

TWC Enterprises Limited (the “Corporation”)

POLICY STATEMENT REGARDING THE ELECTION OF DIRECTORS

The board of directors of the Corporation (the “**Board**”) believes that each of its members should have the confidence and support of the Corporation’s shareholders. To this end, the members of the Board have unanimously adopted this statement of policy (the “**Policy**”). This Policy applies to all current and future directors of the Corporation.

1. Voting Procedure during Meetings

1.1 Individual Voting

Forms of proxy provided to shareholders in respect of the election of directors at a shareholders’ meeting shall enable each shareholder to vote its shares in favour of, or to withhold its shares from voting with respect to, each nominee separately. The Chairman of the Board will ensure that the number of shares voted in favour or withheld from voting for each director nominee is recorded and promptly made public after the meeting. If the vote was by a show of hands, the Corporation will disclose the number of shares voted by proxy in favour or withheld for each director.

1.2 Treatment of withheld votes

If, in an uncontested election of directors of the Corporation, any particular nominee for director receives a greater number of votes withheld than number of votes in favour of the nominee, then for purposes of this Policy the nominee shall be considered not to have received the support of the shareholders, even though duly elected as a matter of corporate law, and such nominee shall promptly tender his or her resignation to the Chairman of the Board following the meeting. In this Policy, an “uncontested election” shall mean an election where the number of nominees for director shall be equal to the number of directors to be elected as determined by the Board.

2 Nominee not Receiving the Support of the Shareholders

2.1 Director to submit resignation

A director nominee who is considered under this Policy not to have received the support of shareholders will forthwith submit his or her resignation to the Board, effective on acceptance by the Board. The Board will refer the resignation to the Corporate Governance and Compensation Committee (the “Committee”).

The Committee shall consider any such offer of resignation and recommend to the Board to accept such resignation absent exceptional circumstances.

2.2 Board expected to consider resignation within 90 days

The Board shall act on the Committee’s recommendation within 90 days following the applicable shareholders’ meeting.

2.3 Director’s activities while resignation considered

Any director who tenders his or her resignation pursuant to this Policy shall not participate in any meeting of the Board or Governance Committee (if he or she is a member of that Committee) the Board’s consideration regarding whether to accept the tendered resignation. However, such director shall remain active and engaged in all other committee and Board activities, deliberations and decisions during the process described by this Policy.

2.4 Considerations

In considering the Committee's recommendation, the Board will consider the factors considered by the Committee and such additional information and factors that the Board considers relevant.

2.5 Press release

Following the Board's decision on the resignation, the Board shall promptly disclose, via press release, its decision whether to accept or reject the director's resignation and provide a copy to the TSX. Should the Board decline to accept the resignation, it should include in the press release the full reasons for its decision.

3 Effect of any resulting vacancy

3.1 Alternatives available to the Board

In the event that the Board chooses to accept one or more resignations, and subject to any corporate law restrictions, the Board may:

- (a) leave the resultant vacancy unfilled until the next annual general meeting;
- (b) fill the vacancy through the appointment of a new director whom the Board considers to merit the confidence of the shareholders; or
- (c) call a special meeting of shareholders at which a new candidate will be presented to fill the vacant position.