

## **CHIEF EXECUTIVE OFFICER – TERMS OF REFERENCE**

*(Adopted by the Board of Directors on December 21, 2006)*

*(Name Change from Kulczyk Oil Ventures Inc. to Serinus Energy Inc. on June 24, 2013)*

### **1. Introduction**

These Terms of Reference are intended to identify the specific responsibilities of the Chief Executive Officer of Serinus Energy Inc., (the "**Corporation**") and thereby to enhance coordination and communication between the Chief Executive Officer and the board of directors (the "**Board**") of the Corporation. The responsibilities identified here are to be carried out consistently with the principles stated in the Corporation's Code of Business Conduct and Ethics.

### **2. Overview of Responsibilities: The Board and the Chief Executive Officer**

The Chief Executive Officer's primary responsibility is to lead the Corporation. While the Board is responsible to manage and supervise the management of the business, the Chief Executive Officer is responsible for the executive leadership and operational management of the Corporation. The Chief Executive Officer formulates the Corporation's proposed goals, strategies, and objectives, and presents them to the Board for approval. The Board approves the goals, and the strategies and objectives within which the Corporation is managed, and oversees management performance and compensation. The Chief Executive Officer keeps the Board informed of the Corporation's progress towards its goals and of all material deviations from the goals, strategies, and objectives approved by the Board.

### **3. Specific Responsibilities**

Specifically, the Chief Executive Officer is responsible for exercising leadership in the following areas:

#### **(a) Strategic Leadership**

- (i) Formulate and recommend goals, strategies, and objectives to the Board that ensure the maximization of shareholder value and the long-term success of the Corporation.
- (ii) Lead and manage the Corporation within parameters established by the Board and relevant committees.



- (iii) Review and report regularly to the Board concerning the Corporation's progress towards its goals and all material deviations from the goals, strategies, and objectives approved by the Board, including updating and making changes as required, and involving the Board in the early stages of developing strategy.
- (iv) Implement the capital and operating plans that support the strategic plan.
- (v) Review and report regularly to the Board on the overall progress and results against operating and financial objectives and initiate courses of action for improvement.
- (vi) Identify the principal risks of the Corporation's business and implement appropriate systems to manage these risks.
- (vii) Keep the Board fully informed of all significant operational, financial, and other matters relevant to the Corporation, including legal, regulatory, and governmental policy developments.

(b) **Financial Leadership**

- (i) Develop annual capital commitment and expenditure budgets for approval by the Board.
- (ii) Develop annual operating forecasts of revenue, expenditures, operational results, and financial performance.
- (iii) Authorize the commitment of funds to capital projects included in budgets approved by the Board or within the spending approval authority levels approved by the Board.
- (iv) Authorize commitment of corporate resources, including contracts, transactions and arrangements in the ordinary course of business, in order to pursue the approved strategies, business plans, and objectives of the Corporation, provided, however, that major commitments, exposures, and risks are reported to the Board in a regular and timely basis.



- (v) Take reasonable steps to ensure that the Corporation's assets are adequately safeguarded and optimized in the best interests of the shareholders.

(c) **Administrative Leadership**

- (i) Develop and maintain a sound, effective organizational structure.
- (ii) Ensure that all members of the organization have their responsibilities and authorities clearly established.
- (iii) Discuss periodically with the Compensation and Corporate Governance Committee views as to a successor in the event of the Chief Executive Officer's unexpected incapacity.
- (iv) Establish and maintain a plan for senior management development and succession.
- (v) Provide the Board, at Board and committee meetings, with exposure to the Corporation's key management and other employees who have the potential to become members of senior management.

(d) **Public Leadership**

- (i) Ensure that effective communications and appropriate relationships are maintained with the shareholders of the Corporation and other stakeholders.
- (ii) Maintain or cause to be maintained such industry, governmental, public, or other external relationships as are deemed advisable and in the interests of the Corporation.
- (iii) Manage and oversee the required interaction between the Corporation and the public and act as the principal spokesperson for the Corporation.

(e) **Compliance Leadership**

- (i) Establish effective control and coordination mechanisms for all operations and activities, and take reasonable steps to ensure the integrity of the internal control and management information systems.



- (ii) Take reasonable steps to ensure the safe, efficient operation of the Corporation and to ensure compliance with the Corporation's environmental, health, and safety policies, procedures, and practices.
- (iii) Ensure that all operations and activities of the Corporation are conducted in accordance with laws, regulations, the Corporation's Code of Business Conduct and Ethics, sound business practices, and the other policies and practices approved by the Board.
- (iv) Foster and provide an example of a high performance corporate culture that promotes ethical practices and encourages individual integrity, accountability, and social responsibility.

4. **Non-Exhaustive List**

The foregoing list of duties is not exhaustive, and the Chief Executive Officer may, in addition, perform such other functions as may be necessary or appropriate in the circumstances, within the authority delegated by the Board, for the performance of the Chief Executive Officer's responsibilities.