

Risk Committee – Terms of Reference

1. Mandate

The Risk Committee (the “Committee”) is constituted by the Board to assist them in discharging their responsibility to review on an ongoing basis the risks potentially facing the Group, their potential impact, the strategies available to mitigate those risks and the costs of such mitigation. The remit of the Committee shall also include oversight of the Group’s system of internal controls and its policies and procedures, including those pertaining to conduct of business, health and safety, and environment.

2. Members

The members of the Committee shall be made up of executive management and shall initially comprise the Chief Executive, the Chief Financial Officer and the Vice President of Engineering & Projects. The Chief Executive shall act as Committee Chairman

3. Meetings

The Committee shall meet once a quarter, and as often as necessary between such quarterly meetings should circumstances merit it

4. Responsibilities

The Committee shall develop and keep up to date an analysis of all significant potential risks facing the Group comprising inter alia :

- Market risks
- Political risks
- Financial risks
- Operational risks
- Reputational risks
- Personnel risks
- Counterparty/partner risks
- Compliance risks

The Committee shall develop a methodology for the identification, evaluation and mitigation of those risks plus a system of monitoring changes in such risks and the progress of action implemented to mitigate them (collectively the “Risk Management Framework”)

5. Resources available to the Committee

The Committee shall have the power to engage such external advisers and consultants as it deems necessary for the purpose of assisting it in its duties

6. Reporting to the Board

The Chairman of the Committee, or in his absence the Chief Financial Officer, shall report to the Board at every board meeting on any material changes to the Group’s risk environment.

Once a year a full review of the Risk Management Framework shall be conducted by the Board

7. Authority

The Committee will operate under delegated authority from the Board