



**CHARTER OF THE CORPORATE GOVERNANCE AND NOMINATING
COMMITTEE OF THE BOARD OF DIRECTORS
DATED AS OF AUGUST 1st, 2010**

1. PURPOSE

- 1.1 The corporate governance and nominating committee (the "Committee") is a committee of the Board of Directors (the "Board") of MBAC Fertilizer Corp. (the "Company"). The Committee's primary function is to assist the Board in fulfilling its oversight responsibilities by:
- (a) assessing the effectiveness of the Board as a whole as well as assessing the contribution of individual members;
 - (b) determining whether directors are unrelated;
 - (c) assessing the Company's governance practices;
 - (d) proposing new nominees for appointment to the Board;
 - (e) establishing and monitoring a Code of Business Conduct and Ethics; and
 - (f) orienting new directors of the Company.

2. COMPOSITION AND MEETINGS

- 2.1 The Committee shall be comprised of three or more directors as determined by the Board, each of whom shall be an "independent director" in accordance with the National Policy 58-201- *Corporate Governance Guidelines* ("NP 58-201"), and each of whom shall be familiar with corporate governance and nominating committee practices. Pursuant to NP 58-201 (except in respect of British Columbia), in order to be considered "independent", directors shall have no direct or indirect material relationship with the Company.
- 2.2 The members of the Committee and its Chairman shall be appointed by the Board at the annual organizational meeting of the Board, or such other date and time as may be proposed by the Chairman of the Board, and serve for one year.
- 2.3 The Committee shall meet at least once per annum or more frequently as circumstances require. The Committee may ask members of management of the Company or others to attend meetings or to provide information as necessary. In addition, the Committee or, at a minimum, the Chairman may meet with the Company's external corporate counsel to discuss the Committee's policies and practices.
- 2.4 Quorum for the transaction of business at any meeting of the Committee shall be a majority of the number of members of the Committee or such greater number as the Committee shall by resolution determine.
- 2.5 Meetings of the Committee shall be held from time to time as the Committee or the Chairman of the Committee shall determine upon 48 hours notice to each of its members. The notice period may be waived by a quorum of the Committee.

3. **RESPONSIBILITIES AND DUTIES**

3.1 To fulfill its responsibilities and duties, the Committee shall review this Charter at least annually and amend this Charter as appropriate, as well as execute the following:

A. Governance Responsibilities

- (a) Annual review and revision of this Charter as necessary with the approval of the Board of Directors.
- (b) Review on a periodic basis, the size and composition of the Board and to review the Directors' relationships with regard to conflicts of interest and potential conflicts of interest and to determine the independence of the members of the Board. The Committee will be responsible for ensuring that an appropriate number of independent Directors sit on the Board. To facilitate this role, each Director is required to complete an annual questionnaire disclosing the particulars of their external affiliations, business relationships and any potential conflicts of interest which could impact the Directors' independence.
- (c) Facilitate the independent functioning and maintain an effective relationship between the Board and Management of the Company.
- (d) Assess the effectiveness of the Chairman's agenda and the quality of the engagement of the Board.
- (e) Annually review performance and qualification of existing Directors in connection with their re-election.
- (f) Assess, at least annually, the effectiveness of the Board as a whole, Committees of the Board and the contribution of individual Directors, including making recommendations where appropriate that a sitting Director be removed or not re-appointed.
- (g) Review with the Board's the Committee's judgment as to the quality of the Company's governance and suggest changes to the Company's governance practices as determined appropriate.
- (h) Ensure that disclosure and securities compliance policies, including communications policies, are in place.
- (i) Review and recommend requests by directors to hire an outside consultant.

B. Nominating Responsibilities

Establish qualifications for directors and procedures for identifying possible nominees who meet these criteria.

- (j) Establish procedures and approve appropriate orientation and education programs for new members of the Board.
- (k) Analyze the needs of the Board when vacancies arise on the Board and identify and recommend nominees who meet such needs to the Board as a whole.

C. Reporting

The Committee is responsible for reviewing and submitting to the Board, as a whole, recommendations concerning the Company's Corporate Governance and Nominating Committee performance and processes.

The Committee will record minutes of its meetings and report periodically to the Board of Directors.