



## **Safety, Health, Security and Environment Committee - Charter**

### **I Purpose**

The Safety, Health, Security and Environment Committee (the “Committee”) assists the Board of Directors of Quaterra Resources Inc. in fulfilling its oversight responsibilities by reviewing performance and recommending for approval policies and management systems with respect to safety, health, security and environmental (SHSE) matters affecting the Company.

### **II Organization**

- A. The Committee shall consist of not less than three nor more than six members to be elected by the Board of Directors.
- B. The Board of Directors shall designate a Committee Chair, who shall be a Director of the Board
- C. Each Member of the Committee shall be elected annually from among the members of the Board of Directors and from the Executive Management of the Company
- D. Given the direct impact the committee may have on the Company it is appropriate to have a member of Executive Management on the Committee.
- E. Any member of the Committee may be removed and replaced at any time by the Board of Directors. If and whenever a vacancy may exist on the Committee the remaining members may exercise all the power of the Committee so long as a quorum (two thirds) remains.
- F. The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board of Directors may from time to time determine.

### **III Meetings**

The Committee shall meet as frequently as circumstances require, but not less frequently than four times per year. The Chair of the Committee shall be an independent chair who is not Chair of the Board or part of Management.

In the absence of the appointed Chair of the Committee at any meeting, the members shall elect a chair from those in attendance at the meeting. The Chair, in consultation with the other members of the Committee, shall set the frequency and length of each meeting and the agenda of items to be addressed at each upcoming meeting.

The Committee will appoint a Secretary who will keep minutes of all meetings. The Secretary may be the Company's Corporate Secretary or another person who does not need to be a member of the Committee. The Secretary for the Committee can be changed by simple notice from the Chair.

The Chair shall ensure that the agenda for each upcoming meeting of the Committee is circulated to each member of the Committee as well as the other directors in advance of the meeting.

The Committee may invite, from time to time, such persons as it may see fit to attend its meetings and to take part in discussion and consideration of the affairs of the Committee.

#### **IV Reporting**

The Committee shall report regularly to the Board and shall submit the minutes of all meetings of the Committee to the Board (which minutes shall ordinarily be included in the papers for the next full board meeting after the relevant meeting of the Committee). The Committee shall also report to the Board on the proceedings and deliberations of the Committee at such times and in such manner as the Board may require.

#### **V Resources and Access to Information**

The Committee shall have the authority to retain independent legal, engineering and other consultants to advise the Committee. The Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities. The Committee has direct access to anyone in the organization and may request any officer or employee of the Company or the Company's outside counsel or the Auditors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee with or without the presence of management. In the performance of any of its duties and responsibilities, the Committee shall have access to any and all books and records of the Company necessary for the execution of the Committee's obligations.

#### **VI. Responsibilities**

1. The Committee is responsible for the establishment of SHSE Policies of the Company at all work sites or areas. Specific project management shall draft policies pertaining to and within the guidelines of the applicable laws and

regulations of the jurisdiction of each project site or area. Such policies shall include procedures and reporting protocol in the event of SHSE incidents of any nature. These policies are to be recommended by the Committee to the Board for approval, which will then be adapted as the SHSE Policies of the Company for the specific project site or area.

2. The Committee is responsible for reviewing and recommending, as appropriate, changes to the SHSE Policies of the Company
3. The Committee will, at least annually, monitor the status of compliance with the Company policies and applicable laws and regulations in the areas of SHSE based on written reports from management.
4. The Committee will review, at least semi-annually, the performance of the Company in the area of SHSE.
5. In the event of the occurrence of a material SHSE incident where the occurrence is required to be reported to the appropriate authorities, the committee will receive and review as soon as practicable a report from management detailing the nature of the incident and describing the remedial action being taken.
6. The Committee will periodically report to the Board of Directors on SHSE issues affecting the Company.