

BOARD MANDATE AND RESPONSIBILITIES

1. Board Mandate

The Board must act in the best interests of the Company and its shareholders. The Board of Directors acts in accordance with the Business Corporations Act (Alberta), the Articles and By-laws of the Company, and the specific terms of reference as laid out for each Committee and the Board as a whole.

2. Board Responsibilities

The Board is explicitly responsible for the stewardship of the Corporation. To discharge this obligation, the Board shall assume responsibility in the following areas:

(a) Strategic Planning Process

The Board shall:

- (i) provide input to management on emerging trends and issues;
- (ii) review and approve management's strategic plans; and
- (iii) review and approve the Corporation's financial objectives, plans and actions, including significant capital allocations and expenditures.

(b) Monitoring Tactical Progress

Monitor corporate performance against the strategic and business plans, including assessing operating results to evaluate whether the business is being properly managed.

(c) Risk Assessment

Identify the principal risks of the Corporation's businesses and ensure that appropriate systems are in place to manage these risks.

(d) Senior Level Staffing

Select, monitor, evaluate and if necessary, replace the President and Chief Executive Officer and other senior officers.

(e) Approval and Signing Authority

Ensure that the Corporation has an up-to-date list of corporate signing authorities and a document that outlines the approval limits and signatures required for the various levels of expenses.

(f) Integrity

(i) Ensure the integrity of the Corporation's internal control and management information systems; and

(ii) Ensure ethical behaviour and compliance with laws and regulations, audit and accounting principles, and the Corporation's own governing documents.

(g) Material Transactions

Review and approve material transactions not in the ordinary course of business.

(h) Monitoring Board Effectiveness

Assess Board effectiveness in fulfilling the above and other Board responsibilities, including assessing the effectiveness of individual directors.

(i) Board Committees

The Board shall:

(i) appoint appropriate committees to undertake tasks assigned by the Board; and

(ii) standing committees of the Board shall include:

- Corporate Governance;
- Audit; and
- Compensation & Human Resources.

(j) Other

Perform such other functions as prescribed by law or assigned to the Board in the Corporation's governing documents.