This policy does not apply to any election of directors at a contested meeting which includes any meeting of shareholders where the number of directors nominated for election at the meeting is greater than the number of seats available on the Board of Directors.

In an uncontested election of directors of the Corporation, in the event that any nominee for director receives a greater number of votes "withheld" from his or her election than votes "for" such election (a "**Majority Withheld Vote**"), the nominee must forthwith tender his resignation to the Board of Directors, with such resignation to be effective on acceptance by the Board of Directors. The Board of Directors shall accept (or in rare cases, reject) the resignation within 90 days following the shareholders' meeting at which the candidacy of the director was considered. If the Board determines that there are extraordinary circumstances relating to the composition of the Board of Directors or the voting results, the Board may delay the acceptance of the resignation or reject it. The director who tendered the resignation shall not actively participate at (but may attend) any meeting of the Board of Directors or any sub-committee of the Board of Directors at which the resignation is considered, but may not be counted for the purpose of determining whether the board of directors has quorum.

Subject to any corporate law restrictions, the Board of Directors may:

(i) leave an arising vacancy in the Board of Directors unfilled until the next annual general meeting and reduce the size of the Board of Directors;

(ii) fill the vacancy in accordance with the provisions of the *Business Corporations Act* (Alberta) by appointing a new director whom the Board of Directors considers to merit the confidence of the shareholders; or

(iii) call a special meeting of shareholders to consider new Board of Director nominee(s) to fill the vacant position(s).

The Board of Directors shall issue a press release with the Board's decision and the reasons for that decision.