

Board of Director's Committees



Audit Committee

The **Audit Committee** is comprised of Messrs. Bowerman (Chair), Dumont and Durante, all of whom are independent and all of whom are financially literate. The full text of the Audit Committee Charter, as well as the relevant disclosure in relation to its composition and other matters, is attached as Schedule "B" of the Annual Information Circular. The Audit Committee anticipates meeting on a quarterly basis to fulfill its mandate.

The Board of Directors has developed written terms of reference outlining its roles and responsibilities and which provide appropriate guidance to the committee's members as to their duties. These terms of reference are reviewed annually by the Board of Directors. The Audit Committee reviews the annual and interim financial statements of the Corporation and makes recommendations to the Board of Directors with respect to such statements. The Audit and Reserves Committee also reviews the nature and scope of the annual audit as proposed by the auditors and management, and the adequacy of internal accounting control procedures and systems within the Corporation.

The Audit Committee is responsible for ensuring that management has implemented an effective system of internal control and has oversight responsibility for management reporting on internal control. The Audit Committee met four times in 2010 to fulfill its mandate.

Reserves Committee

The **Reserves Committee** is comprised of Messrs. Dumont (Chair), Bowerman and Weir. The members of the Audit and Reserves Committee also have significant experience and expertise in the oil and gas exploration and development industry.

The Board of Directors has established a mandate for the committee, which includes periodic review and updating of the Corporation's internal reserves data, meeting with the Company's independent reserves evaluators, independent of management and reviewing the way the Company's reserves information is evaluated and presented. The members also meet with the Company's independent engineers, review the reserve report, review the Company's procedures for providing, assembling and reporting information associated with the Company's oil and gas activities and assist in preparation of required securities law filings related to such matters.

Nominating, Compensation and Corporate Governance Committee

The Board of Directors has established an informal mandate for the **Nominating, Compensation and Corporate Governance Committee**. With respect to the nomination and compensation committee aspect of its duties, it is responsible for making recommendations to the Board of Directors on all matters relating to the nomination and compensation of the directors, officers, and employees of the Company, and reviewing all aspects of compensation paid to management and employees to ensure that the Company's compensation programs are competitive. With respect to the corporate governance committee aspect of its duties, it is responsible for developing the Company's approach to matters of corporate governance, including assisting the lead director in carrying out his responsibilities, annually reviewing the Board's and the Committees' mandates or charters, policies and documents, and adopting procedures to ensure that the Board of Directors can conduct its work efficiently and effectively.

The Nominating, Compensation and Corporate Governance Committee is comprised of the Board of Directors in its entirety. The Nominating, Compensation and Corporate Governance Committee anticipates meeting one time in 2011 to fulfill its mandate.