



AEDIS ENERGY INC.

Nominating & Corporate Governance Committee Charter



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STATEMENT OF PURPOSE

The Nominating and Corporate Governance Committee (the “Committee”) is a standing committee of the Board of Directors (the “Board”) of Aedis Energy Inc. (the “Company”). The purposes of the Committee are to identify individuals qualified to become members of the Board, to recommend Director nominees for each annual meeting of shareholders and nominees for election to fill any vacancies on the Board and to address related matters. The Committee shall also develop and recommend to the Board corporate governance principles applicable to the Company and be responsible for leading the annual review of the Board’s performance.

1. ORGANIZATION

1.1. Charter

At least annually, this charter shall be reviewed and reassessed by the Committee, and any proposed changes shall be submitted to the full Board for approval.

1.2. Members

The Committee shall consist of a minimum of two Board members. The members of the Committee shall be appointed by the full Board and shall meet the independence requirements of applicable law and the listing standards of The NASDAQ Stock Market or any exchange on which the Company’s stock may be listed. Committee members may be removed from the Committee, with or without cause, by action of the majority of the members of the Board other than the member whose removal from the Committee is being acted upon. The Board shall also designate a Committee Chairperson.

1.3. Meetings

In order to discharge its responsibilities, the Committee shall each year establish a schedule of meetings; additional meetings may be scheduled as required.

1.4. Quorum; Action by Committee

A quorum at any Committee meeting shall be at least a majority of the members of the Committee. All determinations of the Committee shall be made by a majority of the members present at a meeting duly called or held at which a quorum was present, except as specifically provided herein (or where only two members are present, by unanimous vote). Any decision or determination of the Committee reduced to writing and signed by all of the members of the Committee shall be fully as effective as if it had been made at a meeting duly called and held at which a quorum was present.

1.5. Agenda, Minutes and Reports

The Chairperson of the Committee shall be responsible for establishing the agendas for meetings of the Committee. An agenda, together with materials relating to the subject matter of each meeting, shall be sent to members of the Committee prior to each meeting. Minutes for all meetings of the Committee shall be prepared to document the Committee’s discharge of its responsibilities. The minutes shall be circulated in draft form to all Committee members to ensure an accurate final record, shall be approved at a subsequent meeting of the Committee and shall be made available to the full Board. The Committee shall make regular reports to the Board.

1.6. Performance Evaluation

The Committee shall evaluate its performance on an annual basis and develop criteria for such evaluation.

2. RESPONSIBILITIES

The following shall be the principal responsibilities of the Nominating Committee:

2.1 Director Selection Criteria

The Committee shall establish criteria for selecting new Directors, which shall reflect at a minimum any requirements of applicable law or listing standards, as well as a candidate's strength of character, judgment, business experience, specific areas of expertise, factors relating to the composition of the Board (including its size and structure) and principles of diversity.

2.2. Director Recruitment

The Committee shall consider (in consultation with the Chairman of the Board and the Company's Chief Executive Officer (the "Chief Executive Officer")) and recruit candidates to fill positions on the Board, including as a result of the removal, resignation or retirement of any Director, an increase in the size of the Board or otherwise. The Committee shall also review any candidate recommended by the shareholders of the Company considering the Committee's criteria for selection of new Directors. As part of this responsibility, the Committee shall be responsible for conducting, subject to applicable law, any and all inquiries into the background and qualifications of any candidate for the Board and such candidate's compliance with the independence and other qualification requirements established by the Committee, as deemed necessary by the Committee.

2.3. Consideration of Directors for Re-Election

In connection with its annual recommendation of a slate of nominees, the Committee shall assess the contributions of those Directors selected for re-election and shall at that time review its criteria for Board candidates in the context of the Board evaluation process and other perceived needs of the Board.

2.4. Recommendation to Board

The Committee shall recommend the candidates to be nominated for election or re-election to the Board, whether election will be by the Board to fill a vacancy or newly created Directorship, or by the shareholders of the Company at a meeting. Final approval of the nomination of any candidate shall be determined by the full Board.

2.5. Director Removal Guidelines

The Committee shall establish and recommend to the Board guidelines for the removal of members of the Board.

2.6. Consideration of Term Limits

The Committee shall review the desirability of term limits for Directors and recommend to the Board policies in this regard from time to time.

2.7. Governance Guidelines

The Committee shall recommend to the Board corporate governance guidelines addressing, among other matters, the size, composition and responsibilities of the Board and its Committees. The corporate governance guidelines shall be reviewed not less frequently than annually by the Committee, and the Committee shall make recommendations to the Board with respect to changes to the guidelines.

2.8. Advice as to Committee Membership and Operations

The Committee shall advise the Board with respect to the charters, structure and operations of the various committees of the Board and qualifications for membership thereon, including policies for removal of members and rotation of members among other committees of the Board. The Committee shall also make recommendations to the Board regarding which Directors should serve on the various committees of the Board.

2.9. Evaluation of Board

The Committee shall oversee the evaluation of the Board. In discharging this responsibility, the Committee shall solicit comments from all Directors and report annually to the Board on the results of the evaluation.

2.10. Succession Planning

The Committee shall review periodically with the Chairman of the Board and the Chief Executive Officer the succession plans relating to positions held by executive officers of the Company. The Committee shall also make recommendations to the Board with respect to the process for selection, and the selection, of individuals to occupy these positions.

2.11. Access to Records, Consultants and Others

In discharging its responsibilities, the Committee shall have full access to any relevant records of the Company and may retain outside consultants, at the Company's expense, to advise the Committee. The Committee shall have the sole authority and responsibility to engage or terminate any outside consultant with respect to the identification of Director candidates and the nomination of members to the Board and to approve the terms of any such engagement and the fees of any such consultant. The Committee may also request that any officer or other employee of the Company, the Company's outside counsel or any other person meet with any members of, or consultants to, the Committee.

2.12. Delegation

The Committee may delegate any of its responsibilities to a subcommittee comprised of one or more members of the Committee.

2.13. Other Delegated Responsibilities

The Committee shall also carry out such other duties that may be delegated to it by the Board from time to time.