



Pulse Data Inc.

Renewal Annual Information Form

For the year ended December 31, 2008

March 26, 2009

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## **CORPORATE STRUCTURE**

### **Name, Address and Incorporation**

Pulse Data Inc. (“Pulse” or the “Corporation”) was originally incorporated pursuant to the Canada Business Corporations Act as 144020 Canada Ltd. on August 26, 1985.

On February 18, 1987, the Corporation amended its articles to change its name to Gold Vessel Resources Inc. On March 21, 1995, the Corporation amended its articles to change its name to Consolidated Gold Vessel Resources Inc. and to consolidate its Class "A" common shares on a one for ten basis. On July 4, 1995, the Corporation amended its articles to change its name to Golden Bear Minerals Inc. On July 3, 1997, the Corporation amended its articles to change its name to Augusta Gold Corporation. Pursuant to a Plan of Arrangement effective October 1, 1998, the then existing liabilities, assets and minerals properties held by the Corporation were transferred to and assumed by Augusta Corporation in exchange for the issuance by Augusta Corporation to the Corporation of common shares of Augusta Corporation, and the shares of Augusta Corporation were distributed to the shareholders of the Corporation.

On October 13, 1999, pursuant to a reorganization of the Corporation involving a group of Alberta joint ventures known as Pulse - A Joint Venture, the Corporation amended its articles to change its name to Pulse Data Inc. and to consolidate its then Class "A" common shares and its then Class "B" common shares on a 1 for 2.5 basis.

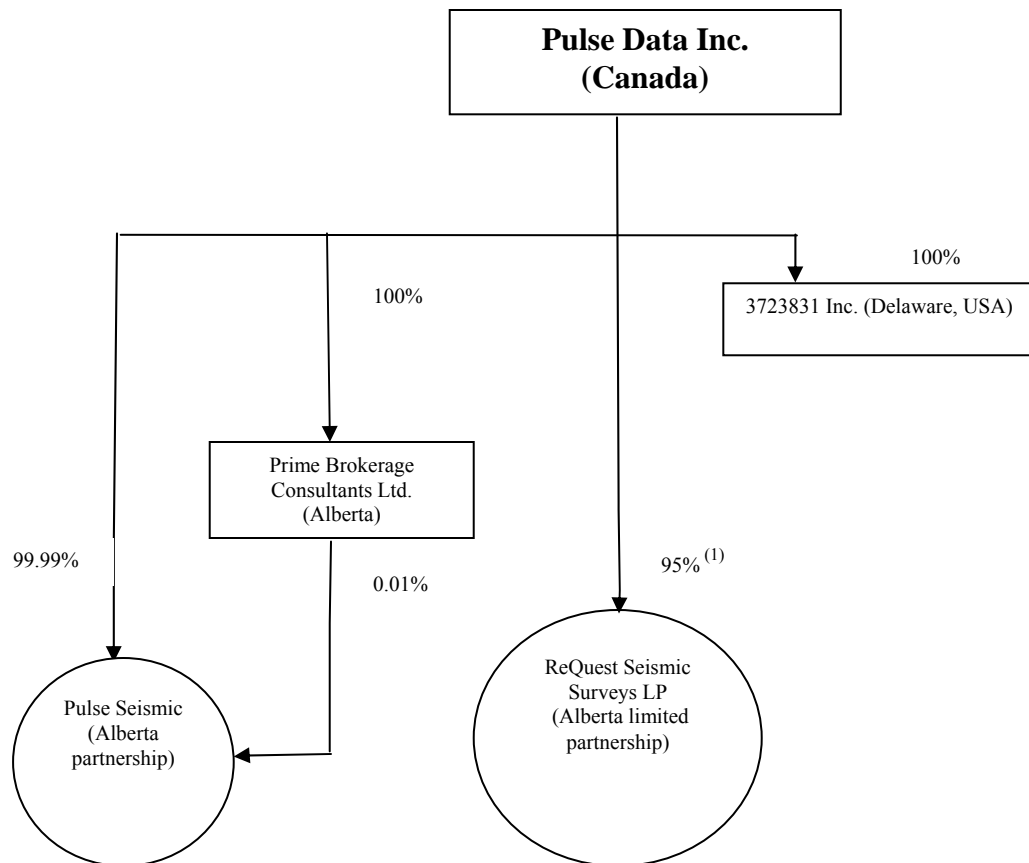
On June 15, 2000, Pulse reduced the stated capital account of its then Class "A" common shares by \$30,778,181.

On April 18, 2001, Pulse amended its articles to (i) remove from the articles the class of Class "B" common shares and the rights, privileges and restrictions thereof, and (ii) change the designation of its "Class A common shares" to "common shares".

Pulse's head office is located at 2400, 639 – 5<sup>th</sup> Avenue S.W., Calgary, Alberta, T2P 0M9. The registered office of Pulse is located at Suite 1400, 700 – 2<sup>nd</sup> Street S.W., Calgary, Alberta, T2P 4V5.

### **Intercorporate Relationships**

The following diagram sets out the intercorporate relationships concerning the Corporation and its subsidiaries:



<sup>(1)</sup> Pulse owns 100% of the Class A units of ReQuest Seismic Surveys LP, representing approximately 95% of the total Class A and Class B units of ReQuest Seismic Surveys LP.

### GENERAL DEVELOPMENT OF THE BUSINESS

The general development of the Corporation's business over the last three completed financial years is as follows:

- In the second quarter of 2006, the Corporation completed one 3D participation survey in west-central Alberta adding an additional 237 square kilometres of 100% owned 3D seismic data to the data library.
- On July 31, 2006, the Corporation completed the sale of its wholly-owned subsidiary, Trango Technologies Inc., to Fugro Canada.

- On August 29, 2006, the Corporation closed the purchase of a seismic dataset located in the Deep Basin region of west central Alberta, consisting of approximately 3,445 net kilometres of 2D data and approximately 224 net square kilometres of 3D data for \$3.9 million.
- On November 15, 2006 the Corporation closed the purchase of 14,417 net kilometres of 2D seismic data covering the Foothills region of Alberta and northeast British Columbia, as well as portions of Saskatchewan, the Yukon, the Northwest Territories and the northwest United States. The price of the transaction was \$32.5 million cash plus future consideration based upon a percentage of future sales in excess of \$10 million per year, to a maximum additional amount of \$3.75 million.
- On July 27, 2007 the Corporation closed a private placement financing of 6.44 million common shares at an issue price of \$2.70 per common share for total gross proceeds of \$17,388,000. Proceeds of the offering were used to finance a 3D seismic data acquisition of \$11.1 million from a joint venture partner and to fund a 3D seismic participation program.
- On July 31, 2007 the Corporation closed the purchase of the remaining 50% interest in all of the seismic data owned jointly with an industry partner. The data purchase consisted of approximately 1,388 net square kilometres of 3D seismic data and 65 net kilometres of 2D seismic data, located primarily in the Buick-Beatton and Ladyfern areas of northeastern British Columbia. The purchase price of the transaction was \$11.1 million.
- In Q3 and Q4 2007, the Corporation completed one 3D participation survey in the Cutbank area of west central Alberta, adding 248 square kilometres of 100% owned 3D seismic data to the data library.
- In Q2 2008 the Corporation purchased three seismic datasets totalling 172 net square kilometres of 3D seismic data. The seismic data covers the general Bakken trend of southeast Saskatchewan and also covers portions of the Wild River Field located in northwest Alberta.
- On May 31, 2008 the Corporation completed the sale of its Terrapoint business unit to Ambercore Software Inc. With this sale, Pulse completed the disposition of all non-core business assets and positioned itself as a pure play seismic data library company.
- In Q3 2008 the Corporation added 193 net square kilometres of 3D seismic data to the data library with the completion of one participation survey in the west central area of Alberta.
- On December 17, 2008 the Corporation closed a new \$75 million syndicated revolving credit facility. The facility is intended to provide additional financing for growth of the Corporation's seismic data library through dataset acquisitions and participation surveys.

- In Q4 2008 the Corporation added 373 net square kilometres of 3D seismic data to the data library with the completion of its second participation survey in the west central area of Alberta. Additionally, the Corporation purchased 169 net square kilometres of 3D seismic data, located in the Deep Basin area of west central Alberta.
- In December 2008, the Corporation commenced its third participation survey in 2008 in the west central area of Alberta. The survey, when completed, will add an additional 291 net square kilometres of 3D seismic data to its seismic data library. At December 31, 2008 the survey was 19% completed, with expected delivery at the end of Q1 2009.

For a discussion of the Corporation's outlook for its business during the 2009 financial year, the "Outlook" section of the MD&A for the 2008 financial year is incorporated by reference. The Corporation's MD&A for the year ended December 31, 2008 was filed on SEDAR at [www.sedar.com](http://www.sedar.com) on March 23, 2009 as "Management's Discussion and Analysis".

## **DESCRIPTION OF THE BUSINESS**

### **GENERAL**

Pulse is a market leader in the acquisition, marketing and licensing of 2D and 3D seismic data for the western Canadian energy sector. Pulse owns the second largest licensable seismic data library in Canada, currently consisting of approximately 257,300 net kilometres of 2D seismic and 12,500 net square kilometres of 3D seismic. The library extensively covers the Western Canada Sedimentary Basin where most of Canada's oil and natural gas exploration and development occur.

Pulse grows its seismic data library in two ways: the direct purchase of existing seismic data from oil and gas companies and competitors, and shooting new seismic data in conjunction with oil and natural gas explorers (participation surveys).

### **Pulse Seismic**

Pulse carries on its seismic data library business through Pulse Seismic. Pulse Seismic's business is data licensing, being (i) the licensing to third parties of existing proprietary seismic data owned by Pulse Seismic, and (ii) the granting of licences to participants in participation seismic surveys of data acquired pursuant to those surveys. Pulse Seismic also provides seismic acquisition project management and supervision services to the oil and gas industry. Pulse Seismic's services are offered to the oil and natural gas industry and form an important part of the oil and natural gas exploration and development process. Companies engaged in oil and natural gas exploration, development and production use seismic data to assist in exploring for and developing new reserves, in establishing the extent of existing reserves and in managing producing reservoirs.

Exploration and production seismology is the process by which explorationists attempt to image the earth's subsurface strata. In acquiring seismic data, an acoustical energy wave is transferred from an energy source at or near the surface of the earth to the subsurface. These seismic waves reflect off of the various geological beds or strata in the earth's subsurface. Sophisticated sensors and recording instruments at the surface collect the reflected waves and convert them to digital form after which they are stored on magnetic tape for subsequent processing and interpretation. The resultant seismic section provides explorationists with valuable data on the potential of a particular area to yield oil or natural gas reserves and assists in the selection of drilling locations.

Historically, seismic data has provided explorationists with a 2D profile of the subsurface directly beneath the line on which the data was acquired. While 3D seismic provides a more accurate reading of potential reserves, its use in Canada was generally restricted to development of such reserves as opposed to 2D seismic which was more cost-efficient for exploration purposes. 3D seismic, however, has gained acceptance as an exploration tool.

Oil and gas companies had traditionally viewed their seismic data libraries as giving them a competitive advantage and, as a result, the majority of seismic data was acquired directly by these companies on a proprietary basis through the hiring of subcontractors to complete a survey in an area of interest. However, there is a growing trend among oil and gas producers to outsource seismic data acquisition and management. This is achieved through the purchase by the producers of licences to view and analyze existing seismic data owned by other parties and by participating in participation surveys with other parties wherein the producers fund a portion of a seismic survey project carried out and managed by other parties and in which the producer does not retain a proprietary interest but obtains a non-exclusive, perpetual licence to the data. In addition, a number of oil and gas producers are monetizing their investments in their proprietary seismic data libraries by selling them.

### Revenue Sources

The primary source of the Corporation's revenues has been the licensing by Pulse Seismic of seismic data from its seismic data library. Such licences are granted by Pulse Seismic (a) on seismic data in Pulse Seismic's existing seismic data library, and (b) to participants on seismic data acquired in Pulse Seismic's participation surveys. Over the past three fiscal years, revenues from data licensing has accounted for approximately 89% of Pulse's total revenues from continuing operations.

The following is a breakdown of Pulse's sources of revenue from continuing operations over its last two fiscal years:

Revenue Sources (Relates to continuing operations only)	For the twelve months ended December 31			
	2008		2007	
	Revenue (thousands)	% of Total Revenue	Revenue (thousands)	% of Total Revenue
Seismic Data:				
Data Library Sales	\$ 36,894	81	\$ 41,215	93
Participation Surveys	8,509	19	3,010	7
<b>Total Revenue</b>	<b>\$ 45,403</b>	<b>100.0</b>	<b>\$ 44,225</b>	<b>100.0</b>

#### *Seismic Data Library Sales*

Data licensing from Pulse Seismic's existing seismic data library generally proceeds in the following manner. An interested party contacts Pulse Seismic, directly or through a broker, and indicates that it wishes to inspect seismic data in a particular location. Pulse Seismic provides a sample of the information to the interested party for inspection. If the interested party agrees to

license the data, Pulse Seismic ensures that all necessary copies of the information are correctly prepared and delivered to the client and Pulse Seismic invoices the licensee at the agreed price per kilometre for 2D data or per square kilometre for 3D data. If the licensee approached Pulse Seismic via a broker, a brokerage fee of 10% of the licence fee is generally paid to the broker by Pulse Seismic upon receipt of the proceeds from the licensee.

Where Pulse Seismic owns less than a 100% ownership interest in a seismic data set in its existing library, the remaining undivided interests in such seismic data are owned by various other parties. In those circumstances, agreements are in place between the various interest owners of the seismic data providing for, among other things, the management of the seismic data and the division of revenues arising from the licensing of the seismic data. When Pulse Seismic licenses seismic data, in which it owns less than a 100% interest, the licence fee, net of commissions and management fees, is divided among Pulse Seismic and the other interested parties. Where Pulse Seismic manages the seismic data, Pulse Seismic generally earns a 5% management fee and a 10% commission on the license fee. In these cases, the revenue recorded by Pulse Seismic is the management fee plus the commission and the net amount of the licensing revenue.

#### *Participation Surveys*

Pulse Seismic designs, markets and operates participation surveys where non-exclusive licences to the seismic data acquired from such surveys are granted by Pulse Seismic to parties that participate in the surveys. In these surveys, Pulse Seismic, either by itself or in consultation with oil and gas companies, selects a location for the survey based upon a risk analysis undertaken by Pulse Seismic. Once an area has been selected, Pulse Seismic approaches oil and natural gas companies to subscribe for the seismic information to be obtained from the survey prior to the information being gathered in the field. Obtaining such subscriptions assists in the financing of the surveys and helps to indicate the marketability of the data. When sufficient subscriptions have been procured, Pulse Seismic hires sub-contractors to perform the variety of tasks involved in a survey, although Pulse Seismic supervises all aspects of the survey. By way of presales of licences, the oil and natural gas companies participating in the survey purchase a non-exclusive licence to use the seismic information obtained. Such licences may include a limited exclusive period of three to six months after delivery, are perpetual and transfer no ownership rights. Exclusive periods have not been common for the last three years, and are negotiated on a survey by survey basis. Pulse Seismic retains the ownership rights to continue to licence the seismic data to interested parties after the expiry of any applicable exclusivity period.

Pulse Seismic generally targets presales of licences covering 70% of the cost of participation surveys before proceeding with such surveys, with the actual percentage funding of a particular survey determined by Pulse Seismic ahead of time depending upon Pulse Seismic's risk analysis of such survey. In circumstances where Pulse Seismic believes that there is a high probability of license sales after completion of the survey, or where a survey is located in a strategic location, Pulse Seismic has proceeded in the past, and may proceed in the future, with the survey when it has obtained presales for less than 70% of the cost of the survey. In some cases, participation may be limited to one particular oil and/or natural gas company. On occasion, Pulse Seismic may also conduct a "spec" survey with no participation survey funding, if it believes there is a strong likelihood of subsequent license sales or the survey is strategically located.

The advantages to oil and gas companies of purchasing non-exclusive seismic surveys are: (i) the ability to evaluate large tracts of land with cost-effective seismic data; (ii) the ability to obtain seismic data in an area on a confidential basis during an exclusivity period for exploration purposes; (iii) the opportunity to interpret new, high quality seismic data with little competition (only the other initial purchasers of licences) during an exclusivity period; and (iv) the ability to

re-allocate personnel to other tasks that would otherwise be tied up supervising the acquisition of this seismic data. These advantages accrue not only to large oil and natural gas companies, which may utilize the surveys to complement their own seismic databases, but also to junior and intermediate companies which gain access to seismic data through their direct investment in participation surveys or on a licensed basis upon the expiry of the exclusivity period. The primary benefit to Pulse Seismic from its participation in these surveys is the addition, on a cost-effective basis, of modern seismic information to its database. The asset value of these surveys ranges from hundreds of thousands to millions of dollars depending on the size and location of the project.

The seismic data industry in which Pulse Seismic participates has, over the past number of years, experienced an increase in demand for larger 3D seismic surveys encompassing areas up to 1,000 square kilometres in size. In comparison to the costs of acquiring 2D seismic surveys and smaller 3D seismic surveys, the costs of such larger 3D seismic surveys are significantly higher. At current seismic acquisition costs, the total cost of 1,000 square kilometres of 3D seismic ranges from \$30,000,000 to \$100,000,000, depending on the location of the survey. In order to participate in such larger surveys yet share the cost risks associated therewith, Pulse Seismic has sometimes historically engaged in strategic alliances with certain of its competitors for the purposes of reducing its risk in such larger surveys.

#### *Project Management*

Pulse Seismic sometimes generates revenues through project management of supervision services to the oil and gas industry. These revenues have typically amounted to less than 5% of Pulse's revenues from continuing operations generated each year.

#### **Seismic Industry Overview**

The use of seismic data by oil and gas companies in exploration and development activities and reserve management greatly enhances their chances for success. As a result, seismic data is vital information in the oil and natural gas exploration and development business. Seismic data is obtained by laying cable connected sensors called geophones along the surface of the ground. The cable is connected to a computer capable of recording data received. Once the cable and geophones are in place, an explosion is detonated. The explosion sends acoustic energy through the ground and into the subsurface in the form of a seismic wave. The seismic wave is reflected back to the geophones where it is converted to electrical energy and transferred along the cable to the computer and digitally recorded on tape, different physical properties in the subsurface cause changes in the velocity and travel paths of the energy wave. This information is processed using sophisticated computer software to produce a seismic image that can then be used by geophysicists to assist in evaluating the oil and gas bearing potential of various geological zones. The use of a single cable produces a 2D image.

The 3D seismic imaging process involves the use of parallel cables in a grid format set over a defined area. Again, an explosion is used to send acoustic energy waves into the subsurface. In the case of 3D seismic, the data, once processed, produces a three dimensional seismic image that provides detailed information for oil and natural gas exploration and development activities and reservoir management. 3D seismic provides a more detailed image of potential reserves than 2D seismic and is therefore useful in the development of reserves. 2D seismic is more cost-effective and regionally oriented than 3D seismic and is therefore useful for exploration purposes. 2D seismic also has a wider appeal to a broader range of oil and natural gas companies. Recently, however, 3D seismic has been gaining acceptance as an exploration tool.

#### **Seismic Industry Competitive Conditions**

The western Canadian geophysical services industry is fragmented and is comprised of a full spectrum of service providers from large multi-national full service companies to single proprietorship owners of seismic data. Unlike full-service companies, which own and operate equipment and field crews for the purposes of seismic data acquisition and seismic data processing, Pulse Seismic's focus remains on the procurement of seismic data by purchasing existing data and developing new participation surveys through the use of contracted equipment and crews as well as the marketing and management of its seismic data library.

The western Canadian geophysical services industry is highly competitive. Pulse competes with other more established companies which may have greater financial, marketing and other resources, and certain of which are large international geophysical services companies that offer a wider array of geophysical services to their clients than Pulse. The Corporation also competes with other companies that acquire, market and license seismic data, that maintain their own seismic data libraries, and that compete against Pulse in licensing seismic data to their customers.

### **Seismic Industry Cycles and Seasonality**

The demand for seismic data and services depends primarily upon the level of exploration and development activity by oil and natural companies in Western Canada. These activity levels are directly affected by fluctuations in world energy prices, supply and demand for oil and natural gas, and to a lesser extent government regulation, including regulation of environmental matters, taxation and royalty programs.

Seismic surveys are typically completed in the winter season when frozen ground conditions permit the movement and operation of heavy equipment in the northern areas of Alberta and British Columbia. The Corporation may take the opportunity to shoot seismic survey programs in summer months, in areas that have drier ground conditions, to take advantage of reductions in field costs due to general lack of crew activity.

### **Seismic Industry Environmental Protection**

Seismic survey operations are subject to Canadian federal and provincial laws and regulations relating to the protection of the environment. The Corporation and its contractors are required to invest financial and managerial resources to comply with such laws and related permit requirements in their seismic survey operations. The financial and operational effects of environmental protection requirements on the capital expenditures, earnings and competitive position of the Corporation for the most recently completed financial year were not material to the Corporation. Although environmental protection requirements are expected to continue to grow in future years, the Corporation does not expect at this time that the financial and operational effects of environmental protection requirements on the capital expenditures, earnings and competitive position of the Corporation will be material in future years.

Pulse conforms to all government and industry standards which require seismic operations to minimize environmental impact. GPS technology means surveyors no longer require line-of-sight and as a result lines are able to meander, allowing mulchers on source lines to reduce their cutting of trees and to cut source lines at a width of approximately 3.5 metres. Receiver lines are manually cut with chain saws, resulting in a meandering footpath no wider than 1.5 metres. Mulchers do not disturb the duff layer of the soil so root systems are left intact and new growth begins immediately. This is a dramatic improvement from the time it typically took when lines were cut with bulldozers. Dynamite holes are drilled, plugged and detonated according to industry and government regulations. Bentonite is put down all holes to prevent surface water from running into aquifers. Debris is cleaned up immediately on each project, while temporary bridges and water crossings are removed. Line access is closed to the public, providing protection for undisturbed re-growth and reducing wildlife disturbance by hunters or recreational users.

## Employees

As of December 31, 2008, the Corporation had 24 full time and 2 part time employees.

## Environmental, Health and Safety Policies

The Corporation has implemented written policies and procedures to promote a safe, healthy and accident free workplace for its employees and contractors and to mitigate adverse effects on the environment. In addition, the Board of Directors has established an Environment, Health and Safety Committee, whose mandate is to monitor the environmental, health and safety practices and procedures of the Corporation for compliance with applicable legislation, conformity with industry standards, and prevention or mitigation of losses.

## RISK FACTORS

The Section entitled “Risk Factors” in the Corporation’s MD&A for the year ended December 31, 2008 is incorporated by reference. The Corporation’s MD&A for the year ended December 31, 2008 was filed on SEDAR at [www.sedar.com](http://www.sedar.com) on March 23, 2009 as “Management’s Discussion and Analysis”.

## DIVIDENDS

The following table discloses the amount of cash dividends declared per common share for each of the three most recently completed financial years:

Year ended December 31, 2006	Year ended December 31, 2007	Year ended December 31, 2008
\$0.15 <sup>(1)</sup>	\$0.1625 <sup>(2)</sup>	\$0.20 <sup>(3)</sup>

Notes: <sup>(1)</sup> represents four quarterly dividends of \$0.0375 per common share paid in 2006.

<sup>(2)</sup> represents three quarterly dividends of \$0.0375 per common share and one quarterly dividend of \$0.05 per common share paid in 2007.

<sup>(3)</sup> represents four quarterly dividends of \$0.05 per common share paid in 2008.

The Corporation commenced paying a quarterly dividend of \$0.0125 per common share (\$0.05 per year) in September 2003. In August 2005, the Corporation doubled the quarterly dividend to \$0.025 per common share (\$0.10 per year) commencing with the quarterly dividend paid in September 2005. In February 2006, the Corporation increased the quarterly dividend by 50% to \$0.0375 per common share (\$0.15 per year) commencing with the quarterly dividend paid in April 2006. On November 7, 2007 Pulse announced a 33% increase in the quarterly dividend from \$0.0375 per common share to \$0.05 per common share (\$0.20 per year) commencing with the quarterly dividend paid in November 2007.

Under the Corporation’s syndicated revolving credit facility, the Corporation may not without the prior written consent of its lenders, pay any dividend if the dividend puts the Corporation in default of any of the covenants in such credit facility.

Pulse also has in place a Dividend Reinvestment and Optional Share Purchase Plan (DRIP). Under the DRIP, eligible shareholders may automatically reinvest their dividends in common

shares of Pulse at 95% of the current market price. Eligible participants may also purchase additional common shares of Pulse at the current market price, with a minimum of \$200 per purchase and a maximum of \$50,000 per calendar year.

As a result of a combination of sharply lower seismic data library sales in the first quarter of 2009, and the extreme uncertainty related to commodity prices and energy sector capital expenditures, the Corporation announced on March 23, 2009 that it was temporarily suspending its quarterly dividend. The Corporation will review and reinstate the payment of dividends when seismic data library sales recover.

### **DESCRIPTION OF CAPITAL STRUCTURE**

The Corporation is authorized to issue an unlimited number of common shares and an unlimited number of preferred shares, issuable in series. As of December 31, 2008 there were 53,397,583 common shares outstanding and no preferred shares outstanding.

The holders of the common shares are entitled to receive dividends if, as and when declared by the Board of Directors. The holders of common shares are entitled to receive notice of and to attend all meetings of shareholders and are entitled to one vote per common share held at all such meetings. In the event of the liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the common shares will be entitled to share equally, share for share, in any distribution of the assets of the Corporation.

The preferred shares are non-voting and are issuable in series, with such designations, rights, privileges, restrictions and conditions as are determined by the Board of Directors at the time of issue.

The Corporation adopted a Shareholder Rights Plan by way of a Shareholders Rights Agreement dated August 13, 2007 between the Corporation and Computershare Trust Company of Canada, as Rights Agent, as amended by Amending Agreement dated September 10, 2007. The Shareholder Rights Plan was approved by the shareholders at a special meeting of shareholders on September 21, 2007. The Shareholder Rights Plan will remain in effect until termination of the annual meeting of shareholders of the Corporation in 2010, unless extended beyond such date by resolution of shareholders at a shareholders meeting at or prior to the annual meeting of shareholders in 2010.

### **MARKET FOR SECURITIES**

The common shares of Pulse are listed for trading on the TSX under the trading symbol PSD.

The following table provides information on the price ranges and volumes traded on the TSX for each month during 2008:

Month	Trading Volume	Price Range
January	662,073	\$2.40 - \$2.89
February	626,761	\$2.50- \$2.65
March	812,838	\$2.30 - \$2.60

April		772,066	\$2.53 - \$2.82
May		2,352,865	\$2.67 - \$2.95
June		782,859	\$2.76 - \$3.10
July		816,950	\$2.72 - \$3.13
August		1,762,363	\$2.63 - \$3.10
September		2,272,218	\$2.38 - \$2.89
October		1,398,709	\$1.90 - \$2.54
November		1,145,010	\$1.30 - \$2.10
December		4,055,158	\$1.24 - \$1.75

### DIRECTORS AND OFFICERS

The name, province or state and country of residence, positions and offices held with the Corporation, and principal occupation of the directors and executive officers of Pulse are as follows:

<b>Name and Residence</b>	<b>Positions Held</b>	<b>Principal Occupation</b>	<b>Date First Elected as a Director</b>
Arthur Dumont <sup>(2)(3)(4)</sup> Alberta, Canada	Director	Independent Businessperson	October 1999
Donald West <sup>(2)(3)(4)</sup> Alberta, Canada	Director	Independent Businessperson	June 2000
Graham Weir <sup>(1)(3)</sup> Alberta, Canada	Director, Chairman of the Board	Chairman of the Board of Graymont Limited, a private lime producing company	April 2002
Clark Zentner <sup>(1)(3)</sup> Monterrey, Mexico	Director	Independent Businessperson	April 2002
Daphne Corbett <sup>(1)(3)</sup> British Columbia, Canada	Director	Independent Businessperson	June 2004
Peter Fuss <sup>(2)(3)</sup> Florida, USA	Director	Independent Businessperson	June 2004
Douglas A. Cutts <sup>(4)</sup> Alberta, Canada	President and Chief Executive Officer and Director	President & CEO of Pulse	May 2007

<b>Name and Residence</b>	<b>Positions Held</b>	<b>Principal Occupation</b>	<b>Date First Elected as a Director</b>
Robert Robotti <sup>(1)(3)</sup> New York, USA	Director	President of Robotti & Company LLC, a registered broker-dealer, and President of Robotti & Company Advisors LLC, a registered investment advisor	December 2007
Brent Gale Alberta, Canada	Vice President, Operations and Chief Operating Officer	Vice President, Operations & COO of Pulse	N/A
Pamela Wicks Alberta, Canada	Vice President, Finance	Vice President, Finance of Pulse	N/A
Neal Coleman <sup>(5)</sup>	Vice President Sales and Marketing	Vice President Sales and Marketing	N/A

**Notes:**

- (1) Member of the Audit Committee. Daphne Corbett is the Chair of the Committee.
- (2) Member of the Compensation Committee. Donald West is the Chair of the Committee.
- (3) Member of the Corporate Governance Committee. Arthur Dumont is the Chair of the Committee.
- (4) Member of the Environment, Health and Safety Committee. Donald West is the Chair of the Committee.
- (5) Neal Coleman was appointed to the position of Vice President Sales and Marketing on April 1, 2008
- (6) Each of the directors holds office until the next annual meeting of shareholders or until their successor is duly elected or appointed.

The background of each of the directors and executive officers of Pulse and their principal occupations for the past five years are as follows:

**Arthur Dumont, Director**

Mr. Dumont was the CEO of Technicoil Corporation (an energy service company) from October 2000 to February 2008. Mr. Dumont was the President and Chief Executive Officer of CenAlta Energy Services Inc. (an energy services company) from November 1998 to October 2000.

**Donald West, Director**

Mr. West has been a director of Enerplus Resources Corporation (an oil and gas corporation) since April 2003. From March 1993 to September 1999, he was the President, Chief Executive Officer and a director of Rigel Energy Corporation (an oil and gas company).

**Graham Weir, Director**

Mr. Weir is Chairman of the Board of Graymont Limited, a private lime producing company. From 1990 to December 2000, he was Vice President and Director of Corporate Finance for Goepel McDermid Inc. (an investment dealer). He is currently also a director of Grupo Calidra, Flagstone Energy, Wave Energy and Zargon Energy Trust.

**Clark Zentner, Director**

Mr. Zentner is an independent businessperson. From 1998 to present, he has been involved with a number of early stage energy and agriculture companies and as administrator/director with nonprofit organizations. Prior thereto, from 1990 to 1998, he was Managing Director, Merchant Banking with ARC Financial Corporation, an investment banking and merchant banking company at that time.

**Daphne Corbett, Director**

Ms. Corbett is an independent businessperson with over 20 years of experience in corporate banking. From 1981 to 2003 Ms. Corbett worked in various senior and executive positions with HSBC Bank in Canada and Latin America.

**Peter Fuss, Director**

Mr. Fuss is a management consultant and retired President, Tellabs International, Inc. He is also currently a director of Raindrop Geomagic Inc.

**Douglas A. Cutts, President and Chief Executive Officer and Director**

Mr. Cutts was appointed President, CEO and a director of Pulse on May 22, 2007. Mr. Cutts joined Pulse on March 25, 2002 as Vice President, Finance and Chief Financial Officer. From September 2000 to November 2001 he was Vice President Finance, Chief Financial Officer, and a Director of Command Drilling Corporation (an energy services company). From July 1997 to April 1999 he was President, Chief Operating Officer, and a Director of IPEC (an energy services company).

**Robert Robotti, Director**

Mr. Robotti has been President of Robotti & Company, LLC, a registered broker-dealer since 1983. He is also President of Robotti & Company Advisor, LLC, a registered investment advisor. He is also a Managing Member of Ravenswood Management Company, LLC, which serves as the General Partner of the Ravenswood Investment Company, L.P. and Ravenswood III L.P. He has been a director of Panhandle Oil and Gas Inc., a New York Stock Exchange listed company, since 2004.

**Brent Gale, Vice President, Operations and Chief Operating Officer**

Mr. Gale has been Vice President, Operations and Chief Operating Officer of Pulse since August, 2003. Prior thereto, Mr. Gale was Vice President of Pulse since October 1999.

**Pamela Wicks, Vice President Finance**

Pamela Wicks was appointed Vice President Finance of Pulse in May 2007. Prior thereto, she was Controller of Pulse.

**Neal Coleman, Vice President Sales and Marketing**

Neal Coleman was appointed Vice President Sales and Marketing of Pulse on April 1, 2008. Prior thereto, he was Manager, Sales and Marketing of Pulse.

**Securities Owned**

As at March 25, 2009, the directors and executive officers of Pulse, as a group, beneficially owned, or controlled or directed, directly or indirectly, 6,632,070 Pulse common shares (representing approximately 12.5 % of the issued and outstanding Pulse common shares).

### **Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

Arthur Dumont was formerly a director of Fracmaster Ltd. (“Fracmaster”). On March 18, 1999, Fracmaster, in cooperation with its syndicate of lenders, obtained an order of the Alberta Court of Queen's Bench (the “Court”) placing Fracmaster under the protection of the Companies Creditors Arrangement Act. On May 17, 1999, the Court issued an order placing Fracmaster in receivership with Arthur Andersen acting as receiver. On May 21, 1999, the Court granted a further order approving the sale of substantially all of the assets of Fracmaster to BJ Services Company. In June of 1999, orders were issued by various securities commissions in Canada, including the securities commissions in the Provinces of Alberta, Ontario and British Columbia ordering that trading cease in respect of the securities of Fracmaster for failure of Fracmaster to file, and deliver to its shareholders, certain financial statements of Fracmaster in accordance with applicable securities laws. Arthur Dumont resigned as a director of Fracmaster in April of 1999.

On November 29, 2006 Robert Robotti was appointed to the Board of Directors of Advanced Marketing Services Inc. (“MKTS”), a San Diego, California based company. On December 29, 2006 MKTS filed a voluntary petition under Chapter 11 of the Federal Bankruptcy Code in United States Bankruptcy Court for the District of Delaware. On January 16, 2007 Mr. Robotti resigned as a director of MKTS.

### **Conflicts of Interest**

The Corporation holds an approximate 50% undivided interest in certain 2D seismic data totaling 1,765 net kilometres (approximately 0.7% of the Corporation’s 2D data library) in which one officer of the Corporation also holds an undivided interest. The Corporation manages and licenses the seismic data to third parties and earned a success-based fee from the related party of \$19,692 for the year ended December 31, 2008 (2007 – \$15,810). The Corporation does not consider this contract or the conflict of interest to be material.

### **TRANSFER AGENT AND REGISTRAR**

The Corporation’s transfer agent and registrar is Valiant Trust Company with registers of transfers of the Corporation’s common shares in Calgary, Alberta and Toronto, Ontario.

### **MATERIAL CONTRACTS**

Other than contracts entered into in the ordinary course of business, there were no contracts that are material to the Corporation and that were entered into within the most recently completed financial year, or before the most recently completed financial year but which are still in effect.

### **INTERESTS OF EXPERTS**

KPMG LLP, Chartered Accountants, audited the annual consolidated financial statements for the financial year ended December 31, 2008.

KPMG LLP is independent in accordance with the auditor's Rules of Professional Conduct of the Institute of Chartered Accountants of Alberta.

### **ADDITIONAL INFORMATION**

Additional information relating to the Corporation may be found on SEDAR at [www.sedar.com](http://www.sedar.com).

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities and securities authorized for issuance under equity compensation plans, if applicable, is contained in the Corporation's Information Circular for its most recent annual meeting of shareholders that involved the election of directors.

Additional financial information is provided in the Corporation's financial statements and MD&A for its most recently completed financial year.

### **AUDIT COMMITTEE INFORMATION**

The following Audit Committee information is provided in accordance with NI 52-110 Audit Committees:

#### **The Audit Committee's Charter**

The Audit Committee's Charter is attached to this AIF.

#### **Composition of the Audit Committee**

The members of the Audit Committee are Daphne Corbett (Chair), Robert Robotti, Graham Weir and Clark Zentner. All members of the Audit Committee are considered to be independent and financially literate within the meaning of NI 52-110 Audit Committees.

#### **Relevant Education and Experience**

The education and experience of each Audit Committee member that is relevant to the performance of such member's responsibilities as an Audit Committee member are as follows:

MEMBER'S NAME	RELEVANT EDUCATION AND EXPERIENCE
Daphne Corbett	<p>Relevant Education:</p> <ul style="list-style-type: none"> <li>● B.A. (Major in Psychology and Minor in Math) – 1970 – University of Victoria</li> <li>● CMA – Member of the BC Association 1989-1999 (resigned as a member in good standing)</li> </ul> <p>Relevant Experience:</p> <ul style="list-style-type: none"> <li>● Senior Vice President BC Region for HSBC Bank Canada 2000 -2002</li> <li>● Head of Internal Audit for Canada for HSBC Bank 1994-1997</li> <li>● Head of Internal Audit for Latin America for HSBC Bank 1997-2000</li> <li>● Chair of the Finance VISTA Steering Committee of HSBC Group</li> <li>● Chair of the Audit Committee for Emergency Communications for Southwestern B.C.</li> <li>● Member of the Finance Committee for the Pacific Salmon Foundation</li> </ul>
Robert Robotti	<p>Relevant Education:</p> <ul style="list-style-type: none"> <li>● B.S. – 1975 – Bucknell University, Pennsylvania</li> </ul>

	<ul style="list-style-type: none"> <li>• MBA – 1978 – Pace University, New York</li> <li>• CPA – Member of the New York State Association 1978 – to present</li> </ul> <p>Relevant Experience:</p> <ul style="list-style-type: none"> <li>• President and founder of Robotti &amp; Company, LLC a registered broker-dealer, since 1983</li> <li>• President and founder of Robotti &amp; Company Advisors, LLC, a registered investment advisor, since 2003</li> <li>• Managing Member of Ravenswood Management Company, LLC since 1983</li> <li>• Member of the Audit Committee, Compensation Committee, Corporate Governance Committee and Board of Directors for Panhandle Oil and Gas Inc.</li> </ul>
Graham Weir	<p>Relevant Education:</p> <ul style="list-style-type: none"> <li>• B.Sc. Mathematics – 1974 - Trent University</li> <li>• M.Sc. Actuarial Mathematics – 1977 - University of Manitoba</li> <li>• Chartered Business Valuator – 1994 - Canadian Institute of Business Valuators</li> <li>• M.Sc. Financial Mathematics – 2005 – Oxford University</li> </ul> <p>Relevant Experience:</p> <ul style="list-style-type: none"> <li>• For the decade ended December 2000, investment banker with Goepel McDermid Inc. (and its predecessor Goepel Shields and Partners Inc.) in its Calgary office</li> <li>• Currently a member of the Audit Committee of Pulse Data Inc. and serves on the Boards of various public and private companies including: Graymont Limited, Grupo Calidra S.A. de C.V., Wave Energy, Flagstone Energy Inc. and Zargon Energy Trust</li> </ul>
Clark Zentner	<p>Relevant Education:</p> <ul style="list-style-type: none"> <li>• B.Sc. Math – 1975 - University of Saskatchewan</li> <li>• MBA – 1979 - Queen’s University</li> </ul> <p>Relevant Experience:</p> <ul style="list-style-type: none"> <li>• 1979 – 1988 Financial analyst and manager - Amoco</li> <li>• 1988 – 1990 Oil &amp; Gas securities analyst – Wood Gundy</li> <li>• 1990 – 1998 Investment banking and corporate financial advisory professional – ARC Financial</li> <li>• Director and member of audit committee of several private companies</li> </ul>

### **Pre-Approval Policies and Procedures**

The Audit Committee has adopted the following specific policies and procedures for the engagement of non-audit services:

On an annual basis, the Audit Committee updates and approves a list of pre-approved audit, audit-related, tax and other services, and pre-approves services that are recurring or are otherwise reasonably expected to be provided.

The Audit Committee is informed quarterly of the services on such list for which the auditor has actually been engaged.

Additional requests for pre-approval are addressed on a case by case specific engagement basis as follows:

- Where the aggregate fees for an engagement are estimated to be less than or equal to \$10,000, the VP Finance submits a recommendation to the Chair of the Audit Committee for pre-approval. The full Audit Committee is informed of the service at the next meeting of the Audit Committee. The engagement may commence upon pre-approval by the Chair of the Audit Committee;
- Where the aggregate fees for an engagement are estimated to be greater than \$10,000, the VP Finance submits a recommendation to the full Audit Committee for pre-approval. The engagement may commence upon pre-approval by the full Audit Committee.

**External Auditor Service Fees (by Category)**

	2008 Financial Year	2007 Financial Year
Audit Fees	115,000	125,000
Audit-Related Fees <sup>(1)</sup>	57,500	56,000
Tax Fees <sup>(2)</sup>	34,800	34,400
All Other Fees <sup>(3)</sup>	10,000	-

Notes:

- (1) Includes the review of interim consolidated financial statements for the periods ended March 31, June 30 and September 30.
- (2) Canadian and U.S. tax compliance.
- (3) IFRS Quick Scan to assist management to identify areas where conversion to IFRS may have a significant impact or present a significant challenge.

**PULSE DATA INC.**

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**Audit Committee****Terms of Reference****Revised March 19, 2009**

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**Overview and Purpose**

The Audit Committee (the “Committee”) is appointed by and responsible to the Board of Directors (the “Board”) of Pulse Data Inc. (the “Corporation”). The Committee oversees the accounting and financial reporting processes of the Corporation and the audits of the financial statements of the Corporation, in accordance with applicable laws and securities policies and instruments and these Terms of Reference.

The Committee has the authority to investigate any financial activity of the Corporation. The primary responsibilities of the Committee include:

- assessing the processes related to identification of risks and effectiveness of the control environment;
- overseeing financial reporting; and
- evaluating the external audit process.

The Committee shall have unrestricted access to the Corporation’s personnel and documents and will be provided with the resources necessary to carry out its responsibilities.

**Composition**

The Committee will be comprised of a minimum of three directors. All Committee members will be independent and financially literate within the meaning of NI 52-110 Audit Committees.

The members of the Committee shall be appointed or reappointed at the meeting of the Board immediately following each annual meeting of the shareholders of the Corporation. Each member of the Committee shall continue to be a member thereof until such member’s successor is appointed, unless such member shall resign or be removed by the Board or such member shall otherwise cease to be a director of the Corporation. Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board and shall be filled by the Board if the membership of the Committee is less than three (3) directors as a result of the vacancy.

The members of the Committee shall choose one of its members to serve as Chair (the “Chair”) who is responsible for the preparation of reports to the Board and conducting the meetings of the Committee. If the Chair of the Committee is not present at any meeting of the Committee, the Chair of the meeting shall be chosen by the Committee from among the members present. Resolutions of the Committee shall be carried by the majority of the votes of the members of the Committee present at the meeting.

All members of the Board shall be free to attend any meetings of the Committee and participate, but only those members of the Committee shall be entitled to vote on any question before the Committee. Other than members of the Board, entitlement to attend all or a portion of any Committee meetings shall be determined by the Chair of the Committee or its members. The Chair of the Board is an ex-officio and non-voting member of the Committee, unless appointed by the Board as a full member of the Committee.

The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board may from time to time determine.

### **Responsibilities**

The responsibilities of the Committee include the following:

- To review the Corporation's quarterly financial statements, quarterly management's discussion and analysis and the financial information contained in the interim results news releases and interim reports to shareholders, and to provide recommendations to the Board for their approval;
- To review the Corporation's annual audited financial statements and notes thereto and satisfy itself that they are fairly presented in accordance with Canadian generally accepted accounting principles and to recommend to the Board whether such financial statements should be approved;
- To review the financial information contained in the annual management's discussion and analysis, the financial information contained in the annual results news releases and annual reports to shareholders, and the financial information contained in the Annual Information Form (the "AIF"), to determine that they provide consistency of disclosure with the financial statements themselves, and to provide recommendations to the Board for their approval;
- To review the disclosure of Audit Committee information contained in the AIF, and to provide recommendations to the Board for its approval;
- To review such other financial information as the Corporation may publish from time to time including financial information in prospectuses and other offering documents and financial information required by regulatory authorities, to satisfy itself that they are fairly presented in accordance with Canadian generally accepted accounting principles, and to provide recommendations to the Board for their approval;
- To review and monitor accounting policies and practices;
- To review and monitor risk management practices;
- To review and monitor any material litigation involving the Corporation;
- To satisfy itself that management of the Corporation has implemented appropriate systems of internal control over financial reporting and determine that these are operating effectively;
- To obtain reasonable assurance through discussions with management and external auditors that the Corporation's accounting systems are reliable and that internal controls are adequate. The Committee will review the evaluation of internal controls by the external auditors, including any recommendations for improvement of accounting procedures and internal controls, together with management's response.

- To satisfy itself that the external audit function has been effectively carried out in a cost effective manner and that any matter which the external auditors wish to bring to the attention of the Board has been addressed;
- To review the annual appointment of external auditors for recommendation to the Board for approval by the shareholders of the Corporation, and to review the compensation of the external auditors and provide a recommendation to the Board for approval;
- To review any new appointment to the position of chief financial officer or to any other key executive position with financial reporting responsibilities;
- To review and pre-approve any non-audit services to be provided to the Corporation or its subsidiaries by the Corporation's external auditors (provided that the Committee may adopt policies and procedures for the pre-approval of de minimus non-audit services and for the delegation of the pre-approval of non-audit services to one or more members of the Committee, in accordance with NI 52-110 Audit Committees);
- To review on an annual basis the Terms of Reference of the Committee; and
- To satisfy itself that the interim and annual certifications by the Corporation's CEO and CFO of the Corporation's interim and annual financial statements are completed and filed in accordance with applicable securities laws and policies.

In addition, the Chair of the Committee (or in the Chair's absence, any other member of the Committee) will review and approve any earnings guidance and any news release containing financial information based on the Corporation's financial statements prior to their release (other than financial information contained in interim and annual results news releases, which are to be approved by the Committee as provided above.)

### **Procedures**

The Committee will be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements (other than the public disclosure of financial statements, MD&A and annual and interim earnings news releases and reports to shareholders referred to above under "Responsibilities") and will periodically assess the adequacy of those procedures.

The Committee will establish procedures for:

- (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters, and
- (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

The Committee will review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation.

### **External Auditor**

The external auditor will report directly to the Committee.

The Committee is directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting.

**Authority**

The Committee has the authority:

- (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) to set and pay the compensation for any advisors employed by the Committee; and
- (c) to communicate directly with the internal and external advisors.

**Meetings**

The Committee will meet at least four times per year and additionally as necessary to discharge its responsibilities as outlined herein. Upon consultation with and approval by all parties affected, the business of the Committee may be conducted by way of a telephone conference call.

The time and place of meetings of the Committee and the procedures at such meetings shall be determined from time to time by the members thereof, provided that a quorum for meetings shall be a majority of the members of the Committee.

Notice of the time and place of and an agenda and related materials respecting every meeting shall be given in writing or facsimile communication to each member of the Committee at least 48 hours prior to the time listed for such meeting, provided, however, that a member may in any manner waive a notice of a meeting and attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

The Committee may invite such officers, directors and/or employees of the Corporation as it may see fit from time to time to attend a meeting of Committee and assist in the discussion and consideration of the matters being considered by the Committee.

The Corporation's external auditors will be invited to attend Committee meetings when appropriate, particularly if they have been asked to provide any form of service with respect to specific agenda items.

**Reporting**

The minutes of all meetings of the Committee are to be provided to the Board. Oral reports by the Chair on recent matters not yet recorded in the minutes are to be provided to the Board at its next meeting.

Supporting schedules and information reviewed by the Committee will be available for examination by any directors upon request to the Chair of the Committee.

**Calendar for Meetings**

The following outlines a suggested program for regular meetings of the Committee. Prospectuses, acquisitions, or takeovers will require meetings over and above the following annual program.

**Meeting Prior to Release of Annual Financial Statements (March)**

- Discuss the audited annual financial statements and auditors' report thereon and annual management's discussion and analysis in detail with the Corporation's senior officers and external auditors.
- Review and confirm the scheduled filing of the annual certifications by the Corporation's CEO and CFO of the annual financial statements.
- Review the financial information contained in the annual results news release and annual report to shareholders.
- Review the financial information and the disclosure of Audit Committee information contained in the AIF.
- Review a summary provided by the Corporation's senior officers of the status of any material pending or threatened litigation, claims and assessments.
- Review the Terms of Reference for the Audit Committee.
- Review and assess the adequacy of the procedures for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements.
- Review and assess the adequacy of the procedures for (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters, and (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
- Discuss in private with the external auditors matters affecting the conduct of their audit and other corporate matters.
- Discuss in private with the Corporation's senior officers the level and timeliness of service provided by the auditors and whether they recommend the reappointment of the auditors.
- Provide the Board a recommendation as to whether the annual financial statements and management's discussion and analysis, the financial information contained in the annual results news release and annual report to shareholders, and the financial information and disclosure of Audit Committee information contained in the AIF should be approved.
- Recommend to the Board each year the retention or replacement of the external auditors and their compensation.

**Meeting Prior to Release of First Quarter Results (May)**

- Obtain information on any changes in financial reporting requirements that may affect the current year's financial statements.
- Review interim financial statements, interim management's discussion and analysis, the interim review report of the external auditors, and the financial information contained in the interim results news release and interim report to shareholders with

the Corporation's senior officers and the external auditors and provide recommendations to the Board for their approval prior to their release.

- Review and confirm the scheduled filing of the interim certifications by the Corporation's CEO and CFO of the interim financial statements.
- Obtain information on how the Corporation's senior officers monitor the effectiveness of the Corporation's financial reporting controls. Inquire into any significant changes planned regarding systems or controls within the next year.
- Review reports from senior officers outlining any significant changes in financial or other risks facing the Corporation.
- Review the management letter of the external auditors and the Corporation's responses to the suggestions made.

#### **Meeting Prior to Release of Second Quarter Results (August)**

- Review interim financial statements, interim management's discussion and analysis, the interim review report of the external auditors, and the financial information contained in the interim results news release and interim report to shareholders with the Corporation's senior officers and the external auditors and provide recommendations to the Board for their approval prior to their release.
- Review and confirm the scheduled filing of the interim certifications by the Corporation's CEO and CFO of the interim financial statements.
- Review reports from senior officers outlining any significant changes in financial or other risks facing the Corporation.

#### **Meeting Prior to Release of Third Quarter Results (November)**

- Review interim financial statements, interim management's discussion and analysis, the interim review report of the external auditors, and the financial information contained in the interim results news release and interim report to shareholders with the Corporation's senior officers and the external auditors and provide recommendations to the Board for their approval prior to their release.
- Review and confirm the scheduled filing of the interim certifications by the Corporation's CEO and CFO of the interim financial statements.
- Review reports from senior officers outlining any significant changes in financial or other risks facing the Corporation.
- Review the terms of engagement of the external auditors and the audit planning summary.
- Obtain summaries of complex financings and other significant transactions, and other potentially difficult matters whose treatment in the annual financial statements merits advance consideration.
- Obtain draft skeleton financial statements and draft notes to financial statements and assess, on a preliminary basis, the reasonableness of the financial statements in light of presentations by the chief financial officer.

**Meeting(s) to be called as Required**

- Review the financial information contained in any prospectus or other offering document prior to its release.
- Review any significant accounting policy changes.
- If there is a plan to change auditors, review all issues related to the change and the steps planned for an orderly transition.
- Review any new appointment to the position of chief financial officer or to any other key executive position with financial reporting responsibilities.

**Standard Agenda Items**

- Questions for Management and Auditors
- Questions for Private Discussion with External Auditors (Members of Management not present)
- Questions for Private Discussion with Management (External Auditors not present)
- Report from the Chair of the Committee on (a) any complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters, and (b) any confidential, anonymous submissions by employees of the Corporation of concerns regarding questionable accounting or auditing matters (Management and External Auditors not present).