

**RAGING RIVER EXPLORATION INC.  
MANDATE OF THE BOARD OF DIRECTORS**

1. **Role:** The Board of Directors (the "**Board**") of the Raging River Exploration Inc. (the "**Corporation**" or "**Raging River**") Corporation is responsible for the stewardship of the Corporation. In discharging its responsibility, the Board will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances and will act honestly and in good faith with a view to the best interests of Raging River. In general terms, the Board will endeavor to:
  - (a) define the principal objective(s) of the Corporation based upon the recommendations of the Chief Executive Officer of the Corporation (the "**CEO**"), the members of the Board and others deemed appropriate for such purpose;
  - (b) monitor the management of the business and affairs of Raging River with the goal of achieving Raging River's principal objective(s) as defined by the Board;
  - (c) discharge the duties imposed on the Board by applicable laws; and
  - (d) for the purpose of carrying out the foregoing responsibilities, take all such actions as the Board deems necessary or appropriate.
  
2. **Mandate and Responsibilities:** Without limiting the generality of the foregoing, the Board, as determined to be appropriate, will endeavor to perform the following duties.

*Strategic Operating, Capital Plans and Financing Plans*

- (a) require the CEO to present annually to the Board a longer range strategic plan and a shorter range business plan for Raging River's business, which plans must:
  - (i) be designed to achieve Raging River's principal objectives;
  - (ii) identify the principal strategic and operational opportunities and risk of Raging River's business; and
  - (iii) be approved by the Board as a pre-condition to the implementation of such plans.
- (b) review progress towards the achievement of the goals established in the strategic, operating and capital plans;
- (c) review the principal risks of the Corporation's business identified by the CEO and review management's implementation of the appropriate systems to manage these risks;
- (d) approve the annual operating and capital budgets and plans and subsequent revisions thereof;
- (e) consider and if determined appropriate approve an authority framework providing the management of the Corporation with certain parameters for expenditures and dispositions, including for property acquisitions and dispositions, that can be carried out without Board approval;

- (f) approve the establishment of credit facilities and borrowings; and
- (g) approve issuances of additional shares or other securities to the public.

***Monitoring and Acting***

- (h) monitor Raging River's progress towards its goals, and to revise and alter its direction through management in light of changing circumstances;
- (i) monitor overall human resource policies and procedures, including compensation and succession planning;
- (j) appoint the CEO and, as required, determine the terms of the CEO's employment with Raging River;
- (k) approve the dividend policy of Raging River;
- (l) review the systems implemented by management and the Board which are designed to maintain or enhance the integrity of Raging River's internal control and management information systems;
- (m) monitor the "good corporate citizenship" of Raging River, including compliance by Raging River with all applicable environmental laws;
- (n) review the systems implemented by management and the Board which are designed to respond to emergencies relating to health, safety and environmental matters;
- (o) in consultation with the CEO, establish the ethical standards to be observed by all officers, employees and consultants of Raging River and use reasonable efforts to ensure that a process is in place to monitor compliance with those standards;
- (p) require that the CEO institute and monitor processes and systems designed to ensure compliance with applicable laws by Raging River and its officers and employees; and
- (q) approve all matters relating to a takeover bid of Raging River.

***Compliance Reporting and Corporate Communications***

- (r) review the procedures implemented by Management and the Board which are designed to ensure that the operational and financial performance of Raging River is properly reported to shareholders, other security holders and regulators on a timely and regular basis;
- (s) recommend to shareholders of Raging River a firm of chartered accountants to be appointed as Raging River's auditors;
- (t) review the procedures designed and implemented by management and the independent auditors to ensure that the financial results are reported fairly and in accordance with generally accepted accounting principles;
- (u) review the procedures implemented by Management and the Board which are designed to ensure the timely reporting of any other developments that have a significant and material impact on the value of Raging River;

- (v) review, consider and where required, approve the appointment of one or more "qualified reserves evaluators or auditors" as defined in National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities* ("**NI 51-101**");
- (w) review, consider and where required, approve, the reports required under NI 51-101;
- (x) review and consider the Corporation's compliance with environmental and safety regulations and review and consider policies designed by management in connection therewith; and
- (y) where required, approve any policy designed to enable Raging River to communicate effectively with its shareholders and the public generally.

#### ***Integrity/Corporate Conduct***

- (z) approve a code of business conduct and ethics for directors, officers and employees, approve any waivers of it for officers and directors and, in cooperation with management, monitor compliance with it; and
- (aa) to the extent feasible, satisfy itself as to the integrity of the CEO and other officers of Raging River and that the CEO and other officers create a culture of integrity throughout Raging River;

#### ***Governance***

- (bb) in consultation with the Chair of the Board and the Lead Independent Director (as defined below), as applicable, develop a position description for the Chair of the Board and the Lead Independent Director, as applicable;
- (cc) facilitate the continuity, effectiveness and independence of the Board by, amongst other things:
  - (i) selecting nominees for election to the Board;
  - (ii) appointing a Chair of the Board who is not a member of management or, failing that, ensuring that an independent "lead director" (the "**Lead Independent Director**") is appointed;
  - (iii) appointing from amongst the directors an audit committee and such other committees of the Board as the Board deems appropriate;
  - (iv) defining the mandate or terms of reference of each committee of the Board;
  - (v) ensuring that processes are in place and are utilized to assess the effectiveness of the Chair of the Board, the Board as a whole, each committee of the Board and each director;
  - (vi) establishing a system to enable any director to engage an outside adviser at the expense of Raging River; and
- (dd) review annually the adequacy and form of the compensation of directors.

3. **Administrative Matters:** The following general provisions shall have application to the Board:
- (a) the Board may delegate its duties to and receive reports and recommendations from any committee of the Board; and
  - (b) subject to terms of any corporate disclosure policy and other policies and procedures of Raging River, the Chairman of the Board (if any and independent) or the Lead Independent Director (if any), when appropriate, will act as a liaison between stakeholders of Raging River and the Board (including independent members of the Board).
  - (c) a majority of Board members should be "independent" Directors as such term is defined in National Instrument 58-101 – *Disclosure of Corporate Governance Practices*;
  - (d) on at least an annual basis, the Board shall conduct an analysis and make a positive affirmation as to the "independence" of a majority of its Board members;
  - (e) members should have or obtain sufficient knowledge of Raging River and the oil and gas business to assist in providing advice and counsel on relevant issues.
  - (f) the Board shall meet at least four times per year and/or as deemed appropriate by the Board Chair;
  - (g) minutes of each meeting shall be prepared by the Corporate Secretary to the Board;
  - (h) members should review materials prior to meetings to ensure that they have sufficient knowledge in providing advice and counsel on relevant issues;
  - (i) the CEO or his designate(s) may be present at all meetings of the Board; and
  - (j) Vice-Presidents and such other staff as appropriate to provide information to the Board shall attend meetings at the invitation of the Board.
  - (k) following each meeting, the Corporate Secretary will promptly report to the Board by way of providing draft copies of the minutes of the meetings;
  - (l) supporting schedules and information reviewed by the Board at any meeting shall be available for examination by any Director upon request to the CEO;
  - (m) the Board shall have the authority to review any corporate report or material and to investigate activity of the Corporation and to request any employees to cooperate as requested by the Board; and
  - (n) the Board may retain persons having special expertise and/or obtain independent professional advice to assist in fulfilling its responsibilities at the expense of Raging River.

Nothing contained in this mandate is intended to expand applicable standards of liability under statutory, regulatory, common law or any other legal requirements for the Board or members of the Board. The Board may adopt additional policies and procedures as it deems necessary from time to time to fulfill its responsibilities.