

## STONEHAM ADMINISTRATION INC.

### TERMS OF REFERENCE FOR THE CHIEF FINANCIAL OFFICER

#### RESPONSIBILITIES

The Chief Financial Officer (the "**CFO**") of Stoneham Administration Inc. (the "**Company**"), as manager of Stoneham Drilling Trust (the "**Trust**"), has the responsibility:

- (a) with the assistance of the Chief Executive Officer (the "**CEO**") of the Company and the Audit Committee of the Board of Directors (the "**Board**") of the Company, to establish and manage the Trust's financial reporting systems to ensure that:
  - (i) all financial statements of the Trust and its subsidiaries are properly prepared, on a consolidated basis, in accordance with Canadian generally accepted accounting principles ("**GAAP**");
  - (ii) all business transactions are properly authorized;
  - (iii) all records fairly and accurately reflect the transactions or occurrences to which they relate;
  - (iv) all records fairly and accurately reflect in reasonable detail the Trust's and its subsidiaries' assets, liabilities, revenues and expenses (on a consolidated basis); and
  - (v) no information is concealed from the independent external auditors, the Audit Committee of the Board or the Board;
- (b) to establish and update the Trust's accounting policies and practices in accordance with GAAP;
- (c) to liaise with and report to the Board as required and to ensure the timeliness and integrity of the financial reporting and information presented to the Board;
- (d) to liaise with and act as chief advisor to the Audit Committee of the Board;
- (e) to work with the independent auditors of the Trust to:
  - (i) establish and maintain the Trust's audit plan;
  - (ii) help the auditors effectively and efficiently complete their auditing functions; and
  - (iii) reconcile any disagreements between management and the independent auditors such that the Trust's financial statements most fairly represent the Trust's and its subsidiaries' financial position (on a consolidated basis) at the relevant time of the applicable financial statements;

- (f) to manage the Trust's derivative, hedging and forward sale agreements and instruments and all similar transactions;
- (g) to manage the budget preparation function as determined by the Board;
- (h) to oversee all non-audit functions of the Trust for which outside accounting professionals are retained;
- (i) to report to the CEO and the Chair of the Audit Committee any material problems or issues concerning the Trust's financial records, financial reporting process or financial condition;
- (j) to oversee the preparation of an review all of the Trust's public disclosure and offering documents which include financial information regarding the Trust or its subsidiaries, including any prospectus, annual information form and management's discussion and analysis of financial conditions and results of operations;
- (k) to design, review, evaluate and manage all matters such that the CFO can make the certification required by Multilateral Instrument 52-109 including:
  - (i) designating such disclosure controls and procedures for the Trust to ensure that material information relating to the Trust and its subsidiaries is made, known to the CEO and CFO;
  - (ii) designating internal controls over the Trust's financial reporting to ensure the reliability of the Trust's financial reporting;
  - (iii) ensuring the integrity of the Trust's financial reporting process and financial statements;
  - (iv) implementing and managing the Trust's tax reporting and remittances; and
  - (v) establishing and reviewing the Trust's financial risk assessment and risk management policies.