

HIGH ARCTIC ENERGY SERVICES INC.
QUALITY, HEALTH, SAFETY AND ENVIRONMENTAL COMMITTEE
TERMS OF REFERENCE

1. Constitution

Pursuant to the by-laws of High Arctic Energy Service Inc. (the “**Corporation**”) and annual resolutions of the Board of Directors of the Corporation (the “**Board**”) and in intended compliance with applicable corporate and securities laws and the requirements of each stock exchange upon which securities of the Corporation are traded, there is hereby constituted, as a standing committee of the Board, a committee designated as the “Quality, Health, Safety and Environmental Committee” (the “**Committee**”) which Committee is delegated the powers and subject to the terms of reference hereinafter set forth.

2. Mandate

The mandate of the Committee shall be to monitor and make recommendations with respect to the quality, health, safety and environmental policies, practices and procedures of the Corporation and its subsidiaries (collectively, “**High Arctic**”).

3. Organization and Operation

- (1) The Committee shall be comprised of a minimum of two (2) members of the Board and the CEO.
- (2) A majority of the members of the Committee shall be “independent directors” as such term is defined from time to time pursuant to the Governance Guidelines of the Toronto Stock Exchange and National Policy 58-201.
- (3) The Committee shall have the power to appoint its chairman.
- (4) The Chief Process Officer of the Corporation shall be the Secretary of the Committee. The Chairman shall appoint a secretary in event of their absence.
- (5) Any member of the Committee may call a meeting of the Committee upon not less than 48 hours’ notice to the other members of the Committee.
- (6) The Committee shall meet at least quarterly.
- (7) A quorum for meetings of the Committee shall be a majority of its members.
- (8) Questions arising at any meeting of the Committee shall be decided by a majority of the votes cast.
- (9) The rules for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those governing meetings of the Board or as otherwise provided in the by-laws of the Corporation.

- (10) Except as set forth herein, the Committee may determine its own rules of procedure.

4. Duties and Responsibilities

Except as specifically authorized by the Board, the Committee's authority is limited to formalizing recommendations and submitting them to the Board for approval.

The Committee recognizes that the Board's Governance and Nominating Committee is responsible for overseeing High Arctic's environmental, social and governance (ESG) framework. Specific to environmental matters, the Committee shall work in concert to support the review process, policies and procedures.

Quality

The Board believes exceptional performance is generated by an emphasis on quality in all aspects of the business, compliance with HSE governance requirements is a clearly measurable aspect of such performance, and therefore corresponding incident statistics should be used as an indicator of business quality. The Committee will promulgate this belief.

The Committee shall monitor the overall performance of High Arctic and shall, with respect to quality matters:

- (1) Review annually and recommend to the Board, for approval, necessary changes in or the appropriateness of the policy guidelines in place to administer High Arctic's quality programs in the context of competitive, legal and operational considerations;
- (2) Oversee the systems for monitoring compliance with the Corporation's Quality Processes and annually review and approve the Corporation's approach with respect to industry benchmarks and competitive practices.
- (3) Review quarterly reports on quality & non-conformance incidents and the nature and extent of compliance with quality and other policies, standards and applicable legislation, together with the reasons therefore, and report to the Board on the status of such matters;
- (4) Annually set and review key performance indicators and other metrics used to measure quality performance with key management; and
- (5) Review such other matters related to quality as from time to time the Committee may consider suitable or the Board may specifically direct.

Health and Safety

The Committee shall review the overall health and safety performance of High Arctic and shall, with respect to health and safety matters:

- (1) Review annually and recommend to the Board, for approval, any necessary changes in, and the appropriateness of the policy guidelines in place to administer health and safety policies, standards, accountabilities and programs for High Arctic in the context of competitive, legal and operational considerations;
- (2) Review quarterly reports on health and safety incidents and the nature and extent of compliance with health and safety policies, standards and applicable legislation, and any orders imposed on High Arctic under that legislation, as well as the nature and extent of non compliance together with the reasons therefore, and report to the Board on the status of such matters;
- (3) Review and report to the Board, annually, on High Arctic's state of readiness to respond to health and safety crisis situations; and
- (4) Review such other health and safety matters as from time to time the Committee may consider suitable or the Board may specifically direct.

Environmental

The Committee shall review the overall environmental performance of High Arctic and shall, with respect to environment matters:

- (1) Review at least annually and recommend to the Board, for approval, necessary changes in or the appropriateness of the policy guidelines in place to administer High Arctic's environmental policy & programs, its environmental incident management and reporting processes, and its remedial action practices in the context of competitive, legal and operational considerations;
- (2) Review quarterly reports on environmental incidents, the nature and extent of compliance with environmental policy, standards and applicable legislation, the nature and extent of non-compliance together with the reasons therefore, and the plan and timetable to correct deficiencies. The Committee shall subsequently report to the Board on the status of such matters;
- (3) Review quarterly with management and legal counsel any civil and criminal environmental proceedings, claims or other contingency that could have a significant effect on High Arctic and report to the Board on the status of such matters;
- (4) Annually set and review key performance indicators and other metrics used to measure environmental performance with key management;
- (5) Review and report to the Board annually on High Arctic's state of readiness to respond to environmental crisis situations; and

- (6) Review such other environmental matters as from time to time the Committee may consider suitable or the Board may specifically direct.

Other Duties and Responsibilities

The responsibilities, practices and duties of the Committee outlined herein are not intended to be comprehensive. The Board may, from time to time, charge the Committee with the responsibility of reviewing other items of a quality, health, safety and environmental nature.

The Committee shall periodically report to the Board all decisions taken in exercising the powers conferred herein and the results of reviews undertaken and any associated recommendations.

The Committee shall monitor legislative updates and consider the need for any changes to the Corporation's policies or practices are necessary as a result.

5. Authority

The Committee shall have all power and authority necessary or desirable to fully and effectively discharge its mandate hereunder and, in that connection and without limitation, the Committee may:

- (1) Investigate any activity, in any area, that the Committee considers necessary or advisable, and, for such purposes and the performance of its other responsibilities, the Committee shall have unrestricted access to personnel and records of High Arctic and advisors to High Arctic;
- (2) Make any recommendation to the Board, as it considers necessary or advisable; and;
- (3) Engage and obtain the advice of outside advisors if necessary, to properly discharge its functions, duties and responsibilities.