

GANDER MOUNTAIN COMPANY

PRINCIPLES OF CORPORATE GOVERNANCE

As Ratified on April 9, 2008

Selection and Composition of the Board

1) Board Membership Criteria

The Governance and Nominating Committee is responsible for reviewing with the Board, on an annual basis, the appropriate skills and characteristics required of Board members in the context of the current make-up of the Board. This assessment should include issues of judgment, diversity, age, particular skills, knowledge and experience in corporate governance, etc. -- all in the context of an assessment of the perceived needs of the Board at that point in time.

2) Selection and Orientation of New Directors

The Board itself should be responsible, in fact as well as procedure, for selecting its own members and in recommending them for election by the shareholders. The Board delegates the screening process involved to the Governance and Nominating Committee with the direct input of the Chief Executive Officer. The company has an orientation process for new Directors that includes background material, meetings with senior management and visits to company facilities. All new Directors must participate in the orientation process, which should be conducted as soon as practicable following the meeting at which a new Director is elected to the Board. This orientation will include presentations by senior management to familiarize new Directors with the company's strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its Code of Business Conduct and Ethics, its principal officers, its internal and independent auditors, and legal counsel. All continuing Directors are also invited to attend any orientation meetings.

3) Extending the Invitation to a Potential Director to Join the Board

The invitation to join the Board should be extended on behalf of the Board, by the Chairperson of the Governance and Nominating Committee and the Chairperson of the Board.

Board Leadership

4) Selection of Chairperson and Chief Executive Officer

The Board shall have a Chairperson. The Board does not have a policy, one way or the other, on whether or not the role of the Chairperson and Chief Executive Officer should be separate or combined and, if it is to be separate, whether the Chairperson should be selected from the non-employee Directors or be an employee. Accordingly, the Board may make this selection any way that seems best for the company at a given point in time.

5) Lead Director

In the event that the position of Chairperson of the Board is held by the Chief Executive Officer or a Director who does not meet the relevant legal and regulatory tests for independence, the Board shall designate an independent Director to function as the lead independent Director. This lead Director shall interact with the Chairperson of the Board and the Chief Executive Officer to facilitate the establishment of Board agendas and communication between the Board and management. The lead Director shall also

preside over executive sessions of the Board or of the independent Directors and will facilitate the establishment of agendas for these sessions.

6) Chairpersons of Committees of the Board

The Chairpersons of the Audit Committee, Compensation Committee and Governance and Nominating Committee will be independent Directors.

Board Composition and Performance

7) Size of the Board

It is the sense of the Board that a size of 7 to 11 Directors is about right. However, the Board would be willing to go to a somewhat larger size in order to accommodate the availability of an outstanding candidate or candidates.

8) Mix of Management and Independent Directors

The Board believes that, as a matter of policy, there should be a majority of independent Directors on the Board. The Board believes that management should encourage senior managers to understand that Board membership is not necessary or a prerequisite to any higher management position in the company. Managers other than the Chief Executive Officer may attend Board meetings on a regular basis at the invitation of the Board even though they are not members of the Board.

On matters of corporate governance, the Board policy is that decisions will be made by the independent Directors.

9) Board Definition of What Constitutes Independence for Directors

The Board believes that a Director's independence is determined by the Board concluding that there is no current relationship between such Director and the company or members of the company's management that could be construed to compromise the Director's objectivity or exercise of independent judgment. In reaching its conclusion, the Board should also review information necessary to assure itself that such members satisfy the definition of independence under the rules of the Securities and Exchange Commission and the listing standards of The Nasdaq Stock Market. The Board does not consider Directors who are employed by the company to be independent.

10) Former Chief Executive Officer's Board Membership

The Board believes this is a matter to be decided in each individual instance. It is assumed that when a Chief Executive Officer resigns from that position, he/she should submit his/her resignation from the Board at the same time. Whether the individual continues to serve on the Board is a matter for discussion at that time with the new Chief Executive Officer, the Governance and Nominating Committee and the full Board. A former Chief Executive Officer serving on the Board will not be considered an independent Director.

11) Change in Directors' Professional or Personal Circumstances

It is the sense of the Board that when a Director's principal occupation or business association changes substantially from the position he or she held when originally invited to join the Board, the Director shall tender a letter of resignation to the Governance and Nominating Committee. Such Committee will review

whether the new occupation, or retirement, of the Director is consistent with the specific rationale for originally selecting that individual and the guidelines for board membership. The Committee will recommend action to be taken regarding the resignation based on the circumstances of retirement, if that is the case, or in the case of a new position, the responsibility and type of position, and industry involved. The bias of the Committee will be to accept the resignation if the basis for originally selecting the individual no longer exists.

This same policy of tendering a letter of resignation to the Governance and Nominating Committee for consideration and recommendation to the Board shall apply if a Director is involved in a personal or professional matter that is likely to have a material negative effect on the Director's or the company's reputation.

Independent Directors are encouraged to limit the number of other boards (excluding non-profit) on which they serve, taking into account potential board attendance, participation and effectiveness on these boards. All Directors should also advise the Chairperson of the Board and the Chairperson of the Governance and Nominating Committee in advance of accepting an invitation to serve on another board in order that the Committee may consider issues such as conflicts of interest, indemnification and Director insurance.

12) Term Limits

The Board has not established term limits. While term limits could help ensure that there are fresh ideas and viewpoints available to the Board, they hold the disadvantage of losing the contribution of Directors who have been able to develop, over a period of time, increasing insight into the company and its operations and, therefore, provide an increasing contribution to the Board as a whole.

As an alternative to term limits, the Governance and Nominating Committee, in conjunction with the Chief Executive Officer, will formally review each Director's continuation on the Board each time the Director is nominated for election by the shareholders. This will also allow each Director the opportunity to conveniently confirm his/her desire to continue as a member of the Board.

13) Retirement Age

It is the policy of the Board not to nominate a Director for election by the shareholders if the Director has reached the age of 72. The Board may waive this policy upon recommendation of the Governance and Nominating Committee if it believes such a waiver is in the best interest of the company.

14) Board Compensation

It is appropriate for the staff of the company to report once a year to the Governance and Nominating Committee the status of the Board's compensation in relation to other comparable companies. As part of a Director's total compensation and to create a direct linkage with corporate performance, the Board believes that a meaningful portion of a Director's compensation should be provided and held in common stock.

Changes in Board compensation, if any, should come at the suggestion of the Governance and Nominating Committee, but with full discussion and concurrence by the Board. The Governance and Nominating Committee will consider that the Directors' independence may be jeopardized if Director compensation exceeds customary levels, if the company makes substantial charitable contributions to organizations with which a Director is affiliated, or if the company enters into consulting contracts with (or provides other indirect forms of compensation to) a Director or an organization with which the

Director is affiliated. It is the policy of the Board not to provide Directors who are not employees of the company with health insurance, retirement plans or other perquisites of this nature.

15) Executive Sessions of Independent Directors

The independent Directors of the Board will meet periodically in executive session, including at each regularly scheduled Board meeting. The lead Director selected by the Board will preside at these meetings and such lead Director's identity will be disclosed in the annual proxy statement. The Board may determine at each executive session if it would like to have a discussions with the Chief Executive Officer or any other member of management at such occasion.

16) Assessing the Board's Performance

The Governance and Nominating Committee is responsible for establishing and overseeing a process for Board and Committee evaluations. The Governance and Nominating Committee shall make an annual report and lead a discussion on the self-evaluations of the performance of the Committees and the Board.

This assessment should be of the Board's contribution as a whole and specifically review areas in which the Board and/or the management believes a better contribution could be made. Its purpose is to increase the effectiveness of the Board, not to target individual Board members.

17) Board's Interaction with Institutional Investors, Press, Customers, Etc.

The Board believes that the management speaks for the company. Individual Board members may, from time to time at the request of the management, meet or otherwise communicate with various constituencies that are involved with the company. If comments from the Board are appropriate, they should, in most circumstances, come from the Chairperson.

18) Director Attendance at Annual Meetings of Shareholders

Directors are expected to attend annual meetings of the company's shareholders, subject to unavailability due to unavoidable scheduling conflicts.

Board Relationship to Senior Management

19) Regular Attendance of Non-Directors at Board Meetings

The Board welcomes the regular attendance at each Board meeting of non-Board members who are in the most senior management positions of the company. Such attendance shall be at the request of the Chief Executive Officer following consultation with the Chairperson of the Board or the lead Director, as appropriate.

Should the Chief Executive Officer want to add additional people as attendees on a regular basis, it is expected that this suggestion would be made to the Board for its concurrence.

20) Board Access to Senior Management

Board members have complete access to the company's management.

It is assumed that Board members will use judgment in contacting management so as not to interfere with the business operation of the company and that such contact, if in writing, be copied to the Chief Executive Officer.

Furthermore, the Board encourages senior management, from time to time, to bring managers into Board meetings who: (a) can provide additional insight into the items being discussed because of personal involvement in these areas or (b) are managers with future potential that the senior management believes should be given exposure to the Board.

Meeting Procedures

21) Selection of Agenda Items for Board Meetings

The Chairperson of the Board and Chief Executive Officer will establish the agenda for each Board meeting. They will issue a schedule of agenda subjects to be discussed for the ensuing year at the beginning of each year (to the degree these can be foreseen). Each Board member is free to suggest the inclusion of item(s) on the agenda. If the Chairperson of the Board and the Chief Executive Officer are the same person, the lead Director shall be consulted on the preparation of the agenda for each Board meeting.

22) Board Materials Distributed in Advance

Information and data that is important to the Board's understanding of the business will be distributed in writing to the Board sufficiently in advance of Board meetings to encourage adequate preparation. Management will make every attempt to see that this material is as brief as possible while still providing the desired information.

23) Board Presentations

As a general rule, presentations on specific subjects should be sent to the Board members in advance so that Board meeting time may be conserved and discussion time focused on questions that the Board has about the material. On those occasions in which the subject matter is too sensitive to put on paper, the presentation will be discussed at the meeting.

Committee Matters

24) Number, Structure and Independence of Committees

The Board shall have an Audit Committee, a Compensation Committee and a Nominating and Governance Committee, comprised solely of independent Directors, and such other Committees as it shall determine from time to time. From time to time, the Board shall review the Committee structure and determine whether it is appropriate to form a new Committee or disband a current Committee depending upon the circumstances. In addition, the Board, in consultation with the Nominating and Governance Committee, will review the division of responsibilities between the Board and each of the Committees and determine whether changes need to be made.

Each Committee will have its own charter that will be made available on the company's website. The charters will set forth the purposes, goals and responsibilities of the Committees as well as certain specific qualifications for Committee membership and procedures for Committee member appointment. In addition, the charters will address Committee reporting to the Board and provide that each Committee will annually evaluate its performance.

25) Assignment and Rotation of Committee Members

The Governance and Nominating Committee is responsible, after consultation with the Chairperson of the Board and with consideration of the desires of individual Board members, for the assignment of Board members to various Committees.

It is the sense of the Board that consideration should be given to rotating Committee members periodically, but the Board does not feel that such a rotation should be mandated as a policy since there may be reasons at a given point in time to maintain an individual Director's Committee membership for a longer period.

26) Frequency and Length of Committee Meetings

Each Committee Chairperson, in consultation with Committee members, will determine the frequency and length of the meetings of the Committee.

27) Committee Agenda

The Chairperson of the Committee, in consultation with the appropriate members of the Committee and management, will develop the Committee's agenda.

Each Committee will issue a schedule of certain agenda subjects to be discussed for the ensuing year at the beginning of each year (to the degree these can be foreseen). This forward agenda will also be shared with the Board.

Leadership Development

28) Formal Evaluation of the Chief Executive Officer

The Compensation Committee shall annually conduct an evaluation of the Chief Executive Officer, with the input of all Directors. The results of the evaluation should be communicated to the Chief Executive Officer by the Chairperson of the Compensation Committee. The evaluation should be based on objective criteria including performance of the business, accomplishment of long-term strategic objectives, development of management, development and maintenance of an appropriate corporate culture, etc. The evaluation will be used by the Compensation Committee in the course of its deliberations when determining the compensation of the Chief Executive Officer.

29) Succession Planning

There should be an annual report by the Chief Executive Officer to the Nominating and Governance Committee or the full Board on management succession planning.

There should also be available, on a continuing basis, the Chief Executive Officer's recommendation as a successor should he/she become unexpectedly unable to continue service to the company.

30) Management Development

There should be an annual report to the Board by the Chief Executive Officer on the company's program for management development.

This report should be given to the Board at the same time as the succession planning report noted previously.

General

31) Basic Responsibilities

The basic responsibility of the Directors is to exercise their business judgment in good faith to act in what they reasonably believe to be in the best interests of the company. In discharging that obligation, Directors should be entitled to rely on the honesty and integrity of their fellow Directors and the company's senior executives and outside advisors and auditors. The Directors shall also be entitled to have the company purchase reasonable Directors' and officers' liability insurance on their behalf, to the benefits of indemnification to the fullest extent permitted by law and the company's articles of incorporation, by-laws and any indemnification agreements, and to exculpation as provided by state law and the company's articles of incorporation.

32) Access to Advisors

The Board and each Committee have the authority to hire, at the expense of the company, independent legal, financial or other advisors as they may deem necessary, without consulting or obtaining the approval of any officer of the company in advance.

33) Director Education

The Board's policy is to provide opportunities for the continuing education of Directors on matters important to the Director's performance of their duties, including such matters as corporate governance, compliance with applicable laws and regulations, and developments in the company's business and industry. The Governance and Nominating Committee shall oversee the company's Director education program.