



## BOARD DIVERSITY AND RENEWAL POLICY

### Board Diversity

The Board of Directors (the "**Board**") of Chinook Energy Inc. ("**Chinook**") believes that Board nominations should be made on the basis of the skills, knowledge, experience and character of individual candidates and the requirements of the Board at the time. Chinook is committed to a meritocracy and believes that considering a diverse group of individuals who have the skills, knowledge, experience and character required to provide the leadership needed to achieve the business objectives of Chinook, without reference to their age, gender, race, ethnicity or religion, is in the best interests of Chinook and all of its stakeholders. The Board recognizes the benefits of diversity within the Board and ensures diversity is a consideration in candidate identification. The Board will ensure the consideration of women who have the necessary skills, knowledge, experience and character for nomination to the Board by requiring that the list of potential candidates for nomination/appointment to the Board must include at least one female candidate. However, the Board will not compromise the principles of a meritocracy by imposing quotas or targets on the final candidate selection.

To ensure the effectiveness of this Policy, the Compensation, Nominating and Corporate Governance Committee (the "**Committee**") of the Board will ensure diversity within the shortlist of candidates under consideration when the Board is looking to add additional members or replace existing members to ensure that women candidates are being fairly considered relative to other candidates. The Committee will also review the number of women actually appointed and serving on the Board to evaluate whether it is desirable to adopt additional requirements or policies with respect to the diversity of the Board.

### Board Renewal Process

The Committee of the Board has established the following "skills and experience matrix" outlining the skills and experience which they believe are required by the members of the Board as a collective. This skills and experience matrix will be reviewed annually by the Committee and updated as necessary.

<i><b>Executive Leadership</b></i>	Experience as a President, Chief Executive Officer or equivalent leading an organization or major business line.
<i><b>Enterprise Risk Assessment</b></i>	Board or executive experience in evaluating and managing risks in the oil and natural gas business.
<i><b>Value Creation</b></i>	Board or executive experience in evaluating, and executing on, value creation opportunities through exploitation, development, exploration, acquisitions, divestiture, mergers or developmental opportunities.
<i><b>Health, Safety and Environment</b></i>	Board or management experience with environmental compliance and workplace health and safety in the oil and gas industry.
<i><b>Operations</b></i>	Management experience with oil and natural gas operations.
<i><b>Reserves and Resource Evaluation</b></i>	Board experience with, or management responsibility for, oil and natural gas reserve and resource evaluation and reporting.

<b><i>Compensation and Human Resources</i></b>	Management experience in human resources and executive compensation.
<b><i>Accounting and Finance</i></b>	Financial literacy in reading financial statements, financial accounting and operational accounting experience as well as corporate finance knowledge and experience usually from senior accounting and financial management, audit firm background or banking experience.
<b><i>Legal, Regulatory and Governmental</i></b>	Broad understanding of corporate, securities, land tenure and oil and natural gas law, regulatory regimes in western Canada and governmental royalty, incentive and taxation policies usually through management experience or a legal background.
<b><i>Corporate Governance</i></b>	Broad understanding of good corporate governance usually through experience as a board member or as a senior executive officer of a public organization.
<b><i>Community Involvement</i></b>	Active level of community involvement.

As part of the Board's renewal process, the Committee will annually review the skills and experience of the current directors of Chinook to assess whether the Board's skills and experience need to be strengthened in any area. The Committee will also assess the knowledge of all nominees to the Board to ensure general compliance of the composition of the Board with the skills and experience matrix, ensure that an appropriate number of independent directors sit on the Board, analyze any needs of the Board and recommend potential nominees who meet such needs of the Board. The Committee is authorized under its mandate and terms of reference to retain persons having special expertise and may obtain independent professional advice to assist in fulfilling its responsibilities.

The Board does not believe that fixed term limits are in the best interest of Chinook. While term limits ensure fresh viewpoints on a board of directors, they may cause a company to lose the valuable contributions of those directors who best understand the business of the company and the challenges it faces. The Board prefers its continual assessment of the effectiveness of the Board as the proper mechanism to ensure renewal as necessary as opposed to fixed term limits. The Committee considers both the term of service of individual directors, the average term of the Board as a whole and turnover of directors over the prior three years when proposing a slate of nominees. The Committee considers the benefits of regular renewal in the context of the needs of the Board at the time and the benefits of the institutional knowledge of the Board members.