
BOARD OF DIRECTORS CORPORATE GOVERNANCE GUIDELINES

1. INTRODUCTION

This Charter and Corporate Governance Guidelines (the "Charter") have been adopted by the Corporation's Board of Directors (the "Directors"), acting on the recommendation of its Corporate Governance and Nominating Committee, to assist the Board and its committees in the exercise of their responsibilities. These principles and policies are in addition to and are not intended to change or interpret any Federal or Provincial law or regulation or the Memorandum and Articles of the Corporation. The Board of Directors will review this Charter at least annually and, if appropriate, revise this Charter from time to time.

2. OPERATION OF THE BOARD

2.1 *Director Responsibilities*

The basic responsibility of the Directors is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Corporation and its shareholders. In discharging that obligation, the Directors should be entitled to rely on the honesty and integrity of the Corporation's executive officers and its outside advisors and auditors. Each Director shall make every reasonable effort to attend each meeting of the Board and any Committee of which the director is a member, and to be reasonably available to management and the other directors for consultations between meetings.

In furtherance of its responsibilities, the Board of Directors will:

- Review, evaluate and approve, on a regular basis and at least annually, long-range strategic plans for the Corporation.
- Review, evaluate and approve major resource allocations and capital investments.
- Review the financial and operating results of the Corporation.
- Review and evaluate the principal risks of the Corporation's business and ensure appropriate systems are in place to manage these risks.
- Review, evaluate and approve the overall corporate organizational structure, the integrity of senior management, the assignment of senior management responsibilities and plans for senior management development and succession.
- Adopt, implement and monitor compliance with the Corporation's Corporate Governance guidelines.

Directors are expected to advise the Chief Executive Officer prior to accepting any other public Corporation directorship or any assignment to the audit committee of the board of directors of any public Corporation of which such a Director is a member.

Directors are expected to report changes in their business and professional affiliations or responsibilities, including retirement, to the Corporate Secretary and the Chairman of the Corporate Governance and Nominating Committee.

2.2 Board and Committee Meetings

Board and Committee meetings will be held regularly in accordance with the Memorandum and Articles of the Corporation or in accordance with the specific Committee charter. Directors are expected to attend Board meetings and meetings of the committees on which they serve. Directors should spend the time necessary and meet as frequently as necessary to properly discharge their responsibilities.

The Chairman, Chief Executive Officer or Committee Chairpersons may from time to time invite corporate officers, other employees and advisors to attend Board or committee meetings whenever deemed appropriate.

2.3 Agenda Items for Board and Committee Meetings

The Chairman and Corporate Secretary will establish the agenda for each Board meeting. At the beginning of the year the Chairman will establish a schedule of agenda subjects to be discussed during the year (to the degree this can be foreseen). Each Director is free to suggest the inclusion of items on the agenda. Each Director is free to raise at any Board meeting subjects that are not on the agenda for that meeting. A detailed agenda and, to the extent feasible, supporting documents and proposed resolutions will be provided to the Directors approximately one week prior to each Board meeting. Directors should review these materials in advance of the meeting. Subject to any applicable notice requirements, Directors having items to suggest for inclusion on the agenda for future Board meetings should advise the Corporate Secretary and Chairman well in advance of such meetings.

The Chairperson of each committee, in consultation with the committee members, will determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter. The Chairperson of each committee, in consultation with the appropriate members of the committee and management, will develop the committee's agenda. At the beginning of each year each committee will establish a schedule of agenda subjects to be discussed during the year (to the degree these can be foreseen). A detailed agenda and, to the extent feasible, supporting documents and proposed resolutions will be provided to the committee members approximately one week prior to each committee meeting. Committee members should review these materials in advance of the meeting.

2.4 Director Compensation

The Board of Directors or an authorized committee thereof will determine and review the form and amount of director compensation, including cash, equity based awards and other director compensations. In connection with such director compensations the Board of Directors will be aware that questions may be raised when directors' fees and benefits exceed what is customary. The Board of Directors will consider that the independence of the Directors may be jeopardized if Director compensation and perquisites exceed customary levels, if the Corporation makes substantial charitable contributions to organizations with which a Director is affiliated, or if the Corporation enters into consulting contracts with or provides other indirect forms of compensation to a Director or an organization with which the Director is affiliated.

2.5 Director Orientation and Education

Management will provide new Directors with an initial orientation in order to familiarize them with the Corporation and its strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its Corporate Governance Guidelines and its independent auditors. The Board of Directors of the Corporation will encourage, but not require directors to periodically pursue or obtain appropriate programs, sessions or materials as to the responsibilities of directors of publicly traded companies.

2.6 Director Access to Officers

Directors have full and free access to officers of the Corporation. Any meetings or contacts that a Director wishes to initiate may be arranged through the Chief Executive Officer or the Corporate Secretary, subject to reasonable advance notice to the Corporation and reasonable efforts to avoid disruption to the Corporation's operations.

2.7 Independent Advisors

The Board and each committee, to the extent set forth in the applicable committee charter, have the right to engage experts or advisors, including independent legal counsel at the expense of the Corporation.

3. BOARD STRUCTURE

3.1 Size of the Board

The size of the Board of Directors shall be determined in accordance with the Memorandum and Articles of Association of the Corporation, with acknowledgement that the number of Board members be such that the Corporation can operate effectively and efficiently.

3.2 Selection of Directors

Nominees for directorship will be recommended to the Board by the Chairman, Chief Executive Officer or Corporate Governance and Nominating Committee in accordance with the policies and principles set forth in its charter. Any invitation to join the Board should be extended through the Chairperson of the Corporate Governance and Nominating Committee or the Chairman of the Board or Chief Executive Officer after approval by the full Board.

The Board is responsible for nominating members to the Board and for filling vacancies on the Board that may occur between annual meetings of shareholders, in each case based upon the recommendation of the Corporate Governance and Nominating Committee.

3.3 *Director Qualifications*

The Corporate Governance and Nominating Committee is responsible for recommending to the Board the types of skills and characteristics required of directors, based on the needs of the Corporation from time to time. This assessment should include issues of relevant experience, intelligence, independence, commitment, compatibility with the Chief Executive Officer and the Board culture, understanding of the Corporation's business and other factors deemed relevant. The Corporate Governance and Nominating Committee should confer with the full Board as to the criteria it intends to apply before a search for a new director is commenced.

A sufficient number of the Directors should be independent directors in accordance with the applicable policies and guidelines of the Canadian Securities Administrators.

3.4 *Resignation from the Board*

Any Director may resign at any time by giving notice in writing or by electronic transmission to the Corporation Secretary. Such resignation shall take effect upon receipt thereof or at any later time specified therein; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

4. COMMITTEES OF THE BOARD

A substantial portion of the analysis and work of the Board is done by standing Board committees. The Board has established the following standing committees: the Audit Committee; the Corporate Governance and Nominating Committee; the Safety, Health & Environment Committee and the Remuneration Committee. The Board may, from time to time, establish or maintain additional committees as necessary or appropriate. Each Committee Chair, in consultation with Committee members, will determine the frequency and length of each Committee's meetings.

Committee members will be appointed by the Board upon recommendation of the Corporate Governance and Nominating Committee with consideration of the desires of individual Directors and skills. It is the sense of the Board that consideration should be given to rotating committee members periodically, but the Board does not feel that rotation should be mandated as a policy.

Each committee will have its own charter. The charters will set forth the purposes, goals and responsibilities of the committees as well as qualifications for committee membership, procedures for committee member appointment and removal, committee structure and operations and committee reporting to the Board. All members of the Audit Committee will be independent directors. All members of the Corporate Governance and Nominating Committee, Remuneration Committee and Safety, Health & Environment will preferably be independent directors.

Each Committee chair, in consultation with the committee members and management, will develop the Committee's agenda. Each Committee will issue annually a schedule of proposed meeting dates and agenda items for the upcoming year (to the degree these items can be foreseen). These agendas will be shared with the Board.

Attendance of non-Committee persons at Committee meetings will be at the pleasure of the Committee.

Minutes of each Committee meeting will be kept and made available to the Board. Each Committee will report regularly to the Board on substantive matters considered by the Committee.

The Board shall be responsible for conducting an annual self-evaluation. The Corporate Governance and Nominating Committee shall be responsible for monitoring the processes and evaluation criteria established by each committee. The assessment will be discussed with the full Board following the end of each fiscal year.

5. AMENDMENT, MODIFICATION AND WAIVER

These guidelines may be amended or modified by the Board of Directors, subject to disclosure and other policies and guidelines of the Canadian Securities Administrators.