

## **BONAVISTA ENERGY TRUST**

### **TERMS OF REFERENCE FOR THE AUDIT COMMITTEE CHAIR**

The following sets forth the terms of reference of chairperson ("**Chair**") of the Audit Committee (the "**Committee**") of the board of directors (the "**Board**") of Bonavista Petroleum Ltd. (the "**Corporation**");

#### ***Introduction***

- The Chair is appointed annually by and reports to the Board;
- The Chair's primary role is managing the affairs of the Committee, including ensuring the Committee is organized properly, functions effectively and meets its obligations and responsibilities, including those matters set forth in the mandate of the Committee;
- The Chair works with the Executive Vice President, Finance and Chief Financial Officer ("**CFO**") of the Corporation to ensure an effective working relationship with Committee members;
- The Chair maintains on-going communications with the CFO and with such other officers and employees of the Corporation as the Chair determines appropriate; and
- The Chair, in conjunction with the Committee, maintains ongoing communications with the external auditors of Bonavista Energy Trust ("**Bonavista**").

#### ***Duties and Responsibilities***

##### **Working With the Corporation and Bonavista's External Auditors**

The Chair has the responsibility to:

- lead the Committee in overseeing the work of Bonavista's and the Corporation's financial management team and Bonavista's external auditors;
- lead the Committee in overseeing the integrity of Bonavista's financial statements and financial reporting process, including the audit process and Bonavista's internal accounting controls and procedures and compliance with related legal and regulatory requirements; and
- report to the Board after each Committee meeting at the Board's next meeting.

##### **Managing the Committee**

The Chair has the responsibility to:

- assist the Committee in understanding its obligations to the Board and pursuant to law;
- chair Committee meetings;
- establish the frequency of Committee meetings and review such frequency from time to time, as considered appropriate (provided, however, that Committee meetings shall be called by the Chair

at the request of two members of the Committee or at the request of Bonavista's external auditors);

- assist the Board in its recommendation of Committee members and its review of the performance and suitability of the Committee members;
- ensure the co-ordination of the agenda, information packages and related events for Committee meetings in conjunction with the CFO;
- maintain a liaison and communication with Committee members, other directors and the Board Chairperson to co-ordinate input from Committee members and directors, and optimize the effectiveness of the Committee; and
- in collaboration with the CFO, ensure information requested by Committee members is provided and meets their needs.