

# ***AKITA Drilling Ltd.***

## **Pension Committee Mandate**

### **Purpose**

The purpose of this Mandate is to establish the terms of reference of the Pension Committee of AKITA Drilling Ltd. (the "Corporation"). The Pension Committee is appointed by the Board of Directors (the "Board") of the Corporation and is responsible for ensuring the *Statement of Investment Policies and Procedures (The Retirement Plan for Employees of AKITA Drilling Ltd.)* as approved on October 1, 2011, is adhered to by the Corporation.

### **Composition**

The Board shall elect annually from among its members and from among management a committee to be known as the "Pension Committee" (the "Committee"). The Committee shall be composed of five members and shall include among its members a minimum of two directors of the Corporation. The Board will appoint one member of the Committee as Chair of The Committee.

### **Responsibilities**

The Committee shall have responsibility for overseeing and making recommendations or determinations to the Board regarding the following:

- (a) the investment performance within the Corporation's Defined Contribution Pension Plan (the "Plan") as well as the allocation of new and existing investments against targeted amounts;
- (b) restructuring of targets in accordance with various age classes within the Plan;
- (c) reporting on the macro investment climate including forecasted expectations;
- (d) considering alternative investing strategies;
- (e) appointing and monitoring of the Plan's fund custodian and investment manager;
- (f) the effectiveness of communication programs to the Plan's members; and
- (g) the effectiveness of complementary retirement programs.

### **Administrative Matters**

The following general provisions shall have application to the Committee:

- (a) a quorum of the Committee shall be the attendance of four (4) members thereof. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present or by a resolution in writing signed by all the members of the Committee;
- (b) any member of the Committee may be removed or replaced at any time by resolution of the directors of the Corporation. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all its powers so long as a quorum remains. Subject to the foregoing, each member of the Committee shall

hold such office until the close of the annual meeting of shareholders next following the date of appointment as a member of the Committee or until a successor is duly appointed;

- (c) the Committee may invite such officers, directors and employees of the Corporation or affiliates as it may see fit from time to time to attend at meetings of the Committee and to assist thereat in the discussion of matters being considered by the Committee;
- (d) the Committee, having regard to the by-laws of the Corporation, shall determine the time and place for Committee meetings, the calling and the procedure at such meetings, and shall meet at least two times annually. Members shall be provided a minimum of 48 hours prior written notice (or such shorter period as the members may permit) prior to each meeting;
- (e) the Committee shall report to the Board on such matters and questions relating to the administration of the Plan as the Board may from time to time refer to the Committee;
- (f) minutes of the Committee meetings shall be recorded and maintained. The Committee will report to the Board on the activities of the Committee and/or the minutes of the Committee meetings will be promptly circulated to the directors or otherwise made available at the next Board meeting; and
- (g) the Committee shall have the authority to:
  - (i) engage independent counsel and other advisors or consultants as it determines necessary to carry out its duties;
  - (ii) set and pay the compensation for any advisors employed by the Committee; and
  - (iii) communicate directly with the internal (if any) and external auditors.

### **Review of Mandate**

On an annual basis, the Committee shall review its objectives and responsibilities and implement any changes it deems are necessary to this Mandate prior to presenting the Committee Mandate to the Corporate Governance, Nomination, Compensation and Succession Committee for it to recommend to the Board for Board Approval.