

BOARD OF DIRECTORS TERMS OF REFERENCE

The Board of Directors (the "Board") of Ember Resources Inc. (the "Corporation") shall have the oversight responsibility, authority and specific duties as described below.

Composition of the Board

Directors and Chairman

The Board is elected annually by the shareholders and consists of a minimum of 1 director and a maximum of 10 directors as determined from time to time by the directors. The Board shall appoint a chairman (the "Chairman") from amongst the directors which comprise the Board. The majority of the directors must be independent, as defined under applicable securities laws, rules or guidelines, any applicable stock exchange requirements or guidelines and any other applicable regulatory rules.

The Chairman of the Board acts as Chair of all meetings of the Board and shareholders of the Corporation. The Chairman is responsible for ensuring that the Board's agenda enables the Board to successfully carry out its duties.

Committees

In addition to any other committees (including special committees) which the Board may in its discretion constitute from time to time, the Board shall have the following standing committees:

- Audit Committee;
- Reserves Committee; and
- Corporate Governance, Board Nomination and Compensation Committee.

Certain of the responsibilities of the Board may be delegated to these or other committees of the Board. The composition and responsibilities of these and other committees of the Board will be as set forth in their charters, as amended from time to time.

Committee members shall be appointed by the Board. The chair of each committee may be designated by the Board or, failing that, by the members of the particular committee. At each meeting of the Board, the chair of each committee (or such committee member as the chair may designate) shall report the results of meetings and reviews undertaken and any associated recommendations.

Board Membership Nomination and Evaluation

The Board has delegated the responsibility of recommending new nominees to the Corporate Governance, Board Nomination and Compensation Committee. The Corporate Governance, Board Nomination and Compensation Committee shall, among other things, be responsible for recommending director candidates to the full Board. The Corporate Governance, Board

Nomination and Compensation Committee will recommend new candidates according to its policies and principles in its terms of reference. As well, the Corporate Governance, Board Nomination and Compensation Committee will provide an orientation program for new directors.

The Board shall ensure that there is a process in place for annually evaluating the effectiveness and contribution of the Board, the committees of the Board and the individual directors based on their applicable terms of reference or position description.

Communication

To ensure that the Corporation has in place policies and programs that enable the Corporation to communicate effectively and in a timely manner with its shareholders, other stakeholders analysts and the public generally the Board has adopted a corporate disclosure policy. The Board will review the corporate disclosure policy annually to ensure its objectives are being achieved.

Meetings and Record Keeping

The Board shall meet regularly and at least quarterly at such times and at such locations as the Chairman shall determine:

1. Notice of meetings shall be given to each Director not less than 24 hours before the time of the meeting. Meetings of the Board may be held without formal notice if all of the Directors 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. The notice of the meeting may be delivered personally, given by mail, facsimile or other electronic means of communication;
2. Each member of the Board is expected to attend Board meetings and meetings of committees on which he or she is a member and to be familiar with deliberations and decisions as soon as possible after any missed meetings. Members of the Board are expected to prepare for meetings by reviewing the meeting materials distributed to members of the Board, to the extent feasible, prior to such meetings;
3. The independent directors of the Board shall regularly hold *in camera* sessions of the Board, without non-independent directors present and at such times as the independent directors determine advisable.
4. A quorum for meetings shall be a majority of the members of the Board, present in person or by telephone or by other telecommunication device that permits all persons participating in the meeting to hear each other;
5. If the Chairman is not present at any meeting of the Board, one of the other directors who is present at the meeting shall be chosen by the Board to preside at the meeting;

6. The Chairman shall, in consultation with management, establish the agenda for the meetings and instruct management to ensure that properly prepared agenda materials are circulated to the Board with sufficient time for study prior to the meeting;
7. Every question at a Board meeting shall be decided by a majority of the votes cast. In the event of an equality of votes, the Chairman shall be entitled to a second or casting vote;
8. Management shall receive notice of meetings and may attend meetings of the Board at the invitation of the Chairman; and
9. The Corporate Secretary of the Corporation, or any other person selected by the Board, shall act as secretary for the purpose of recording the minutes of each meeting.

The minutes of the meeting of the Board shall be placed in the Corporation's minute book.

Duties and Responsibilities

In accordance with applicable laws, the Board is required to always act honestly and in good faith with a view to the best interests of the Corporation.

The Board is responsible for the stewardship of the Corporation and overseeing the operation of the business. The primary responsibilities of the Board include:

1. To the extent feasible, satisfying itself as to the integrity of the Chief Executive Officer (the "CEO") and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the Corporation;
2. Adopting a strategic planning process and approving, at least on an annual basis, a strategic plan for the Corporation which takes into account, among other things, the opportunities and risks of the business;
3. Identifying the principal risks of the Corporation's business, and ensuring appropriate systems are implemented to manage these risks;
4. Providing continuing education opportunities for all directors so they may maintain or enhance their skills and abilities as directors, as well as ensure their knowledge and understanding of the Corporation's business remains current;
5. Adopting a succession plan which includes the appointing, training and monitoring of senior management;
6. Adopting and reviewing on an annual basis the Corporation's Disclosure Policy to ensure that disclosure made by the Corporation is accurate, informative, timely and broadly disseminated all in accordance with applicable laws and stock exchange rules;
7. Ensuring that the Corporation has appropriate processes in place to effectively communicate with employees, government authorities, other stakeholders and the public;

8. Ensuring the necessary internal controls and management systems are in place that effectively monitor the Corporation's operations and ensure compliance with applicable laws, regulations and policies, including reviewing on an annual basis the controls and procedures established for the certification of financial and other disclosure made by the Corporation;
9. Developing clear position descriptions for the Chairman, and, in consultation with the CEO, the CEO;
10. Developing or approving the corporate goals and objectives that the CEO is responsible for meeting;
11. Monitoring compliance with the Corporation's Code of Business Conduct;
12. The establishment of an appropriate system of corporate governance principles and guidelines applicable to the Corporation, including:
 - (a) reviewing, periodically, the size of the Board to ensure its continued effectiveness (including, without limitation, facilitating effective decision-making);
 - (b) regularly assessing the effectiveness and contribution of the Board, its committees and each member of the Board considering, among other things, the applicable terms of reference for the Board and each committee and in the case of each member of the Board, the competencies and skills each member is expected to bring to the Board; and
 - (c) reviewing, periodically, the general responsibilities and function of the Board and its committees and the Chair of each committee, and the roles of the Chairman of the Board and the Chief Executive Officer; and
13. Reviewing the annual corporate governance disclosure of the Corporation in its information circular.

Stakeholder Communication

Any stakeholder may contact the Board by e-mail or in writing c/o the Corporate Secretary. Matters relating to the Corporation's accounting, internal accounting control or audit matters will be referred to the Audit Committee. Other matters will be referred to the Chairman. Stakeholders may also directly contact the Chairman.

Review of Terms of Reference

The Board shall review and assess these Terms of Reference and any governance principles and guidelines established by the Board at least annually.