for developing clear position descriptions for the Chairman, CEO, COO and CFO and for reviewing their performances against assigned annual objectives. The Board delegates the responsibility to the Human Resources and Compensation Committee for the review and approval of the annual compensation increases, bonus payments, and stock option awards to Corporate executives and the President of each of the operational divisions.

3. The Board will carry the primary responsibility for the maintenance and quality of its membership, its succession planning, ongoing knowledge of the business, and overall response to the changing needs of the Corporation.

Inherent in this will be the review and approval of new potential members as well as the ongoing performance assessments of its existing members and its Committees of the Board.

4. In the critical area of fiduciary affairs and financial reporting, the Board will hold management to the highest levels of professional and ethical performance in that management will be expected to have in place:
 - a) The necessary and pertinent levels of qualified professional staffs plus separate Internal Audit and Treasury functions.
 - b) The required range of systems, procedure and reporting functions to ensure the accurate and effective control of the many aspects of this responsibility including that of Information Technology.
 - c) All necessary processes and reporting formats to allow the Board to:
 - Review operating and financial performance results relative to established goals and objectives.
 - Understand the principal risks to the business and that appropriate systems are in place to manage those risks.
 - Determine that the material provided to the Board and its Committees are both timely and sufficient to allow them to fulfill their obligations.
 - Approve the Corporation's annual and interim financial statements and related management discussion and analysis, annual information statement, the annual report, and management proxy circular and certification.
 - Approve the declaration of dividends.
 - Approve material acquisitions, divestiture and expenditures beyond management's assigned approval levels.
 - Approve any securities issues or re-purchases.
 - Oversee the Corporation's debt structure, banking relationships, and liquidity and covenant compliance.
 - Ensure the adequacy of the Corporation's internal controls and management information systems.

The full Board will be kept informed of each Committee reporting to the Board by a report following each Committee meeting.