

## BOARD OF DIRECTORS MANDATE

### 1. Purpose

The members of the Board of Directors (the “**Board**”) have the duty to supervise the management of the business and affairs of Alio Gold, Inc. (the “**Company**”). The Board, directly and through its committees and the Board Chair (the “**Chair**”), shall provide direction to senior management, generally through the Chief Executive Officer, to pursue the best interests of the Company.

### 2. Duties and Responsibilities

The Board shall have the specific duties and responsibilities outlined in this mandate (the “**Mandate**”).

#### *Strategic Planning*

##### (a) Strategic Plans

The Board will adopt a strategic plan for the Company. At least annually, the Board shall review and, if advisable, approve the Company’s strategic planning process and the Company’s annual strategic plan. In discharging this responsibility, the Board shall review the plan in light of management’s assessment of emerging trends, the competitive environment, the opportunities for the business of the Company, risk issues, and significant business practices and products.

##### (b) Business and Capital Plans

At least annually, the Board shall review and, if advisable, approve the Company’s annual business and capital plans as well as policies and processes generated by management relating to the authorization of major investments and significant allocation of capital.

##### (c) Monitoring

At least annually, the Board shall review management’s implementation of the Company’s strategic, business and capital plans. The Board shall review and, if advisable, approve any material amendments to, or variances from, these plans.

#### *Risk Management*

##### (d) General

At least annually, the Board shall review reports provided by management of principal risks associated with the Company’s business and operations, review the implementation by management of appropriate systems to manage these risks, and review reports by management relating to the operation of, and any material deficiencies in, these systems.

##### (e) Verification of Controls

The Board shall verify that internal, financial, non-financial and business control and management information systems have been established by management.

## *Human Resource Management*

### **(f) General**

At least annually, the Board shall review a report of the Compensation, Corporate Governance and Nominating Committee concerning the Company's approach to human resource management and executive compensation.

### **(g) Succession Review**

At least annually, the Board shall review the succession plans of the Company for the Chair, the Lead Director (if any), the Chief Executive Officer and other executive officers, including the appointment, training and monitoring of such persons.

### **(h) Integrity of Senior Management**

The Board shall, to the extent feasible, satisfy itself as to the integrity of the Chief Executive Officer and other executive officers of the Company and that the Chief Executive Officer and other senior officers strive to create a culture of integrity through honest and ethical conduct throughout the Company.

## *Corporate Governance*

### **(i) General**

At least annually, the Board shall review a report of the Compensation, Corporate Governance and Nominating Committee concerning the Company's approach to corporate governance.

### **(j) Director Independence**

At least annually, the Board shall review a report of the Compensation, Corporate Governance and Nominating Committee that evaluates the director independence standards established by the Board and the Board's ability to act independently from management in fulfilling its duties.

### **(k) Ethics Reporting**

The Board has adopted a written Code of Business Conduct and Ethics (the "**Code**") applicable to directors, officers and employees of the Company. At least annually, the Board shall review the report of the Compensation, Corporate Governance and Nominating Committee relating to compliance with, or material deficiencies from, the Code and approve changes it considers appropriate. The Board shall review reports from the Compensation, Corporate Governance and Nominating Committee concerning investigations and any resolutions of complaints received under the Code.

### **(l) Board of Directors Mandate Review**

At least annually, the Board shall review and assess the adequacy of this Mandate to ensure compliance with any rules or regulations promulgated by any regulatory body and approve any modifications to this Mandate as considered advisable.

## *Communications*

### **(m) General**

The Board has adopted a Disclosure Policy for the Company. At least annually, the Board, in conjunction with the Chief Executive Officer, shall review the Company's overall Disclosure Policy, including measures for receiving feedback from the Company's stakeholders, and management's compliance with such policy. The Board shall, if advisable, approve material changes to the Company's Disclosure Policy.

### **(n) Stakeholders**

The Company endeavors to keep its internal and external stakeholder groups informed of its progress through an annual report, annual information form, quarterly interim reports and periodic press releases. Directors and management meet with the Company's shareholders at the annual meeting and are available to respond to questions at that time.

## **3. Composition**

### *General*

The composition and organization of the Board, including: the number, qualifications and remuneration of directors; the number of Board meetings; quorum requirements; meeting procedures and notices of meetings are required by the *Business Corporations Act* (British Columbia) (the "**BCBCA**"), the *Securities Act* (British Columbia) (the "**Act**") and the articles of the Company, subject to any exemptions or relief that may be granted from such requirements.

Each director must have an understanding of the Company's principal operational and financial objectives, plans and strategies, and financial position and performance. Directors must have sufficient time to carry out their duties and not assume responsibilities that would materially interfere with, or be incompatible with, Board membership. Directors who experience a significant change in their personal circumstances, including a change in their principal occupation, are expected to advise the chair of the Compensation, Corporate Governance and Nominating Committee.

### *Overboarding*

The Board and nominating committee should consider the potential implications of over-boarding and corporate governance implications. Considerations for discussion, based on Glass Lewis and Institutional Shareholder Services Inc. ("ISS") recommendations which address investor expectations, limit non-executive board members to no more than 5 (ISS) public company boards in total, and for Directors who are CEO's, no more than 3 public company boards in total. The Board, at its discretion, may conclude that any Director with board involvement in excess of these considerations, can remain on the Board if they consistently meet the Board requirements of participation and attendance. Additionally, the Board will take into account, such Director's contributions to the Board, including specialized knowledge of the company's industry, strategy or key markets, the diversity of skill, perspective and background they provide and other relevant factors.

### ***Independence***

A majority of the Board must be independent. “Independent” shall have the meaning, as the context requires, given to it in National Policy 58-201 *Corporate Governance Guidelines*, as may be amended from time to time.

### ***Board Chair***

The Chair shall be an independent director, unless the Board determines that it is inappropriate to require the Chair to be independent. If the Board determines that it would be inappropriate to require the Chair to be independent, then the independent directors shall select from among their number a director who will act as “Lead Director” and who will assume responsibility for providing leadership to enhance the effectiveness and independence of the Board. The Chair, if independent, or the Lead Director if the Chair is not independent, shall act as the effective leader of the Board and ensure that the Board’s agenda will enable it to successfully carry out its duties.

## **4. Committees of the Board**

The Board has established the following committees: the Audit Committee and the Compensation, Corporate Governance and Nominating Committee. Subject to applicable law, the Board may establish other Board committees or merge or dispose of any Board committee.

### ***Committee Mandates***

The Board has approved mandates for each Board committee and shall approve mandates for each new Board committee. At least annually, each mandate shall be reviewed by the Compensation, Corporate Governance and Nominating Committee and any suggested amendments brought to the Board for consideration and approval.

### ***Delegation to Committees***

The Board has delegated to the applicable committee those duties and responsibilities set out in each Board committee’s mandate.

### ***Consideration of Committee Recommendations***

As required by applicable law, by applicable committee mandate or as the Board may consider advisable, the Board shall consider for approval the specific matters delegated for review to Board committees.

### ***Board/Committee Communication***

To facilitate communication between the Board and each Board committee, each committee chair shall provide a report to the Board on material matters considered by the committee at the first Board meeting after the committee’s meeting.

## **5. Meetings**

The Board will meet at least once in each quarter, with additional meetings held as deemed advisable. The Chair is primarily responsible for the agenda and for supervising the conduct of the meeting. Any director may propose the inclusion of items on the agenda, request the presence of, or a report by any member of senior management, or at any Board meeting raise subjects that are not on the agenda for that meeting.

Meetings of the Board shall be conducted in accordance with the Company's articles.

### ***Secretary and Minutes***

The Corporate Secretary, his or her designate or any other person the Board requests shall act as secretary of Board meetings. Minutes of Board meetings shall be recorded and maintained by the Corporate Secretary and subsequently presented to the Board for approval.

### ***Meetings Without Management***

The independent members of the Board shall hold regularly scheduled meetings, or portions of regularly scheduled meetings, at which non-independent directors and members of management are not present.

### ***Directors' Responsibilities***

Each director is expected to attend all meetings of the Board, in person or via conference call, and any committee of which he or she is a member. Directors will be expected to have read and considered the materials sent to them in advance of each meeting and to actively participate in the meetings.

### ***Access to Management and Outside Advisors***

The Board shall have unrestricted access to management and employees of the Company. The Board shall have the authority to retain and terminate external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective reasonable compensation of these advisors without consulting or obtaining the approval of any officer of the Company. The Company shall provide appropriate funding, as determined by the Board, for the services of these advisors.

### ***Service on Other Boards and Audit Committee***

Directors may serve on the boards of other public companies so long as these commitments do not materially interfere and are compatible with their ability to fulfill their duties as a member of the Board. Directors must advise the Chair in advance of accepting an invitation to serve on the board of another public company.

## **6. Management**

### ***Position Descriptions for Directors***

The Board has approved position descriptions for the Chair and the chair of each Board committee. At least annually, the Board shall review such position descriptions.

### ***Position Description for CEO***

The Board has approved a position description for the Chief Executive Officer, which includes delineating management's responsibilities. The Board has also approved the corporate goals and objectives that the Chief Executive Officer has responsibility for meeting. At least annually, the Board shall review a report of the Compensation, Corporate Governance and Nominating Committee reviewing this position description and such corporate goals and objectives.

#### **7. Director development and evaluation**

Each new director will have an initial orientation and will be encouraged to participate in ongoing director professional development.

#### **8. No Rights Created**

This Mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the Board, assisted by its committees, directs the affairs of the Company. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Company's Articles and By-laws, it is not intended to establish any legally binding obligations.

Adopted: November 6, 2019