

Anterra Energy Inc.

Audit and Reserves Committee Mandate

1. Purpose

The purpose of the Audit and Reserves Committee (the Committee) is to assist the board of directors (the Board) of the Anterra Energy Inc. (the Company”) in fulfilling its oversight responsibility by generally:

- a. Reviewing the Company's financial statements, MD&A, and annual and interim earnings press releases before the Company publicly discloses the information.
- b. reviewing the financial control system which management has established and the audit process;
- c. reviewing estimates of the oil, natural gas and natural gas liquids reserves of the Company prepared by management and by any independent consultants; and
- d. assuring the external auditor's and independent consulting engineer's independence.

2. Composition

- a. The Committee shall be composed of a minimum of three external directors, which may include the non-executive Chairman;
- b. The members of the Committee shall be appointed or re-appointed at the meeting of the Board immediately following each annual meeting of the shareholders of the Company. Each member of the Committee shall continue to be a member thereof until his successor is appointed, unless he shall resign or be removed by the Board or he shall otherwise cease to be a director of the Company. Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board and shall be filled by the Board if the membership of the Committee is less than three directors as a result of the vacancy; and
- c. The Board or, in the event of its failure to do so, the members of the Committee, shall appoint a chairman (the Chairman) from among their number. If the Chairman of the Committee is not present at any meeting of the Committee the Chairman of the meeting shall be chosen by the Committee from among the members present.

3. Minutes and Meetings

The time and place of meetings of the Committee and the procedure at such meetings shall be determined from time to time by the members thereof, subject to the following:

- a. The Committee shall meet at least four times per year. The meetings shall be scheduled to permit timely review of the interim and annual financial statements and the annual independent engineering reports on the Company's reserves. Additional meetings will be held as deemed necessary by the Chairman of the Committee or as requested by any member, the President, the Chief Financial Officer or by the external auditors;
- b. A quorum for a meeting shall be a majority of the Committee members, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak to and hear each other;
- c. Notice of the time and place of every meeting shall be given to each member not less than 24 hours before the time of the meeting, provided that meetings may be held without formal notice if all of the members are present and do not object to notice not having been given or if those absent waive notice in any manner before or after the meeting. Notices of meetings may be given verbally or in writing or by electronic communication and need not be accompanied by an agenda or any other material;
- d. The external auditor shall be given notice of, and shall be entitled to attend, each meeting of the Committee which deals with financial statements or financial controls;
- e. The Committee shall at all times have the right to determine who shall and shall not be present at any part of the meetings of the Committee, and shall regularly meet with the external auditor without management present; and
- f. At each meeting, the Committee shall designate a Secretary for the meeting who may be a member of the Committee, an officer or employee of the Company or any other person considered appropriate by the Committee. All deliberations, recommendations and decisions of the Committee shall be recorded by the Secretary in the minutes of the meetings of the Committee. A verbal report on such meeting shall be made by the Chairman of the Committee to the Board at the next Board meeting and the minutes of such meeting shall be circulated to the Committee and the Board prior to the next following Committee and Board meetings, respectively.

4. Committee Responsibilities

The Committee's responsibilities shall include:

Audit Matters

- a. Review the annual financial statements and MD&A with management and the external auditor prior to their submission to the Board for approval and issuance of the external auditor's opinion;
- b. Review annually the results of the external auditor's audit of the Company's financial statements, and their management letter, and report to the Board any matter remaining unresolved and generally be responsible for overseeing the work of the external auditor, including the resolution of disagreements between management and the external auditor regarding financial reporting.
- c. Review annually the results of the external auditor's procedures relating to the state of the Company's internal control systems and report to the Board the results of the review;
- d. Review the interim financial statements, MD&A, Presidents Report and earnings press release with management prior to their submission to the Board for approval;
- e. Review, prior to issue or review by the Board, all continuous disclosure and other documents of the Company that include financial statements either directly or incorporated by reference;
- f. Ensure disclosures related to Disclosure Controls and Procedures (DC&P) and Internal Control over Financial Reporting (ICFR) are complete and fairly presented, since material weaknesses along with material changes in ICFR, are required to be disclosed in the MD&A;
- g. Review, making specific inquiry regarding payment of taxes and employee remittances, the unaudited quarterly financial statements with management and approve the same;
- h. Quarterly review of related party transactions;
- i. Quarterly review senior management's expense claims.
- j. Review the quality of service and performance of the external auditor and recommend annually to the Board the appointment or reappointment of an external auditor;
- k. Review annually external audit fees;
- l. Review annually and report to the Board on the insurable risks and insurance coverage of the Company;
- m. Review annually and report to the Board on outstanding litigation, claims or other contingencies, including tax assessments which could have a material effect;
- n. Review any non-audit related services provided by the external auditor and the fees related thereto and assess the impact of such non-audit

related services on the independence of the external auditors;

- o. Receive annually a report of management as to its internal control processes;
- p. Review and pre-approve any non-audit services to be provided by the external auditors and consider the impact on the independence of such auditors and in connection therewith the Committee may delegate to one or more independent members the authority to pre-approve non-audit services, provided that the member reports to the Committee at the next scheduled meeting such pre-approval and the member complies with such other procedures as may be established by the Committee from time to time in connection therewith;
- q. Ensure that adequate procedures are in place for review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements and periodically assess the adequacy of such procedures;
- r. Establish a procedure for: (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; Review and approve the Company's hiring policies regarding partners and employees and former partners and employees of the present and former external auditors of the Company. The Committee has authority to communicate directly with the internal auditors (if any) and the external auditors of the Company. The Committee will also have the authority to investigate any financial activity of the Company. All employees of the Company are to cooperate as requested by the Committee.

Reserve Matters

The Committee is responsible for:

- a. reviewing the Company's procedures relating to the disclosure of information with respect to oil and gas activities including reviewing its procedures for complying with its disclosure requirements and restrictions set forth under applicable securities requirements;
- b. reviewing the Company's procedures for providing information to the independent evaluator; meeting, as considered necessary, with management and the independent evaluator to determine whether any restrictions placed by management affect the ability of the evaluator to report without reservation on the Reserves Data (as defined in NI 51-101) (the Reserves Data) and to review the Reserves Data and the report of the independent evaluator thereon (if such report is provided);

- c. reviewing with the independent evaluator the approach, assumptions and processes used by the evaluator in preparing their report.
- d. reviewing the appointment of the independent evaluator and, in the case of any proposed change to such independent evaluator, determining the reason therefore and whether there have been any disputes with management;
- e. providing a recommendation to the Board of Directors as to whether to approve the content or filing of the statement of the Reserves Data and other information that may be prescribed by applicable securities requirements including any reports of the independent engineer and of management in connection therewith;
- f. reviewing the Company's procedures for reporting other information associated with oil and gas producing activities; and
- g. generally reviewing all matters relating to the preparation and public disclosure of estimates of the Company's reserves.

If, in order to properly discharge its functions, duties and responsibilities, it is necessary, in the opinion of the Committee, that the Committee obtain the advice and counsel of internal and/or external advisors, the Chairman shall, at the request of the Committee (and subject to the approval of the Board in the case of external advisors only), engage the necessary advisors.