



# CHARTER OF THE HEALTH, SAFETY AND ENVIRONMENTAL COMMITTEE OF THE BOARD OF DIRECTORS

**GEODRILL**

## GEODRILL LIMITED

### Charter of the Health, Safety and Environmental Committee of the Board of Directors

#### I. PURPOSE

The Health, Safety and Environmental Committee (the “**Committee**”) is appointed by the Board of Directors (the “**Board**”) of Geodrill Limited (the “**Corporation**”) to assist the Board in fulfilling its oversight responsibilities relating to the health, safety and environmental matters of the Corporation in all jurisdictions where it operates. In the performance of its duties, the Committee will be guided by the following principles:

- overseeing the development and implementation of policies and management systems of the Corporation relating to health, safety and environmental issues in order to ensure compliance with applicable laws and best management practices; and
- assisting the Board in developing a corporate culture of environmental responsibilities and awareness as to the importance of health and safety.

#### II. COMPOSITION AND MEETINGS

1. The Committee and its membership shall meet all applicable legal, regulatory and listing requirements, including any stock exchange upon which the securities of the Corporation trade and all other applicable securities regulatory authorities.
2. The Committee shall be composed of three or more directors as shall be designated by the Board from time to time. The members of the Committee shall appoint from among themselves a member who shall serve as Chair. The position description and responsibilities of the Chair are set out in Schedule “A” attached hereto.
3. The majority of the members of the Committee shall be “independent” (as defined under National Instrument 52-110 – *Audit Committees*, of the Canadian Securities Administrators).
4. Each member of the Committee shall serve at the appointment of the Board. The Committee shall report to the Board.
5. The Committee shall meet at least annually, at the discretion of the Chair or a majority of its members, as circumstances dictate or as may be required by applicable legal or listing requirements, and a majority of the members of the Committee shall constitute a quorum.
6. If within one hour of the time appointed for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the adjourned meeting a

quorum as hereinbefore specified is not present within one hour of the time appointed for such adjourned meeting, such meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the second adjourned meeting a quorum as hereinbefore specified is not present, the quorum for the adjourned meeting shall consist of the members then present.

7. If and whenever a vacancy shall exist, the remaining members of the Committee may exercise all of its powers and responsibilities so long as a quorum remains in office.
8. The time and place at which meetings of the Committee shall be held, and procedures at such meetings, shall be determined from time to time by, the Committee. A meeting of the Committee may be called by letter, telephone, facsimile, email or other communication equipment, by giving at least 48 hours notice, provided that no notice of a meeting shall be necessary if all of the members are present either in person or by means of conference telephone or if those absent have waived notice or otherwise signified their consent to the holding of such meeting.
9. Any member of the Committee may participate in the meeting of the Committee by means of conference telephone or other communication equipment, and the member participating in a meeting pursuant to this paragraph shall be deemed, for purposes hereof, to be present in person at the meeting.
10. The Committee shall keep minutes of its meetings which shall be submitted to the Board. The Committee may, from time to time, appoint any person who need not be a member, to act as a secretary at any meeting.
11. The Committee may invite such officers, directors and employees of the Corporation and its subsidiaries as it may see fit, from time to time, to attend at meetings of the Committee.
12. With the consent of the Board, the Committee shall have the authority to engage and compensate any outside advisors, at the Corporation's expense, that it determines necessary to permit it to carry out its duties.
13. Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose; actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose. The Committee shall report its determinations to the Board at the next scheduled meeting of the Board, or earlier as the Committee deems necessary. All decisions or recommendations of the Committee shall require the approval of the Board prior to implementation.
14. The Committee members will be elected annually at the first meeting of the Board following the annual general meeting of the shareholders.

15. The Board may at any time amend or rescind any of the provisions hereof, or cancel them entirely, with or without substitution.

### **III. RESPONSIBILITIES**

The responsibilities of the Committee shall be:

1. To encourage, assist, support and counsel the Board and management in developing short and long term policies and standards to ensure that the principles set out in the health, safety and environmental policies are being adhered to and achieved and are in accordance with all laws and regulations existing in the jurisdiction where it operates.
2. To review and recommend to the Board, for approval, changes in or additions to health, safety and environmental policies, standards, accountabilities and programs for the Corporation in the context of competitive, legal and operational considerations.
3. To require management to ensure that employees are: (a) aware of the Corporation's policies with respect to health, safety and environmental matters; and (b) expected to deal with health, safety and environmental matters expeditiously or to bring such problems to the attention of appropriate management personnel.
4. To review results of any operational health, safety and environmental audits and to ensure that management maintains appropriate internal and external health, safety and environmental audits.
5. To ensure that principle areas of health, safety and environmental risk and impacts are identified and that sufficient resources are allocated to address these.
6. To receive and review reports from management and independent consultants, if any, on the nature and extent of compliance or any non-compliance with health, safety and environmental policies, standards and applicable legislation.
7. To investigate, or cause to be investigated, any extraordinary negative health, safety and environmental performance where appropriate, to correct deficiencies, and to report to the Board on the status of such matters.
8. To require management to keep it apprised of current and emerging issues and proposed legislation in health, safety and environmental matters as they may affect the Corporation's operations and shall bring to the attention of the Board such issues as it shall think appropriate.
9. To oversee all disclosure of the Corporation related to health, safety and environmental matters.
10. To review such other health, safety and environmental matters as the Committee may consider suitable or the Board may specifically direct.
11. To periodically consider the appropriate size of the Committee with a view to facilitating effective decision making.
12. To adopt such policies and procedures as it deems appropriate to operate effectively.

## Schedule “A”

### GEODRILL LIMITED

#### **Position Description for the Chairman of the Health, Safety and Environmental Committee**

##### **I. Purpose**

The Chairman of the Health, Safety and Environmental Committee of the Board shall be a director who is elected by the Board to act as the leader of the Committee in, among other things: (i) reviewing and recommending to the Board policies to ensure that the health, safety and environmental policies are being adhered to and achieved; and (ii) identifying principle areas of health, safety and environmental risk and ensuring that sufficient resources are allocated to address these areas.

##### **II. Who may be Chairman**

The Chairman will be selected amongst the directors of the Corporation who have a sufficient level of experience with health, safety and environmental issues to ensure the leadership and effectiveness of the Committee.

The Chairman will be selected annually at the first meeting of the Board following the annual general meeting of shareholders.

##### **III. Responsibilities**

The following are the primary responsibilities of the Chairman:

1. Chairing all meetings of the Committee in a manner that promotes meaningful discussion.
2. Ensuring adherence to the Committee’s Charter and that the adequacy of the Committee’s Charter is reviewed annually.
3. Providing leadership to the Committee to enhance the Committee’s effectiveness, including:
  - (a) Ensuring that the responsibilities of the Board are well understood by both the Board and management, and that the boundaries between Board and management responsibilities are clearly understood and respected to facilitate independent functioning and maintain an effective relationship between the Board and management;
  - (b) Providing the information to the Board relative to the Committee’s issues and initiatives and reviewing and submitting to the Board recommendations concerning overall health, safety and environmental matters;

- (c) Ensuring that the Committee works as a cohesive team with open communication;
  - (d) Ensuring that the resources available to the Committee are adequate to support its work and to resolve issues in a timely manner;
  - (e) Encouraging and supporting management in developing short and long term health, safety and environmental policies; and
  - (f) Ensuring that principle areas of health, safety and environmental risk and impacts are identified and that sufficient resources are allocated to address these.
4. Managing the Committee, including:
- (a) Adopting procedures to ensure that the Committee can conduct its work effectively and efficiently, including committee structure and composition, scheduling, and management of meetings;
  - (b) Preparing the agenda of the Committee meetings and ensuring pre-meeting material is distributed in a timely manner and is appropriate in terms of relevance, efficient format and detail;
  - (c) Ensuring meetings are appropriate in terms of frequency, length and content;
  - (d) Receiving and reviewing reports on the nature and extent of compliance or any non-compliance with health, safety and environmental policies, standards and applicable legislation; and
  - (e) Annually reviewing with the Committee its own performance.