

Corporate Governance Charter

CHARTER OF THE CORPORATE GOVERNANCE AND NOMINATING COMMITTEE

Purpose

The Corporate Governance and Nominating Committee (the "Committee") shall oversee, review, and make periodic recommendations concerning the Company's corporate governance policies, and shall recommend candidates for election to the Company's Board of Directors (the "Board").

Composition of the Committee

The Committee shall be comprised of not less than three directors each of whom shall be an "independent director" as required by the rules of The Nasdaq Stock Market, Inc. ("Nasdaq"). Each Committee member shall be subject to annual reconfirmation and may be removed from the Board at any time.

The Corporate Governance and Nominating Committee shall:

1. Review and report to the Board on a periodic basis with regards to matters of corporate governance (which is defined for this purpose as the relationships of the Board, the stockholders and management in determining the direction and performance of the company), including the review of, and recommendations with regards to, stockholder proposals and the annual stockholder's meeting.
2. Identify and review candidates for the Board and recommend to the full Board candidates for election to the Board, and from time to time review the process for identifying and evaluating candidates for election to the Board. The Committee may engage consultants or third-party search firms to assist in identifying and evaluating potential nominees.
3. Review from time to time the appropriate skills and characteristics required of Board members, including such factors as business experience, diversity, and personal skills in technology, finance, marketing, international business, financial reporting and other areas that are expected to contribute to an effective Board.
4. Nominate officers for election by the Board.
5. Have full access to the Company's executives as necessary to carry out this responsibility.
6. Perform any other activities consistent with this Charter, the Company's Bylaws and governing law as the Committee or the Board deems necessary or appropriate.
7. Review the Committee Charter from time to time for adequacy and recommend any changes to the Board.
8. Report to the Board on the major items covered at each Committee meeting.

Guidelines

Guidelines and Procedures for Identifying and Evaluating Candidates for Director

The Nominating and Corporate Governance Committee (the "Committee") will observe the following guidelines and procedures in identifying and evaluating candidates for election to the Board of Destiny Media Technologies, Inc. (the "Company").

1) Minimum Requirements

At a minimum, each director will be expected to:

- a. understand the Company's business and the industry in general;
- b. regularly attend meetings of the Board and of any committees on which the director serves;
- c. review in a timely fashion and understand materials circulated to the Board regarding the Company or the industry;
- d. participate in meeting and decision making processes in an objective and constructive manner; and
- e. be reasonably available, upon request, to advise the Company's officers and management.

2) Policy on Incumbent directors

1. The Company is of the view that the continuing service of qualified incumbents promotes stability and continuity in the board room, contributing to the Board's ability to work as a collective body, while giving the Company the benefit of the familiarity and insight into the Company's affairs that its directors have accumulated during their tenure. Accordingly, the process of the Committee for identifying nominees shall reflect the Company's practice of re-nominating incumbent directors who continue to satisfy the Committee's criteria for membership on the Board, whom the Committee

believes continue to make important contributions to the Board and who consent to continue their service on the Board.

2. Consistent with this policy, in considering candidates for election at annual meetings of shareholders, the Committee will first determine the incumbent directors whose terms expire at the upcoming meeting and who wish to continue their service on the Board.

3. The Committee will evaluate the qualifications and performance of the incumbent directors that desire to continue their service. In particular, as to each such incumbent director, the Committee will:

- a. consider if the director continues to satisfy the minimum qualifications for director candidates adopted by the Committee;
- b. assess the performance of the director during the preceding term; and
- c. determine whether there exist any special, countervailing considerations against re-nomination of the director.

4. If the Committee determines that:

- a. an incumbent director consenting to re-nomination continues to be qualified and has satisfactorily performed his or her duties as director during the preceding term; and
- b. there exists no reason, including considerations relating to the composition and functional needs of the Board as a whole, why in the Committee's view the incumbent should not be re-nominated,
- c. the Committee will, absent special circumstances, propose the incumbent director for re-election.

3) Policy on New Candidates for Director

1. The Committee will identify and evaluate new candidates for election to the Board where there is no qualified and available incumbent, including for the purpose of filling vacancies arising by reason of the resignation, retirement, removal, death or disability of an incumbent director or a decision of the directors to expand the size of the Board.

2. The Committee will solicit recommendations for nominees from persons that the Committee believes are likely to be familiar with qualified candidates. These persons may include members of the Board, including members of the Committee, and management of the Company. The Committee may also determine to engage a professional search firm to assist in identifying qualified candidates; where such a search firm is engaged, the Committee shall set its fees and scope of engagement.

3. Candidates proposed by shareholders in accordance with the procedures set forth in Section E below, will be considered by the Committee under criteria similar to the evaluation of other candidates, except that the Committee may consider, as one of the factors in its evaluation of shareholder recommended nominees, the size and duration of the interest of the recommending shareholder or shareholder group in the equity of the Company. The Committee may also consider the extent to which the recommending shareholder intends to continue holding its interest in the Company, including, in the case of nominees recommended for election at an annual meeting of shareholders, whether the recommending shareholder intends to continue holding its interest at least through the time of such annual meeting.

4. As to each recommended candidate that the Committee believes merits consideration, the Committee will:

- a. cause to be assembled information concerning the background and qualifications of the candidate, including information concerning the candidate required to be disclosed in the Company's proxy statement under the rules of the SEC and any relationship between the candidate and the person or persons recommending the candidate;
- b. determine if the candidate satisfies the minimum qualifications required by the Committee of candidates for election as director;
- c. determine if the candidate holds any position that would result in a violation of legal requirements, such as anti-trust prohibitions on interlocking relationships between competitors;
- d. consider the current composition and capabilities of serving Board members, as well as additional capabilities considered necessary or desirable in light of existing Company needs and then assess the contribution that the candidate can be expected to make to the overall functioning of the Board; and
- e. consider the extent to which the membership of the candidate on the Board will promote diversity among the directors.

5. It is appropriate for the Committee, in its discretion, to solicit the views of the Chief Executive Officer, other members of the Company's senior management and other members of the Board regarding the qualifications and suitability of candidates to be nominated as directors.

6. In its discretion, the Committee may designate one or more of its members (or the entire Committee) to interview any proposed candidate. Unless well known to one or more members of the Committee, normally at least one member of the Committee will interview a prospective candidate who is identified as having high potential to satisfy the expectations, requirements, qualities and capabilities for Board membership. The Committee may elect to contact other sources, including

persons serving on another board with the candidate, as they deem appropriate to develop a well-rounded view of the candidate. Reports from those interviews or from Committee members with personal knowledge and experience with a candidate, resumes, information provided by other contacts and any other information deemed relevant by the Committee will be considered in determining whether a candidate D or which of several potential candidates D should be nominated.

7. Based on all available information and relevant considerations, the Committee will select, a candidate who, in the view of the Committee, is most suited for membership on the Board.

4) Policy on new Candidates for Director

1. The Committee will accept for consideration submissions from shareholders of recommendations for the nomination of directors. Acceptance of a recommendation for consideration does not imply that the Committee will nominate the recommended candidate.

2. All shareholder nominating recommendations must be in writing, addressed to the Committee care of the Company's corporate Secretary at the Company's principal headquarters, Suite 750 PO Box 11527 D 650 West Georgia, Vancouver, British Columbia, V6B 4N7. Submissions must be made by mail, courier or personal delivery. Submissions by e-mail will not be considered.

3. A nominating recommendation must be accompanied by the following information concerning each recommending shareholder:

a. The name and address, including telephone number, of the recommending shareholder;

b. The number of the Company's shares owned by the recommending shareholder and the time period for which such shares have been held;

c. If the recommending shareholder is not a shareholder of record, a statement from the record holder of the shares (usually a broker or bank) verifying the holdings of the shareholder and a statement from the recommending shareholder of the length of time that the shares have been held. (Alternatively, the shareholder may furnish a current Schedule 13D, Schedule 13G, Form 3, Form 4 or Form 5 filed with the Securities and Exchange Commission reflecting the holdings of the shareholder, together with a statement of the length of time that the shares have been held); and

d. A statement from the shareholder as to whether the shareholder has a good faith intention to continue to hold the reported shares through the date of the Company's next annual meeting of shareholders.

4. If a recommendation is submitted by a group of two or more shareholders, the information regarding recommending shareholders must be submitted with respect to each shareholder in the group.

5. A nominating recommendation must be accompanied by the following information concerning the proposed nominee:

a. the information required by Item 401 of SEC Regulation S-K (providing for disclosure of the name, address, any arrangements or understanding regarding nomination and five year business experience of the proposed nominee, as well as information regarding certain types of legal proceedings within the past five years involving the nominee);

b. the information required by Item 403 of SEC Regulation S-K (providing for disclosure regarding the proposed nominee's ownership of securities of the Company); and

c. the information required by Item 404 of SEC Regulation S-K (providing for disclosure of transactions between the Company and the proposed nominee valued in excess of \$120,000 and certain other types of business relationships with the Company).

d. a description of all relationships between the proposed nominee and the recommending shareholder and any agreements or understandings between the recommending shareholder and the nominee regarding the nomination.

e. a description of all relationships between the proposed nominee and any of the Company's competitors, customers, suppliers, labor unions or other persons with special interests regarding the Company.

6. The recommending shareholder must furnish a statement supporting its view that the proposed nominee possesses the minimum qualifications prescribed by the Committee for nominees, and briefly describing the contributions that the nominee would be expected to make to the board and to the governance of the Company.

7. The recommending shareholder must state whether, in the shareholder's view, the nominee, if elected, would represent all shareholders and not serve for the purpose of advancing or favoring any particular shareholder or other constituency of the Company.

8. The nominating recommendation must be accompanied by the consent of the proposed nominee to be interviewed by the Committee, if the Committee chooses to do so in its discretion (and the recommending shareholder must furnish the proposed nominee's contact information for this purpose), and, if nominated and elected, to serve as a director of the Company.

9. A shareholder (or group of shareholders) wishing to submit a nominating recommendation for an

annual meeting of shareholders must ensure that it is received by the Secretary of the Company, as provided above, not later than the 60th day nor earlier than the 90th day prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is more than 30 days before or more than 60 days after such anniversary date, notice by the shareholder must be so received not earlier than the 90th day prior to the annual meeting and not later than the later of the 60th day prior to the annual meeting or the 15th day following the day on which public announcement of the date of the meeting is first made by the Company.

5) Record Keeping

The Committee shall maintain appropriate records regarding its process of identifying and evaluating candidates for election to the Board.