The responsibility of the board of directors (the “Board”) is to oversee the management of the business and affairs of the Company. The Board delegates the responsibility for day-to-day operations to the chief executive officer and the management team.

COMPOSITION

The Board understands that it must be independent of the management of the Company. To enhance the Board’s independence, the following guidelines have been implemented:

- a majority of the members of the Board will be independent;
- all committees will be composed solely of non-management directors;
- the Board and its committees can meet independently of management at any time;
- the Board and its committees can hire their own independent advisors;
- a non-management Chair of the Board (as determined by the Board) will be appointed with a clear mandate that provides leadership for the directors; and
- the Company will provide high-quality information for directors including orientation for new directors, meaningful presentations, access to management and sufficient time to review material.

The number of Board members shall be as provided for in the Company’s by-laws, or as otherwise determined in accordance with applicable laws, from time to time. Each director shall possess the qualities set out in the Position Description for Directors.

MEETINGS

The Board will meet a minimum of four times per year. For regularly scheduled meetings, an agenda for each Board meeting and other documents for consideration will be sent by courier or email to all directors about one week in advance of each meeting. For special meetings of the Board, best efforts will be made to distribute materials to the directors as far in advance thereof as practicable. A complete Board package, which includes all material for the meeting, will be provided to each director prior to the commencement of each meeting.

INDEPENDENCE

The Board is responsible for establishing the appropriate procedures to ensure that the Board, committees and individual directors can function independently of management. The Board can retain independent professionals. Each committee can retain and terminate independent professionals and each has the sole authority to approve all fees payable to an independent professional. Any director can retain an independent professional with the prior approval of the Nominating and Corporate Governance Committee. Each committee and the Board can conduct all or part of any meeting in the absence of management, and it is the Board’s policy to include such a session on the agenda of each regularly-scheduled Board meeting.
Each committee chair can also require the Corporate Secretary to convene a meeting of the Board or a committee to be held in the absence of management or to reserve an agenda item at any Board or committee meeting for business to be conducted in the absence of management. Each director can request such a meeting or reserved agenda item by contacting a committee chair.

**RESPONSIBILITIES**

The Board has the following specific duties and responsibilities, which may be delegated to committees of the Board, in whole or in part, with ongoing reporting by the committees to the Board:

**Strategic Planning**

The Board is responsible for the strategy and fundamental goals of the Company. This responsibility includes the adoption of a strategic planning process; annually convening a strategic planning meeting involving the Board and executive management, approving strategic plans which take into account, among other things, the major opportunities and risks of the Company; and overseeing the implementation of strategic plans and monitoring performance against such plans. This responsibility also includes reviewing and approving all major strategy and policy recommendations including the financial plan and approving operating budgets, and specific requests for major acquisitions.

**Risk Management**

The Board is responsible for ensuring that the appropriate policies and procedures are in place to protect the assets and commodity hedging policies the Company and assure its viable future. The Board is also responsible for identifying the principal risks of all aspects of the Company’s business and ensuring the implementation of appropriate systems to manage these risks.

**Internal Controls and Management Information Systems**

The Board is responsible for overseeing and monitoring the integrity of the Company’s internal controls, management information systems and audit procedures, and overseeing the appropriate operation of the Company including compliance with all applicable regulatory requirements through financial and other management information systems, and appropriate inspection, compliance and control systems. The Board is responsible for ensuring financial reporting and financial control systems are operating, and approving the quality and sufficiency of information provided to the directors.

**Communications Policy**

The Board is responsible for establishing a communications policy for the Company and overseeing the maintenance of effective shareholder relations through the Company’s communications policy and programs so that accurate and timely information is disseminated to and feedback is accommodated from shareholders.

**Director Orientation and Assessment**

The Board is responsible for ensuring there is a formal orientation program for new directors and for assessing the contribution of the Board, committees and all directors annually.
Evaluation, Compensation and Succession Planning

The Board is responsible for overseeing the effective operation of the Company by appointing, assessing performance of, compensating, disciplining and succession planning for all senior Company officers. The Board is responsible for ensuring the senior management team has the appropriate qualities and competencies to meet the expectations set by the Board. The Board is responsible for approving the compensation of the senior management team and the compensation policies of the Company, including reviewing the adequacy and form of compensation of directors. The Board is responsible for developing a position description for the Board, the Chief Executive Officer and the Chief Financial Officer which, together with other Board approved policies and practices, should provide for a definition of the limits to management’s responsibilities. The Board is responsible for approving the objectives of the Company to be met by the Chief Executive Officer.

General

The Board is responsible for monitoring the effectiveness of the Company’s corporate governance practices and approving any necessary changes, as required. The Board is responsible for establishing general the Company policies and performing other tasks required by law.