

I. PURPOSE

The purpose of the Sustainability, HSE, and Reserves Committee (the “Committee”) is to assist the Board in carrying out its responsibilities to ensure that Tenaz Energy Corp.’s (the “Corporation”) activities are conducted to:

- A.** Maintain a robust sustainability policy and oversee sustainability performance.
- B.** Operate in an environmentally responsible manner.
- C.** Maintain the highest standards in health and safety policies and to provide leadership and support to management and the workforce in implementation of these policies.
- D.** Maintain a mechanism to review the oil and gas reserves and resources of the corporation.

II. COMPOSITION AND OPERATIONS

- A.** The Committee shall be composed of not fewer than two directors, all of whom shall be independent directors.
- B.** The Committee shall operate in a manner that is consistent with the Committee Guidelines outlined in the Board Manual.
- C.** The Committee shall meet at least two times per year.

III. DUTIES AND RESPONSIBILITIES

The Committee shall:

A. Sustainability

- i) Oversee the development and evolution of the Corporation’s policies, practises, and strategies relating to sustainability matters.
- ii) Review and assess whether the Corporation’s sustainability initiatives are effectively implemented, comply with applicable legislation, conform with industry standards and support the Corporation’s business objectives.
- iii) Review the Corporation’s sustainability performance and the development of internal and external key performance indicators.
- iv) Review the Corporation’s disclosure, reporting and external communication practices pertaining to sustainability issues.
- v) Review emerging risks and opportunities associated with sustainability issues as they relate to the Corporation’s operations.

- vi) Assist the Board in respect of matters related to sustainability.

B. Health, Safety & Environment

- i) Oversee the development and evolution of the Corporation's policies, practises, and strategies related to health, safety, and environmental protection.
- ii) Review and assess whether the Corporation's Health, Safety & Environment Policies are effectively implemented, comply with applicable legislation and conform with industry standards.
- iii) Review the Corporation's health, safety, and environmental activities and performance, including:
 - a) performance and compliance with codes, standards, regulations and applicable laws;
 - b) significant external or internal audit reports;
 - c) emerging trends, issues and regulations that could materially impact the Corporation's business; and
 - d) outstanding litigation as it relates to environment, health or safety matters.
- iv) Review the insurable risks related to health, safety and the environment and evaluate cost/insurance benefits associated with those risks; concerning insurance, the Committee shall consult with and review the recommendations of the Audit Committee.
- v) Assist the Board in respect of matters related to health, safety, and the environment.

C. Reserves

- i) Review the selection and qualifications of the independent engineering firm responsible for estimation of reserve and resource quantities ("the independent engineering firm"), the scope of its work and ensure the consistency of its practices, standards, and definitions.
- ii) Review matters relating to the preparation, disclosure and/or filing of information related to the reserves and resources of the Corporation, and its affiliates, and make a recommendation to the Board as to whether to approve the disclosure and/or filing of such information.
- iii) Review externally disclosed oil and gas reserve and resource estimates and ensure they meet the requirements of applicable securities legislation.

- iv) Review the Corporation's practices against applicable engineering standards and any relevant "best practice" guidelines.
- v) Periodically review the Corporation's relationship with the independent engineering firm.
- vi) Assist the Board in respect of matters related to evaluations of petroleum and natural gas reserves and resources.

IV. ACCOUNTABILITY

- A.** The Committee shall recognize that there will be overlap with the Governance and Human Resources Committee's responsibilities and matters related to Health, Safety and Environment and sustainability, and shall coordinate actions to ensure consistency in approach.
- B.** The Committee shall report its discussions to the Board by maintaining minutes of its meetings and providing an oral report at the next Board meeting.
- C.** The Committee Chair has the responsibility to make periodic reports to the Board, as requested, on sustainability, environment, health and safety and reserve matters relative to the Corporation.

V. COMMITTEE TIMETABLE

The timetable on the following pages outlines the Committee's schedule of activities.

| | Task | Meeting ⁽¹⁾ | | | |
|-----------|---|------------------------|----|----|----|
| | | Q1 | Q2 | Q3 | Q4 |
| A. | Sustainability | | | | |
| i) | Oversee the development of the Corporation's policies, practises, and strategies relating to sustainability matters. | | | | ☒ |
| ii) | Review and assess whether the Corporation's sustainability initiatives are effectively implemented, comply with applicable legislation, conform with industry standards, and support the Corporation's business objectives. | | | | ☒ |
| iii) | Review the Corporation's sustainability performance and the development of internal and external key performance indicators. | | ☒ | | ☒ |
| iv) | Review the Corporation's disclosure, reporting and external communication practices pertaining to sustainability issues. | | ☒ | | ☒ |

| | Task | Meeting ⁽¹⁾ | | | |
|-----------|---|-------------------------------------|-------------------------------------|----|-------------------------------------|
| | | Q1 | Q2 | Q3 | Q4 |
| v) | Review emerging risks and opportunities associated with sustainability issues as they relate to the Corporation's operations. | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> |
| vi) | Assist the Board in respect of matters related to sustainability. | <i>As needed.</i> | | | |
| B. | Health, Safety, and Environment | | | | |
| i) | Oversee the development and evolution of the Corporation's policies, practises, and strategies related to health, safety, and environmental protection. | | | | <input checked="" type="checkbox"/> |
| ii) | Review and assess whether the Corporation's Health, Safety & Environment Policies are effectively implemented, comply with applicable legislation, and conform with industry standards. | | | | <input checked="" type="checkbox"/> |
| iii) | Review the Corporation's health, safety, and environmental activities and performance. | <input checked="" type="checkbox"/> | | | <input checked="" type="checkbox"/> |
| iv) | Review the insurable risks related to health, safety, and environment and evaluate cost/insurance benefits associated with those risks. | <input checked="" type="checkbox"/> | | | <input checked="" type="checkbox"/> |
| v) | Assist the Board in respect of matters related to health, safety, and the environment. | <i>As needed.</i> | | | |
| C. | Reserves | | | | |
| i) | Review the selection and qualifications of the independent engineering firm responsible for estimation of reserve and resource quantities ("the independent engineering firm"), the scope of its work and ensure the consistency of its practices, standards, and definitions. | | | | <input checked="" type="checkbox"/> |
| ii) | Review matters relating to the preparation, disclosure and/or filing of information related to the reserves and resources of the Corporation, and its affiliates, and make a recommendation to the Board as to whether to approve the disclosure and/or filing of such information. | | | | <input checked="" type="checkbox"/> |
| iii) | Review externally disclosed oil and gas reserve and resource estimates and ensure they meet the requirements of applicable securities legislation. | | | | <input checked="" type="checkbox"/> |

| | Task | Meeting ⁽¹⁾ | | | |
|-----|--|------------------------|----|----|-------------------------------------|
| | | Q1 | Q2 | Q3 | Q4 |
| iv) | Review the Corporation's practices against applicable engineering standards and any relevant "best practice" guidelines. | | | | <input checked="" type="checkbox"/> |
| v) | Periodically review the Corporation's relationship with the independent engineering firm. | | | | <input checked="" type="checkbox"/> |
| vi) | Assist the Board in respect of matters related to evaluations of petroleum and natural gas reserves and resources. | <i>As needed.</i> | | | |

Note:

(1) Pursuant to the Terms of Reference for the Sustainability, HSE, and Reserves Committee, the Committee is required to meet at least twice annually.