



## **Environment, Health and Safety Committee**

Adopted by the Board: 27 September 2006

The Board of Directors of (the "Company") has established an Environment, Health and Safety Committee ("Committee") to further its commitment to environmentally responsible exploration and resource development and to the establishment and maintenance of a safe and healthy workplace.

Due to the size of the Company the Committee will be comprised of the current three directors.

The authority, structure, operations, purpose, responsibilities and specific duties of the Committee are described below:

### **Authority**

The Board of Directors has given the Committee the authority to investigate any activity of the Company and its subsidiaries relating to environment, health or safety matters. The Committee shall be granted unrestricted access to all information and all employees shall be directed to cooperate as requested by members of the Committee. The Committee has the authority to retain, at the Company's expense, persons having special competencies to assist the Committee in fulfilling its responsibilities.

### **Structure and Operation**

Committee members shall serve until successors shall be duly designated. Any vacancy in the Committee occurring for any cause may be filled by a person elected by a majority of the Board then in office.

The Committee's Chairman shall be designated by the Board. A majority of the members of the Committee shall constitute a quorum for the transaction of business.

The Committee may form and delegate authority to subcommittees when appropriate.

### **Purpose and Responsibilities**

The primary responsibility for management of environmental, health and safety issues relating to the Company, including compliance with laws and regulations, rests with the management of the Company.

The Committee's primary purposes are to assist the Board in its oversight of:

1. the environment, safety and health issues relating to the Company;
2. the Committee's compliance with corporate policies that provide processes, procedures and standards to follow in accomplishing the Company's goals and objectives relating to environment, safety and health issues; and
3. the management of risks related to environment, safety and health issues.



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### Specific Duties

The Committee is expected to do the following:

- Review with management the Company's objectives, policies and programs relative to environment, safety and health issues.
- Make inquiries of management concerning compliance with applicable laws, rules, regulations and standards of corporate conduct, as the Committee determines appropriate.
- Review with management the following items as they relate to environment, safety or health matters:
  - (i) the Company's policies with respect to risk assessment and risk management;
  - (ii) the Company's major financial risk exposures;
  - (iii) the systems that management has developed to monitor and control such exposures;
  - (iv) the compliance with prevailing regulatory requirements;
  - (v) material claims and all legal proceedings against the Company that may arise relating to environment, safety and health issues.
- Review with management the Company's record of performance on environment, safety and health matters, along with any proposed actions based on the record of performance.
- Regularly report to the Board on significant developments in the course of performing the above duties, including reviewing with the Board any issues that arise with respect to the Company's compliance with legal or regulatory requirements.
- Apprise the Audit Committee of the Board of significant changes in financial risk exposures or potential disclosure issues relating to environment, safety and health matters.

**MANAGING DIRECTOR APPROVAL.....**