NOTICE OF THE ANNUAL MEETING OF SHAREHOLDERS

Place Date and Time

NOTICE IS HEREBY GIVEN that the Annual Meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Common Shares**") of Ensign Energy Services Inc. (the "**Corporation**") will be held at the Calgary Petroleum Club, 319 – 5th Avenue S.W., in the City of Calgary, in the Province of Alberta, on Wednesday, the 13th day of May, 2015, at the hour of 3:00 p.m. (Calgary time) for the following purposes:

Items of Business

1. To receive the Annual Report of the Directors to the Shareholders, the Consolidated Financial Statements of the Corporation, and the report of the Auditors thereon, for the fiscal year ending December 31, 2014;
2. To set the number of Directors of the Corporation at ten (10) and to elect Directors for the ensuing year;
3. To appoint Auditors of the Corporation for the ensuing fiscal year and to authorize the Directors to fix their remuneration; and
4. To transact such other business as may be properly brought before the Meeting or any adjournment thereof.

The specific details of the matters proposed to be put before the Meeting are set forth in the accompanying Information Circular.

Shareholders who cannot be present in person at the Meeting are urged to complete, sign and date the enclosed Instrument of Proxy. The Instrument of Proxy must be deposited with the Secretary of the Corporation, care of Computershare Trust Company of Canada at 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, not later than 3:00 p.m. on Monday, May 11, 2015.

Who Can Vote

Only Shareholders of record as of the close of business on March 27, 2015 (the "**Record Date**") are entitled to receive notice of the Meeting. Shareholders of record will be entitled to vote those Common Shares included in the list of Shareholders entitled to vote at the Meeting prepared as at the Record Date, unless any such Shareholder transfers his Common Shares after the Record Date and the transferee of those Common Shares establishes that he owns the Common Shares and demands, not later than the close of business 10 days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such Common Shares at the Meeting.

Date

DATED at the City of Calgary, in the Province of Alberta, this 27th day of March, 2015.

BY ORDER OF THE BOARD OF DIRECTORS

Robert H. Geddes
President and Chief Operating Officer

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INFORMATION CIRCULAR

INFORMATION CIRCULAR

FOR THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON WEDNESDAY, MAY 13, 2015

The information contained in this Information Circular (the "**Information Circular**") is furnished in connection with the solicitation of proxies by the management of Ensign Energy Services Inc. ("**Ensign**" or the "**Corporation**") for use at the 2015 Annual Meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares of the Corporation (the "**Common Shares**") to be held at the Calgary Petroleum Club, 319 – 5th Avenue S.W., in the City of Calgary, in the Province of Alberta, on Wednesday, the 13th day of May, 2015, at the hour of 3:00 p.m. (Calgary time), and at any adjournments thereof, for the purposes set out in the accompanying Notice of the Annual Meeting (the "**Notice**"). Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, telex or other means of communication by regular employees of the Corporation. The cost of any such solicitation will be borne by the Corporation.

SECTION 1 – PROXY INFORMATION

Record Date

The persons entitled to attend and vote at the Meeting or to be represented thereat by proxy are those Shareholders of record at the close of business on March 27, 2015 (the "**Record Date**"). Shareholders of record will be entitled to vote those Common Shares included in the list of Shareholders entitled to vote at the Meeting prepared as at the Record Date, unless any such Shareholder transfers his Common Shares after the Record Date and the transferee of those Common Shares establishes that he owns the Common Shares and demands, not later than 10 days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such Common Shares at the Meeting.

Designation of Persons Other Than Those Set Forth in the Instrument of Proxy

The persons named in the enclosed Instrument of Proxy to represent a Shareholder are directors or officers of the Corporation. **A Shareholder who chooses to vote by submitting an Instrument of Proxy has the right to appoint a person, who need not be a Shareholder of the Corporation, to represent such Shareholder at the Meeting other than the persons designated in the Instrument of Proxy furnished with this Information Circular.** Such right may be exercised by inserting in the blank space provided in the Instrument of Proxy the name of the person to be designated or by completing another Instrument of Proxy and, in either case, delivering the resulting Instrument of Proxy to the Secretary of the Corporation, care of Computershare Trust Company of Canada, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, not later than 3:00 p.m. (Calgary time) on Monday, May 11, 2015.

Beneficial Holders of Shares

The information set forth in this section is of significant importance to many Shareholders as a substantial number of the Shareholders do not hold Common Shares in their own name. Shareholders who do not hold their Common Shares in their own name (referred to herein as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominees for many Canadian brokerage firms). Common Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, the broker/nominees are prohibited from voting Common Shares for their clients. The Corporation does not know for whose benefit the Common Shares registered in the name of CDS & Co. are held.

PROXY INFORMATION

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to registered Shareholders. However, its purpose is limited to instructing the registered Shareholder how to vote on behalf of the Beneficial Shareholder.

The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically mails a scannable Voting Instruction Form in lieu of the Form of Proxy. The Beneficial Shareholder is requested to complete and return the Voting Instruction Form to them by mail or facsimile. Alternatively the Beneficial Shareholder can call a toll-free telephone number to vote the Common Shares held by the Beneficial Shareholder. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a Voting Instruction Form cannot use that Voting Instruction Form to vote Common Shares directly at the Meeting as the Voting Instruction Form must be returned as directed by Broadridge well in advance of the Meeting in order to have the Common Shares voted.

Voting of Common Shares Represented by Proxies

The Common Shares represented by proxy will be voted for, against, or withheld from voting, in accordance with the instructions of the Shareholder on any ballot that may be called for, and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. If no choice is specified, the Common Shares represented by a proxy for the Meeting will be voted for the resolution on any particular resolution.

The enclosed Instrument of Proxy confers discretionary authority upon the persons named therein with respect to amendments or variations of any resolution voted upon at the Meeting and with respect to other matters which may properly be brought before the Meeting or any adjournment thereof. At the time of printing this Information Circular, management of the Corporation knows of no such amendment, variation or other matter.

Revocation of Proxies

A Shareholder who has given a proxy may revoke the proxy, at any time prior to the exercise thereof. If a person who has given a proxy attends personally at the Meeting, such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or by his or her attorney authorized in writing, or if the Shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized. The revocation of proxy must be deposited with the Secretary of the Corporation, care of Computershare Trust Company of Canada, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, or at the corporate office of the Corporation at 400 – 5th Avenue S.W., Suite 1000, Calgary, Alberta, T2P 0L6, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the Chairman of such Meeting on the date of the Meeting or any adjournment thereof, and upon any of such deposits, the proxy is revoked.

MATTERS TO BE ACTED UPON

SECTION 2 – PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of management of the Corporation, the only matters to be placed before the Meeting are those matters set forth in the Notice, namely to set the number of Directors of the Corporation at ten (10), to elect the Directors of the Corporation for the ensuing year (see "Election of Directors"), and to appoint the Auditors of the Corporation for the ensuing fiscal year (see "Appointment of Auditors").

The resolutions to be brought before the Meeting relating to the Election of Directors and the Appointment of Auditors are ordinary resolutions and must be approved by in excess of 50% of the votes cast by the Shareholders, present in person or represented by proxy, at the Meeting.

Election of Directors

The affairs of the Corporation are managed by a Board of Directors who are elected annually for a one (1) year term at each annual meeting of Shareholders and who hold office until the next annual meeting, or until their successors are duly elected or appointed or until a Director vacates his or her office or is replaced in accordance with the by-laws of the Corporation. The Articles of the Corporation provide that the Board of Directors shall consist of not less than three (3) nor more than fifteen (15) persons.

The Board presently consists of ten (10) Directors and it is proposed that all ten (10) current Directors be re-elected to serve on the Board for the forthcoming year. Directors who have celebrated their 75th birthday may not, unless the remaining Board members agree to a specific exception, stand for election as a Director of the Corporation (the "**Director Retirement Policy**"). The Director Retirement Policy impacts Selby W. Porter, who will have reached 78 years of age prior to the election of Directors to be held at the Meeting. On December 4, 2014, the Directors unanimously approved a one-term waiver of the enforcement of the Director Retirement Policy with respect to Mr. Porter. As a result, Mr. Porter will stand for re-election for a further term as a Director of the Corporation at the Meeting.

The following are the names of the ten (10) proposed nominees for election as Directors of the Corporation:

N. MURRAY EDWARDS	ROBERT H. GEDDES	JAMES B. HOWE
LEN O. KANGAS	CARY A. MOOMJIAN, JR.	SELBY W. PORTER
JOHN G. SCHROEDER	KENNETH J. SKIRKA	GAIL D. SURKAN
BARTH E. WHITHAM		

The persons named herein have been nominated for election and have consented to such nomination. The current Board of Directors recommends that each of the nominees be elected to serve as Directors of the Corporation, to hold office until the next annual meeting of Shareholders or until such person's successor is elected or appointed. As you will note from the enclosed form of proxy or voting instruction form, shareholders may vote for each Director individually. In addition, the Corporation has adopted a majority director voting policy, described below. **If no choice is specified, the Common Shares represented by a proxy for the Meeting will be voted FOR the election of each of these nominees**. The current Board of Directors has confirmed that Mr. N. Murray Edwards will be re-appointed by the Board of Directors as Chairman of the Board of Directors, subject to his or her re-election as a Director by the Shareholders at the Meeting.

The following tables set forth selected information for each of the proposed Directors, together with his or her age, principal place of residence, principal occupation, principal directorships with other boards, date first elected or appointed as a Director of the Corporation, whether the nominee qualifies as independent, the Committee(s) of the Board on which the nominee serves, the number of Common Shares beneficially owned, or controlled or directed by each proposed nominee as at March 27, 2015 and the attendance records for both Board and Committee meetings held in 2014. All nominees are currently Directors of the Corporation. Certain of this information, not being within the knowledge of the Corporation, has been furnished by the respective nominees.

N. MURRAY EDWARDS

Mr. Edwards is President of Edco Financial Holdings Ltd, a private management and consulting company. Mr. Edwards is also a director and Chairman of Canadian Natural Resources Limited, a publicly traded company and one of the largest independent crude oil and natural gas producers in the world, and a director and Chairman of Magellan Aerospace Corporation, also a publicly traded company. He has a B. Comm. from the University of Saskatchewan (Great Distinction) and an LL.B. (Honours) from the University of Toronto. He is a member and a director of the Canadian Council of Chief Executives, an organization of leading Canadian business people engaged in public policy initiatives, and is on the board of directors of the C.D. Howe Institute, an independent not-for-profit public policy research institute. In 2007, the business school at the University of Saskatchewan was re-named the "N. Murray Edwards School of Business" in recognition of his support of the school. He was awarded an honorary Doctor of Laws degree from the University of Toronto in 2013 in recognition of his achievement in business and support of educational, cultural and community organizations and institutions.

Age: 55
Calgary/Banff, Alberta, Canada

Director since:
October 1989

Non-independent – management (Chairman of Ensign)

Board/Committee Membership: [(1)]	**Attendance:**	**Public Board Memberships:**	
Member of the Board. As Chairman of Ensign and therefore not an independent director, Mr. Edwards may attend all meetings of Board Committees but as a non-voting participant only.	7/7 (100%)	*Canadian Natural Resources Limited* *Magellan Aerospace Corporation*	1988 to present 1995 to present

Voting Results of 2014 AGM:	**Number of Votes:**	**% of Votes:**
Votes For	121,746,178	95.42
Votes Withheld	5,844,170	4.58

Total Compensation Earned in 2014: [(2)]	**Securities / DSUs Held (directly and indirectly) as at March 27, 2015:**		
Value	**Common Shares / DSUs**	**Total Holdings (Shares and DSUs)**	**Meets Minimum Shareholding Requirement** [(3)]
$1,982,166	25,495,497/ N/A	25,495,497	Yes

Options Held as at March 27, 2015:			
Number	**Average Weighted Exercise Price**	**Exercisable in-the-Money Option Value**	**Un-Exercisable in-the-Money Option Value**
900,000	$14.38	$0	$0

ROBERT H. GEDDES

Age: 58
Calgary, Alberta, Canada

Director since:
March 2007

Non-independent – management (President and Chief Operating Officer of Ensign)

Mr. Geddes has been with the Ensign group of companies since 1991 and is currently the President and Chief Operating Officer of the Corporation, a position he has held since January 1, 2007. He acted as Vice President Canadian Drilling from 1999 to 2004 and President Canadian Operations, from 2004 to December 31, 2006. He is a past chairman of the Canadian Association of Oilwell Drilling Contractors (CAODC), and is a member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta (APEGGA). He holds a B.Sc. in Mechanical Engineering from the University of Alberta.

Board/Committee Membership: (1)	Attendance:	Public Board Memberships:
Member of the Board. As President and Chief Operating Officer of Ensign and therefore not an independent director, Mr. Geddes may attend all meetings of Board Committees but as a non-voting participant only.	7/7 (100%)	None
Voting Results of 2014 AGM:	**Number of Votes:**	**% of Votes:**
Votes For	126,161,198	98.88
Votes Withheld	1,429,150	1.12

Total Compensation Earned in 2014: (2)	Securities / DSUs Held (directly and indirectly) as at March 27, 2015:		
Value	**Common Shares / DSUs**	**Total Holdings (Shares and DSUs)**	**Meets Minimum Shareholding Requirement (3)**
$2,683,837	440,209/ N/A	440,209	Yes

Options Held as at March 27, 2015:			
Number	**Average Weighted Exercise Price**	**Exercisable in-the-Money Option Value**	**Un-Exercisable in-the-Money Option Value**
900,000	$14.38	$0	$0

JAMES B. HOWE

Age: 65
Calgary, Alberta, Canada

Director since:
June 1987

Independent

Mr. Howe is President of Bragg Creek Financial Consultants Ltd., a private financial consulting company. He brings extensive corporate board experience to Ensign, including in the oil and natural gas and related service industries, together with significant accounting, finance and executive compensation expertise. Over his 40 year career, Mr. Howe has served as Chief Financial Officer of several public companies and currently serves on the board of directors and audit committee of Bengal Energy Ltd., and on the board of directors, audit committee and compensation committee of Pason Systems Inc. Mr. Howe earned a B.A. from the Ivey School of Business at the University of Western Ontario and is a Chartered Accountant. He is a member of the Institute of Chartered Accountants of Alberta.

Board/Committee Membership: (1)	Attendance:	Public Board Memberships:	
Member of the Board Member of the Audit Committee Chair of the Compensation Committee	7/7 (100%) 4/4 (100%) 5/5 (100%)	*Bengal Energy Ltd.* *Pason Systems Inc.*	2005 to present 1997 to present
Voting Results of 2014 AGM:	**Number of Votes:**	**% of Votes:**	
Votes For	123,778,976	97.01	
Votes Withheld	3,811,372	2.99	

Total Compensation Earned in 2014: (4)	Securities / DSUs Held (directly and indirectly) as at March 27, 2015:		
Value	**Common Shares / DSUs**	**Total Holdings (Shares and DSUs)**	**Meets Minimum Shareholding Requirement (5)**
$176,481	448,676/ 0	448,676	Yes

LEN O. KANGAS

Age: 66
Red Deer, Alberta, Canada

Director since:
June 1990

Independent

Mr. Kangas is a retired businessman and oilfield marketing consultant with over 40 years of experience in oilfield servicing, transportation and related businesses. He was the President of Mar-Len Enterprises Trucking & Rental Company, from 1992 until 2006. He has also served on a number of community and non-profit boards.

Board/Committee Membership: (1)	Attendance:	Public Board Memberships:
Member of the Board Chair of the Corporate Governance, Nominations & Risk Committee Member of the Health, Safety & Environment Committee Lead Director	7/7 (100%) 4/4 (100%) 4/4 (100%)	None

Voting Results of 2014 AGM:	Number of Votes:	% of Votes:
Votes For	122,999,719	96.40
Votes Withheld	4,590,629	3.60

Total Compensation Earned in 2014: (4)	Securities / DSUs Held (directly and indirectly) as at March 27, 2015:		
Value	Common Shares / DSUs	Total Holdings (Shares and DSUs)	Meets Minimum Shareholding Requirement (5)
$183,007	68,866 / 23,324	92,190	Yes

CARY A. MOOMJIAN JR.

Age: 67
Frisco, Texas, USA

Director since:
November 2014

Independent

Mr. Moomjian is a former oil and gas drilling industry executive with 35 years of international and domestic experience in legal, contractual, risk management, commercial and corporate governance activities that included negotiation of land and offshore drilling contracts, oilfield service and supply agreements, joint venture relationships, rig construction projects, financings, mergers and acquisitions. He acted as Vice President, General Counsel and Secretary to ENSCO International Inc. and Ensco plc from 2002 until 2011, and prior to that was Vice President, General Counsel and Secretary of Santa Fe International Corporation. He has a B. A. (*cum laude*) from Occidental College in Los Angeles, CA and a J.D. (with distinction) from the Duke University School of Law. He has been a member of the California and Texas State bar associations since 1972 and 1994 respectively. He has been a prominent member of and contributor to the International Association of Drilling Contractors (IADC), which named him “Contractor of the Year” in 1996, and is a recognized expert on drilling contracts.

Board/Committee Membership: (1)	Attendance: (6)	Public Board Memberships:
Member of the Board Member of the Compensation Committee Member of the Corporate Governance, Nominations & Risk Committee	2/2 (100%) 1/1 (100%)	None

Voting Results of 2014 AGM:	Number of Votes:	% of Votes:
Votes For	N/A	N/A
Votes Withheld	N/A	N/A

Total Compensation Earned in 2014: (4)	Securities / DSUs Held (directly and indirectly) as at March 27, 2015:		
Value	Common Shares / DSUs	Total Holdings (Shares and DSUs)	Meets Minimum Shareholding Requirement (5)(7)
$29,697	10,000/ 1,515	11,515	N/A

SELBY W. PORTER

Age: 78
Calgary, Alberta, Canada

Director since:
June 1994

Non-independent, management (Vice Chairman of Ensign)

Mr. Porter joined Ensign in 1991 and is currently the Vice Chairman of the Corporation. He was President of the Corporation from 1995 to December 31, 2006, during which time he was instrumental in the Corporation's growth and success. He currently serves on the Board of Directors of Strike Group Inc., a private pipeline construction contractor. He is a past president of the Canadian Association of Oilwell Drilling Contractors (CAODC). Mr. Porter has a B.Sc. in Mechanical Engineering from the University of Saskatchewan and is a member of the Association of Professional Engineers, Geophysicists and Geologists of Alberta (APEGGA).

Board/Committee Membership: (1)	Attendance:	Public Board Memberships:
Member of the Board As Vice Chairman of Ensign and therefore not an independent director, Mr. Porter may attend all meetings of Board Committees but as a non-voting participant only.	7/7 (100%)	None

Voting Results of 2014 AGM:	Number of Votes:	% of Votes:
Votes For	126,737,421	99.33
Votes Withheld	852,927	0.67

Total Compensation Earned in 2014: (2)	Securities / DSUs Held (directly and indirectly) as at March 27, 2015:		
Value	Common Shares / DSUs	Total Holdings (Shares and DSUs)	Meets Minimum Shareholding Requirement (3)
$958,433	727,112 / N/A	727,112	Yes

Options Held as at March 27, 2015:			
Number	Average Weighted Exercise Price	Exercisable in-the-Money Option Value	Un-Exercisable in-the-Money Option Value
0	N/A	$0	$0

JOHN G. SCHROEDER

Age: 68
Calgary, Alberta, Canada

Director since:
June 1990

Independent

Mr. Schroeder has over 30 years of experience in the oil and natural gas industry, with significant accounting, finance, compliance and human resources expertise. He retired on July 31, 2009 from his position as Vice President, Finance and Chief Financial Officer of Parkland Income Fund (now called Parkland Fuel Corporation), a public petroleum marketing income trust, following a successful 22-year career with that company during which he played a key role in its growth. Prior to joining Parkland, Mr. Schroeder was Vice President Finance for Geocrude Energy Inc. and Vice President Finance and Administration for Pancana Minerals Inc. Mr. Schroeder earned a B.Comm., with Honours, from the University of Manitoba and is a Chartered Accountant. He is a member of the Institute of Chartered Accountants of Alberta.

Board/Committee Membership: (1)	Attendance:	Public Board Memberships:
Member of the Board Chair of the Audit Committee Member of the Compensation Committee	7/7 (100%) 4/4 (100%) 5/5 (100%)	None

Voting Results of 2014 AGM:	Number of Votes:	% of Votes:
Votes For	126,929,698	99.48
Votes Withheld	660,650	0.52

Total Compensation Earned in 2014: (4)	Securities / DSUs Held (directly and indirectly) as at March 27, 2015:		
Value	Common Shares / DSUs	Total Holdings (Shares and DSUs)	Meets Minimum Shareholding Requirement (5)
$182,007	16,073 / 23,324	39,397	Yes

KENNETH J. SKIRKA

Age: 70
Collaroy, New South Wales, Australia

Director since:
May 2003

Independent

Mr. Skirka retired as Managing Director of Australian Oil and Gas Corporation ("AOG") in April 2003 following AOG's acquisition by Ensign. AOG was an Australian publicly listed oilfield services company active in Australia, New Zealand, Southeast Asia, the Middle East, North Africa and South America. Mr. Skirka has over 40 years of experience in all aspects of the oilfield services and production industries, in Australia and internationally. He has served on a number of industry bodies including the advisory board of the School of Petroleum Engineering at the University of New South Wales (Sydney) and is a former member of the Executive Committee of the International Association of Oilwell Drilling Contractors (IADC). He is a member of the Australian Society of Petroleum Engineers and is a Fellow of the Australian Institute of Company Directors. He is a former director of Roma Petroleum N.L., an Australian exploration company formerly listed on the Australian Stock Exchange.

Board/Committee Membership: (1)	Attendance:	Public Board Memberships:
Member of the Board Member of the Corporate Governance, Nominations & Risk Committee Chair of the Health, Safety & Environment Committee	7/7 (100%) 4/4 (100%) 4/4 (100%)	None
Voting Results of 2014 AGM:	**Number of Votes:**	**% of Votes:**
Votes For	123,853,343	97.07
Votes Withheld	3,373,005	2.93

Total Compensation Earned in 2014: (4)	Securities / DSUs Held (directly and indirectly) as at March 27, 2015:		
Value	**Common Shares / DSUs**	**Total Holdings (Shares and DSUs)**	**Meets Minimum Shareholding Requirement (5)**
$214,981	37,996 / 0	37,996	Yes

GAIL D. SURKAN

Age: 67
Red Deer, Alberta, Canada

Director since:
March 2006

Independent

Ms. Surkan is a retired businesswoman with 30 years of experience in economic and human resource development, strategic leadership and governance. She was a four-term mayor of Red Deer, Alberta, from 1992 to 2004. Ms. Surkan was a founding director of ATB Financial, where she served for nine years. She also served as the chair of the Alberta Heritage Foundation for Medical Research for four years, retiring in 2009 at the end of her term after eight years of service. Until December 2014, Ms. Surkan sat on the board of the Agriculture Financial Services Corporation, and currently sits on the boards of a number of not-for-profit organizations. She also currently chairs the Governance Committee for the 2019 Canada Winter Games. In addition to her extensive board experience, Ms. Surkan has significant expertise in business and organizational strategy, executive recruitment and human resources. She has a Bachelor of Economics from the University of Saskatchewan. Ms. Surkan continues to be very active at the community level and serves as an Honorary Colonel for the 20th Field Regiment of the Canadian Forces.

Board/Committee Membership: (1)	Attendance:	Public Board Memberships:
Member of the Board Member of the Compensation Committee Member of the Corporate Governance, Nominations & Risk Committee	7/7 (100%) 5/5 (100%) 4/4 (100%)	None
Voting Results of 2014 AGM:	**Number of Votes:**	**% of Votes:**
Votes For	124,141,769	97.30
Votes Withheld	3,448,579	2.70

Total Compensation Earned in 2014: (4)	Securities / DSUs Held (directly and indirectly) as at March 27, 2015:		
Value	**Common Shares / DSUs**	**Total Holdings (Shares and DSUs)**	**Meets Minimum Shareholding Requirement (5)**
$169,981	30,664 / 4,414	35,078	Yes

BARTH E. WHITHAM

Age: 58
Denver, Colorado, USA

Director since:
March 2007

Independent

Since 2004, Mr. Whitham has been the President and Chief Executive Officer of Enduring Resources, LLC, a private Denver-based company with exploration and production operations onshore United States. He also serves as a director for that company. In 1991 he co-founded Westport Oil and Gas, which went public as Westport Resources Corp., an upstream energy company listed on the NYSE, and served as its President and Chief Operating Officer from 1991 until 2004, when it merged with what is now Anadarko Petroleum Corporation. He also served on the Board of Directors for Westport Resources Corp. Prior to Westport, Mr. Whitham worked extensively in the upstream United States, international and offshore energy industry in project planning, development and operations. He has a B.Sc. in Petroleum Engineering, an M.Sc. in Economics from the Colorado School of Mines, and is a Registered Professional Engineer.

Board/Committee Membership: (1)	Attendance:	Public Board Memberships:	
Member of the Board Member of the Audit Committee Member of the Health, Safety & Environment Committee	7/7 (100%) 5/5 (100%) 3/4 (75%)	*Intrepid Potash Inc.*	2008 – present

Voting Results of 2014 AGM:	Number of Votes:	% of Votes:
Votes For	127,328,436	99.79
Votes Withheld	261,912	0.21

Total Compensation Earned in 2014: (4)	Securities / DSUs Held (directly and indirectly) as at March 27, 2015:		
Value	Common Shares / DSUs	Total Holdings (Shares and DSUs)	Meets Minimum Shareholding Requirement (5)
$173,481	34,686/ 0	34,686	Yes

Notes:

(1) As at December 31, 2014.

(2) For further details on the compensation earned by the Chairman, the President and Chief Operating Officer and the Vice Chairman of the Corporation, please see the section of this Information Circular entitled “Compensation Discussion and Analysis”.

(3) For further details on the minimum shareholding requirement for the Chairman, the President and Chief Operating Officer and the Vice Chairman of the Corporation, please see the section of this Information Circular entitled “Compensation Discussion and Analysis – Mandatory Executive Share Ownership Guidelines”.

(4) For further details on the compensation earned by Directors, please see the section of this Information Circular entitled “Director Compensation”.

(5) For further details on the minimum shareholding requirement applicable to Directors who are not members of Management, please see the section of this Information Circular entitled “Director Equity Ownership Requirements”.

(6) Mr. Moomjian joined the Board on November 5, 2014, and has attended all meetings since his election.

(7) As a new Director, Mr. Moomjian has until November 2019 to meet our share ownership requirement.

“**Independent**” in the tables above refers to the standards of independence established under Section 1.2 of the Canadian Securities Administrators’ National Instrument 58-101 (Disclosure of Corporate Governance Practices).

Majority Director Voting

On March 14, 2008, the Board adopted a policy whereby the election of director nominees by shareholders in an uncontested election shall be by majority vote. A director nominee who receives less than 50% of the votes cast in favour of the election of the director nominee shall forthwith submit to the Board his or her resignation, to take effect upon acceptance by the Board. The Board shall exercise discretion in considering any such resignation of the director nominee. If it is deemed to be in the best interests of the Corporation and the Shareholders, and absent any extenuating circumstances deemed by the Board to exist, the Board shall accept such resignation within 90 days of having received the resignation of the director nominee.

Committees

The Board of Directors currently has four (4) Committees:

1. Audit Committee;
2. Compensation Committee;
3. Corporate Governance, Nominations & Risk Committee; and
4. Health, Safety & Environment Committee.

In 2014, the Board of Directors was comprised of nine (9) members until November 5, 2014 when Cary A. Moomjian, Jr. was appointed as a Director. On December 4, 2014 Mr. Moomjian was appointed to two (2) committees, as noted below. As at March 27, 2015, the Board of Directors has ten (10) members and membership of the Board Committees is as follows:

Committee	Committee Members
Audit Committee *(all members independent)*	John G. Schroeder (Chairman) James B. Howe Barth E. Whitham
Compensation Committee *(all members independent)*	James B. Howe (Chairman) Cary A. Moomjian, Jr. (appointed December 4, 2014) John G. Schroeder Gail D. Surkan
Corporate Governance, Nominations & Risk Committee *(all members independent)*	Len O. Kangas (Chairman) Cary A. Moomjian, Jr. (appointed December 4, 2014) Kenneth J. Skirka Gail D. Surkan
Health, Safety & Environment Committee *(all members independent)*	Kenneth J. Skirka (Chairman) Len O. Kangas Barth E. Whitham

Meetings of the Board of Directors and its Committees During 2014

The individual attendance record for meetings of the Board of Directors and its committees is set forth in the tables above and in the section of this Information Circular entitled "Statement of Corporate Governance Practices". The overall average attendance for all meetings of the Board of Directors and its committees held in 2014 was 99%.

Director Tenure

Other than in connection with the Director Retirement Policy, Ensign does not currently have a policy for Director term limits. The Board of Directors believes it is critical that all Directors have a comprehensive understanding of the Corporation's business, and that such an understanding is achieved through and enhanced by length of tenure. While new Directors may bring fresh perspectives and new experience, Directors who have served for several years accumulate valuable knowledge regarding our business, including industry trends and cycles, market conditions and geo-political influences.

The Board of Directors is currently composed of individuals having served between less than one (1) and up to 27 years as a Director of the Corporation as categorized below:

Tenure	# of Directors	Director
0 – 5 years	1	CARY A. MOOMJIAN, JR.
6 – 10 years	3	GEDDES, ROBERT H. SURKAN, GAIL D. WHITHAM, BARTH E.
11 – 15 years	1	SKIRKA, KENNETH J.
16+ years	5	EDWARDS, N. MURRAY HOWE, JAMES B. KANGAS, LEN O. PORTER, SELBY W. SCHROEDER, JOHN G.

The average age of the Corporation's Directors in 2014 was 65 years.

No Common Outside Boards

As of the date of this Information Circular, no two or more of the Corporation's directors were serving together on any other board of directors.

Director Equity Ownership Requirements

With a view to aligning the non-management Directors interests with those of the Shareholders, the Corporation has implemented a requirement that such Directors acquire and hold Common Shares (including DSUs, which are included in the calculation of equity ownership in connection with this requirement) with a minimum aggregate value equal to three (3) times the base annual cash and equity retainer, being $420,000 for the 2014 year (2013 – a fixed value of $200,000), within five (5) years after their initial appointment as a Director. Although the Board of Directors has previously used a dollar value to set the minimum equity ownership requirements for such Directors, in early 2015 it was determined that utilizing a measurement based on a multiple of base annual cash and equity retainers would be more appropriate.

Also in early 2015, in light of uncertain market conditions, the Board of Directors unanimously volunteered to take a 20% reduction in compensation (described in further detail in the section below entitled "Director Compensation"). As such, the current minimum equity ownership holdings requirement, based on a multiple of three (3) times the base annual cash and equity retainer for 2015, is Common Shares (or DSUs) having a value of $336,000.

To avoid the need to continuously monitor and adjust the value of holdings based on fluctuations in the market price of the Common Shares, for purposes of the minimum equity ownership requirement applicable to the Corporation's non-management Directors, the value of shareholdings is calculated based on the greater of:

(a) the current market value of the Common Shares;

(b) the market value of the Common Shares as at December 31 of the immediately preceding year; or

(c) the acquisition cost of each Director's holdings.

Once the applicable threshold is met, further purchases are not required if the value of the Common Shares held decreases solely as a result of a decline in the market value of the Common Shares. However if the value decreases for any other reason (i.e. sale of Common Shares), such Director would be required to increase the value of his or her holdings to achieve the required threshold.

Throughout 2014, all Directors subject to the minimum equity ownership requirement has met the requirement.

As at March 27, 2015, each Director being nominated for election at the Annual Meeting of the Shareholders (with the exception of Mr. Moomjian, who has just recently been appointed to the Board of Directors) has met the minimum equity ownership requirement, based on aquisition cost, as demonstrated below:

Name	Share Ownership (Common Shares and DSUs) (#)	Market Value as at December 31, 2014 ($) (1)	Market Value as at March 27, 2015 ($) (2)	Acquisition Cost (3)	Meets Minimum Equity Ownership Guidelines (4)(5)
HOWE, JAMES B.	448,676	4,576,495	4,482,273	Yes	Yes
KANGAS, LEN O.	92,190	940,338	920,978	Yes	Yes
MOOMJIAN JR., CARY A.	11,515	117,453	115,035	N/A	N/A
SCHROEDER, JOHN G.	39,397	401,849	393,576	Yes	Yes
SKIRKA, KENNETH J.	37,996	387,559	379,580	Yes	Yes
SURKAN, GAIL D.	35,078	357,796	350,429	Yes	Yes
WHITHAM, BARTH E.	34,686	353,797	346,513	Yes	Yes
TOTAL:	**699,538**	**7,135,287**	**6,988,384**		

(1) Based on the closing price for the Corporations' Common Shares on December 31, 2014 of $10.20.

(2) Based on the closing price for the Corporations' Common Shares on March 27, 2015 of $9.99.

(3) Based on the acquisition cost of holdings that exceed both current market value and the equity ownership requirement.

(4) All Directors except for Mr. Moomjian, who was appointed to the Board of Directors on November 5, 2014, have been on the Board of Directors for five (5) or more years and are therefore subject to the requirement.

(5) During the reporting period, each of the Directors has met the applicable threshold for ownership of Common Shares or DSUs based on then prevailing current market value.

As at March 27, 2015, the non-management Directors hold an aggregate of 646,961 Common Shares and 52,577 DSUs. The Common Shares of the non-management Directors represent 0.42% of the issued and outstanding Common Shares as at that date and a total accumulated value of $6,988,384 (based on the closing price for the Common Shares on March 27, 2015 of $9.99). Management Directors have separate share ownership requirements.

Cumulatively, non-management and management Directors hold a total of 27,309,779 Common Shares representing 17.84% of the issued and outstanding Common Shares and a total accumulated value of $272,824,692 (based on the closing price for the Common Shares on March 27, 2015 of $9.99).

The Director equity ownership requirements are reviewed periodically by the Corporate Governance, Nominations & Risk Committee to ensure that the level is appropriate to demonstrate commitment to Ensign's success, in view of Common Share value and the current level of compensation being provided to non-management Directors.

Additional Disclosures Regarding Directors

To the knowledge of the Corporation, in the last ten years, none of the above-named nominees is or has been (i) a director, chief executive officer or chief financial officer of any other issuer that, while that person was acting in that capacity or which resulted from an event which occurred while that person was acting in such capacity, was the subject of a cease trade order or similar order, or an order that denied the other issuer access to any exemptions under Canadian securities legislation, for a period of more than 30 consecutive days, or (ii) a director or executive officer of any company that, while such person was acting in such capacity, or within one year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

Furthermore, to the knowledge of the Corporation, in the last ten years, no director or officer of the Corporation, or a Shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his or her assets.

Advisory Vote on Executive Compensation ("Say on Pay")

The Corporate Governance, Nominations & Risk Committee of the Board of Directors has been reviewing literature and current governance discussions regarding providing shareholders an advisory vote on executive compensation ("Say on Pay"), and is assessing options for providing shareholders Say on Pay at a future shareholder meeting. In this context, the Compensation Committee conducted a fulsome review of the Corporation's executive compensation programs in 2014, and the Corporate Governance, Nominations & Risk Committee will revisit this issue in 2015.

Appointment of Auditors

The Shareholders will be asked to consider an ordinary resolution to appoint the firm of PricewaterhouseCoopers LLP, Chartered Accountants, of Calgary, Alberta, as auditors of the Corporation, to hold office until the next annual meeting of the Shareholders and to authorize the Board of Directors to fix their remuneration as such.

Total fees for audit and audit-related services for the Corporation's fiscal year ended December 31, 2014 were $887,196 (2013 – $1,053,569). For more information relating to auditors' fees, reference is made to the Annual Information Form dated March 23, 2015, under the heading "Audit Committee Disclosures", which is hereby incorporated by reference and which can be found on SEDAR at www.sedar.com or obtained free of charge by any shareholder from the Corporate Secretary of the Corporation at 400 – 5th Avenue S.W., Suite 1000, Calgary, Alberta, T2P 0L6.

SECTION 3 – COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis ("**CD&A**") describes the compensation programs and practices applicable to the five (5) executive officers of the Corporation who are classified as "Named Executive Officers" pursuant to National Instrument 51-102 (each a "**Named Executive Officer**" or "**NEO**" and collectively, the "**Named Executive Officers**" or "**NEOs**"), as further described in the section below entitled "Summary Compensation Table":

Named Executive Officers
GEDDES, ROBERT H. President & Chief Operating Officer
KAUTZ, EDWARD D. Executive Vice President United States & International Oilfield Services
DAGENAIS, GLENN O. J. Executive Vice President Finance & Chief Financial Officer
PORTER, SELBY W. Vice Chairman
EDWARDS, N. MURRAY Chairman

References in this CD&A to our "**Executive Management Committee**" means, collectively, the five (5) NEOs. As described further in the section of this Information Circular entitled "Statement of Corporate Governance Practices", the Corporation does not have a named CEO.

Ensign generally provides the same compensation programs to our employees as are outlined in this CD&A.

Summary of 2014 and 2015 Changes

Ensign strives to continually refine and improve our compensation programs and associated disclosure. An independent, in-depth review of compensation programs was undertaken in 2014 (described in further detail below). As a result, the Compensation Committee implemented certain improvements to the Corporation's executive compensation programs in 2014. Additional changes became effective in 2015. Highlights of these changes are as follows:

- In 2014, we refined our Canadian and United States pay peer group to better reflect Ensign's size and geographic scope, thereby positioning Ensign closer to the median of its pay peer group
- In 2014, the Board of Directors approved the adoption of a formal recoupment ("clawback") policy, pursuant to which some or all incentive awards made to NEOs are subject to recoupment in the event of an accounting restatement resulting from misconduct.
- Effective January 1, 2015, we amended the Annual Bonus Plan, as it applies to NEOs, in two principal areas:
  - We added an additional financial metric to the Plan. Beginning in 2015, 40% of the calculation of a NEO's annual cash bonus will be determined based on the annual asset efficiency ratio ("**AER**") for the Corporation. The AER is a financial metric used by Ensign to reflect the return on capital invested with respect to its assets. The calculation takes into account the net book value of the assets, pre-tax cash flow generated by the assets, a provision for corporate general and administrative expenses and a tax provision. A minimum AER rate of 15% will be the hurdle rate for minimum bonus qualification, which will scale up to an AER rate of equal to or greater than 25%, at which the maximum bonus level is achieved.
  - We added a strategic metric to the Plan. Beginning in 2015, 10% of the calculation of a NEO's annual cash bonus is composed of an evaluation of performance against four (4) pre-approved strategic goals to be achieved during the year. Each of the strategic goals is weighted equally, will be evaluated by the Compensation Committee, and will be assessed a score. The aggregate score for the achievement of the approved strategic goals will determine the bonus percentage to be applied.

As a result if the above amendments, the remaining 50% of a NEOs annual cash bonus will be based on financial performance of the Corporation as measured against annual approved budgets and the Corporation's consolidated safety performance, as described in further detail below.

Board of Directors Oversight and the Compensation Committee

The Board of Directors recognizes the importance of appointing knowledgeable and experienced individuals to the Compensation Committee in general and, in particular, to appoint those who have the necessary background in executive compensation and risk management to fulfill the Compensation Committee's obligations to the Board of Directors and Shareholders.

The Compensation Committee is currently comprised of James B. Howe (Chairman), Cary A. Moomjian Jr., John G. Schroeder and Gail D. Surkan, all of whom, except for Mr. Moomjian, served on the Committee during the entire year ended December 31, 2014. Mr. Moomjian joined the Board of Directors on November 5, 2014 and was appointed to the Compensation Committee on December 4, 2014. Mr. Howe served as Chairman of the Compensation Committee throughout 2014 and continues in this role as of the date hereof.

All members of the Compensation Committee are independent directors who have the experience and knowledge required with respect to compensation, specifically in connection with executive compensation programs and levels, and other human resources matters including succession planning, talent development, recruitment, employee retention and employee engagement. Two members of the Compensation Committee also sit on our Audit Committee, and two members of the Compensation Committee also sit on our Corporate Governance, Nominations & Risk Committee, bringing important risk management and risk assessment perspectives to our compensation programs, philosophy and practices.

Committee Member	Relevant Skills and Experience
HOWE, JAMES B. (Committee Chairman)	Mr. Howe has been a member of Ensign's Compensation Committee since 1998, and has acted as Chairman since 2004. Mr. Howe also currently serves on the compensation committee of Pason Systems Inc., a Canadian public company. As a Chartered Accountant and experienced public company director, he has significant financial expertise in, and in-depth exposure to, the design, implementation and evaluation of alternative strategies and best industry practices to performance-based compensation programs, in the energy industry in general and in the oilfield services sector specifically.
MOOMJIAN JR., CARY A.	Mr. Moomjian was appointed to the Compensation Committee on December 4, 2014 and brings 35 years of industry experience, including 18 years of experience in executive compensation, to this Committee. From 1994 to 2011, in his former roles as Vice President, General Counsel and Secretary of Ensco plc, ENSCO International Inc., and Santa Fe International Corporation, he participated in all meetings of the boards of directors and committees of those issuers, including compensation committees. While serving as Vice President, General Counsel and Secretary of those companies, Mr. Moomjian developed a depth and breadth of understanding of compensation programs, design, evaluation, issues and trends, and related governance and best practices considerations, in the context of an oilfield services provider. Further, having served as a department head of an oilfield services company between 1983 and 2011, he has had comprehensive experience with human resources management. Such experience includes succession planning, employee retention, performance review, cash and incentive compensation administration, as well as personnel training and development.
SCHROEDER, JOHN G.	Mr. Schroeder has been a member of Ensign's Compensation Committee since 1998. As a Chartered Accountant and a finance executive on the senior management team of Parkland Income Fund (now called Parkland Fuel Corporation), a public petroleum marketing income trust, Mr. Schroeder was responsible for the human resources function for 20 years. This included, together with the President and CEO, responsibility over the design and evaluation of compensation plans for executives and senior employees. Further, as a long-serving member of Ensign's Compensation Committee, Mr. Schroeder is experienced in the design, evaluation, modification and best practices generally as they relate to compensation practices for a corporation of the size and scope of Ensign.

Committee Member	Relevant Skills and Experience
SURKAN, GAIL D.	Ms. Surkan has been a member of Ensign's Compensation Committee since 2007 and brings approximately 15 years of experience in human resources planning, in particular in executive recruitment, executive compensation, succession planning and employee engagement, to Ensign's Compensation Committee. In her former capacity as the Mayor of Red Deer and Chair of the Alberta Heritage Foundation for Medical Research, and in the numerous board positions she has held with crown corporations, non-profit organizations and private companies, she has had extensive experience with oversight of human resources functions, including compensation planning and evaluation, and the retention aspects associated with employee and executive compensation. More specifically, Ms. Surkan chaired the Human Resources Committee for ATB Financial for a number of years and led the CEO recruitment teams for both the City of Red Deer and the Alberta Heritage Foundation for Medical Research during her tenure with those organizations.

The Board of Directors believes that the members of the Compensation Committee have the knowledge and experience to effectively perform their responsibilities.

Compensation Committee Mandate

The mandate of the Compensation Committee of the Board of Directors includes the following:

- establishing and reviewing the Corporation's executive compensation philosophy;
- administering compensation policies and programs, including salaries, bonuses and equity compensation plans, which reflect the executive compensation philosophy;
- reporting to the Board of Directors and submitting compensation recommendations to the Board of Directors for approval;
- performing a review of the Corporation's senior management and the steps being taken to assure the succession of qualified senior management at the Corporation;
- periodically reviewing and approving grants or awards pursuant to the Corporation's Stock Option Plan and the Performance Share Bonus Plan, under which Common Shares may be acquired by eligible participants, and reviewing the Canadian Employee Savings Plan;
- reviewing the administration of any equity plans the Board may establish; and
- reviewing and monitoring risks associated with the Corporation's compensation and human resources programs and practices, including succession planning and retention.

In approving any element of compensation, the Compensation Committee considers recommendations from management.

Compensation Philosophy, Principles and Objectives

Compensation levels and programs for NEOs are designed and implemented to align with the Corporation's annual and long-term growth objectives, and the enhancement of shareholder value driven by the following principles and objectives:

- provide market-competitive compensation to attract and retain qualified individuals;
- maintain a pay-for-performance philosophy by delivering a meaningful proportion of total compensation using variable pay tied to corporate, business unit, safety and personal performance;
- provide incentives linked to operating and financial performance and enhanced shareholder value, as well as non-financial metrics measured by the health, safety and environmental performance of the Corporation;
- provide incentives which support appropriate risk-taking in support of the short-term and long-term goals of the Corporation, reflective of our risk tolerance;
- consistency with Ensign's vision of growth through collaborative learning, achieving the potential of our people and technology and creating excellence; and
- consistency with Ensign's values of integrity, teamwork and learning.

The compensation programs at Ensign are intended to reward strong performance. Employees, including NEOs, maximize their compensation when annual operating and financial goals are exceeded, when progress is made in executing Ensign's growth strategy, and when strong total shareholder return is achieved.

Risk Considerations of Executive Compensation

The committees of the Board assist the Board in monitoring the most significant risks facing the

Corporation, including strategic, operational and reputational risks, which build upon management's risk assessment and mitigation processes. Specifically, the Compensation Committee:

- assists the Board in monitoring the risks associated with the Corporation's compensation programs and practices, including the retention of key senior management personnel;
- reviews from time to time the risk implications of the Corporation's compensation programs, including specifically compensation risks as they relate to the Corporation's strategic plans, desired performance measures, overall corporate performance and risk management principles; and
- periodically undertake a formal review of the risk implications of the design of the Corporation's compensation policies for senior executives and succession plans for such senior personnel.

In reviewing and prior to approving the Corporation's compensation programs or compensation being provided pursuant to such programs, risks are considered. The Compensation Committee believes that the Corporation's compensation policies do not create an environment where an executive or any individual is encouraged to take excessive risk. The compensation offered by Ensign is designed to reward prudent business judgment and appropriate risk taking over both the short-term and the long-term, without creating risk that could reasonably be likely to have a material adverse impact on the Corporation.

The Compensation Committee reviews incentive programs on an annual basis. The Compensation Committee also models and adjusts programs, targets and measures as needed to ensure optimal alignment with the Corporation's strategic plans.

"At Risk" Compensation: A significant portion of Ensign's NEO compensation is "at risk", consisting of the annual cash bonus, annual awards of Common Shares pursuant to the Performance Share Bonus Plan, and awards of stock options. The performance share awards are "at-risk" and "medium-term" as the award level is determined by the Corporation's financial performance (using the same criteria as are set for the annual cash bonus). The awards are paid in the form of Common Shares that are purchased in the open market and vest over a period of three (3) years following the year for which such award was earned. Stock options are "at risk" and "long-term", as options do not fully vest until the end of the fifth (5^{th}) year following the date of the grant. The final value of both the performance shares and options is related to the Common Share price performance and thus is linked to the achievement of medium and long-term value creation.

Since the value of these compensation elements is dependent upon the price of the Common Shares over the applicable vesting periods, the motivation for executives to take inappropriate actions or excessive risks that are beneficial to them from the standpoint of their compensation, at the expense of Ensign and its Shareholders, is limited.

Further, the determination of, and timing of, the payment of a cash bonus and the grant of a performance share award discourages excessive risk taking. Although both elements of compensation have prescriptive targets measured against annual approved budgets, bonus payments and award grants generally are not finalized until late April or May following the year in which the bonus and award are earned. This provides the Compensation Committee the benefit of up to five months following year-end within which to assess performance and identify any issues with respect to accomplishments in the prior year. Furthermore, the Compensation Committee may apply discretion to adjust the size of the cash bonus and/or the performance share award. This discretion is usually used following a comprehensive assessment of corporate performance and the accomplishments of each executive. Although this discretionary power is exercised judiciously by the Compensation Committee, it nonetheless discourages undue risk taking.

Executive Share Ownership Guidelines: Ensign's mandatory executive share ownership requirement (described in detail below) further discourages excessive risk-taking. This requirement promotes an alignment of long-term interests between the Corporation's executives and those of its Shareholders.

Anti-Hedging: The Corporation's policies prohibit directors and officers of the Corporation from purchasing any financial instrument that is designed to hedge or offset any decrease in the market value of the Common Shares.

Compensation Recoupment ("Clawback") Policy: On May 9, 2014, the Board of Directors approved a Compensation Recoupment Policy, which provides the

Compensation Committee the authority to seek reimbursement from a NEO of some or all of the incentive compensation paid to such NEO in the event of an accounting restatement resulting from misconduct.

Succession Planning: The Compensation Committee reviews the Corporation's succession planning and implementation progress, at a minimum on a semi-annual basis. Succession planning is also frequently considered in the in-camera discussions of the Board of Directors.

The Corporation has developed a strong culture of developing its employees and promoting from within. Each of the Named Executive Officers attained their current positions through prior positions within the Corporation, assuming increasing responsibility as they progressed and demonstrated excellent leadership skills.

Members of senior management review, on an annual basis, each key management position, evaluating the qualification, experience and leadership competencies needed to succeed in the position. The results of that evaluation drive management's decisions regarding identification of candidates for succession and the desired developmental steps to be undertaken for such candidates.

The Compensation Committee receives reports, at a minimum annually, on the progression and development of the executives and members of senior management being considered for future executive roles and on succession planning more generally throughout the management levels of the Corporation. The Executive Management Committee makes succession recommendations for senior management positions to the Compensation Committee for their review, consideration and approval.

Corporate Operating Structure: As described in further detail in the "Statement of Corporate Governance Practices", below, the Corporation does not have a named CEO. The duties and responsibilities normally associated with the role of CEO are delegated by the Board of Directors to the Executive Management Committee, comprised of the five (5) NEOs. This structure, which has been in place throughout the Corporation's history, limits the ability of any one individual to unduly influence the direction of the Corporation and enables the continuation of strong leadership in the event of the departure of a member of the Executive Management Committee.

Independent Advice: In June 2014, the Compensation Committee engaged the independent consulting firm, Hugessen Consulting Inc. ("**Hugessen**"), to conduct an evaluation of the competitiveness and effectiveness of the compensation programs in place for the Corporation's NEOs. In fulfilling its mandate, Hugessen met separately with the Chairman of the Compensation Committee, members of the Compensation Committee, members of senior management and the Chairman of the Board.

Hugessen reviewed and analysed the Corporation's compensation philosophy (including choice of comparator companies, pay and performance positioning and performance metrics), plan designs and pay levels versus the market. Largely as a result of this review, a number of refinements to the Corporation's compensation programs have been implemented, effective January 1, 2015.

Fees for Hugessen's consulting services provided during 2014 were as follows:

	2014	2013
Executive Compensation Review	$86,004	—
All Other Fees	$ 0	—
Total Fees	**$86,004**	**—**

Benchmarks

Ensign compares its executive compensation to the compensation provided to executives in comparable positions by a comparator group of Canadian oilfield service companies. The comparator group is further refined on the basis of size, complexity, operating regions and style of operation. The companies in this comparator group compete with Ensign for executive personnel and therefore provide a useful and relevant benchmark for the Compensation Committee in its evaluation of the Corporation's executive compensation programs.

COMPENSATION DISCUSSION AND ANALYSIS

In 2014, in order to have a larger representation of companies in the peer group of a similar size to Ensign and related to the oil and gas industry, the peer group was expanded to include two additional oil and gas equipment and services companies, namely Secure Energy Services Inc. and ShawCor Ltd. Ensign currently looks to the following primary market comparators in benchmarking its executive compensation:

Pay Peer Name:	Market Cap (approx., $CAD):	Sector
Savanna Energy Services Corp.	$ 150.7 million	Oil and Gas Drilling
Trinidad Drilling Ltd.	$ 535.0 million	Oil and Gas Drilling
Trican Well Service Ltd.	$ 537.6 million	Oil and Gas Equipment & Services
CalFrac Well Services Ltd.	$ 747.0 million	Oil and Gas Equipment & Services
Ensign Energy Services Inc.	**$1,428 million**	Oil and Gas Drilling
Pason Systems Inc.	$ 1,590 million	Oil and Gas Equipment & Services
Secure Energy Services Inc.	$ 1,777 million	Oil and Gas Equipment & Services
Precision Drilling Corporation	$ 2,058 million	Oil and Gas Drilling
ShawCor Ltd.	$ 2,234 million	Oil and Gas Equipment & Services

Because Ensign is a complex, global enterprise with multiple geographical operating units, the Compensation Committee also looks at selected energy services companies outside Canada, specifically in the United States, to ensure that executive compensation reflects the international scope of Ensign's operations. From time to time, Ensign reviews and evaluates compensation and compensation programs disclosed by the following United States-based oilfield service companies:

Pay Peer Name:	Market Cap (approx., $USD)	Sector
Pioneer Energy Services Corp	$ 307 million	Oil and Gas Drilling
Parker Drilling Co.	$ 383 million	Oil and Gas Drilling
Unit Corporation	$1,291 million	Oil and Gas Drilling
Atwood Oceanics, Inc.	$1,837 million	Oil and Gas Drilling
Rowan Companies plc	$2,324 million	Oil and Gas Drilling
Patterson-UTI Drilling Company, LLC	$2,603 million	Oil and Gas Drilling
Nabors Industries Ltd.	$4,127 million	Oil and Gas Drilling
Helmerich & Payne, Inc.	$7,005 million	Oil and Gas Drilling

Ensign is positioned close to the median of its Canadian peer group when measured by market capitalization, and close to the 25th percentile when compared with its US peer group.

In addition to benchmarking against a peer group as described above, in 2014 the Corporation participated in a selection of compensation surveys, and purchased certain published results in order to assist in benchmarking against its peers in the various geographic locations in which it operates.

Executive Compensation Components – Summary
The Corporation recognizes the importance of attracting, developing and retaining top quality talent and is committed to paying for individual and team performance in the context of strong operating results and achievement of financial and non-financial metrics. The Corporation's compensation program for NEOs consists of four (4) main components, summarized as follows:

Component	Performance Orientation	Time Frame
1. Base compensation (salary or annual consulting fee) (1)	Reflects the market value of the position. Increases reflect job performance.	Reviewed on an annual basis; adjusted annually based on outcome of review.
2. Annual Bonus Plan – Short Term Incentive Plan	Tied to the achievement of annual corporate and divisional objectives, including financial and health, safety and environmental objectives.	Annual.
3. Performance Share Bonus Plan	Award of Common Shares, with level of award tied to the same performance metric as the Annual Bonus Plan. This is a medium-to-long term incentive, designed to focus executive officer efforts on increasing shareholder value and returns over a period of years.	Three (3) year vesting.
4. Stock Options	A long-term incentive designed to focus executive officer efforts on sustainably increasing shareholder value and returns over a period of years. Delivers value only if share price appreciates.	Term of up to six years. Vest over five years.

(1) As further described in the Summary Compensation Table below, Mr. Edwards is not a full time employee of the Corporation and therefore does not receive a base salary. However, he or his controlled corporation receives an annual consulting fee for his services.

Executive Compensation Components – Detailed Description
A detailed description of the various elements of executive compensation for the 2014 fiscal year is as follows:

1. **Base Compensation (salary or annual consulting fee):** Base compensation levels for executive officer positions are evaluated based on past and expected future contribution, level of responsibility and value to the organization. The base compensation levels for executive officer positions are set with reference to salary levels for the pay peer group. Individual base compensation rates also reflect the individual's experience, expertise and performance over time.

   Base compensation for Ensign's NEOs is generally positioned at the median of the pay peer group, but approaches the 75th percentile for certain long tenured, performing executives. The Compensation Committee typically reviews and approves base compensation for the upcoming year in December of the prior year and makes adjustments as necessary to reflect changes in economic circumstances, market conditions and competitive practices.

   Base salaries for 2014 were increased by 2.5% over 2013 level. In December 2014, the Compensation Committee set 2015 base salaries at a 2.8% increase over the 2014 base salary levels. However on January 28, 2015, at the suggestion of the Board of Directors the NEOs accepted a 10% salary reduction (along with a reduction in Director compensation, discussed below), retroactive to January 1, 2015. Such action was taken to demonstrate leadership and emphasize the importance of controlling costs during this unstable period for the industry. Given the current industry outlook, it is expected that the total economic value of 2015 compensation for the NEOs will be significantly less than the total compensation levels achieved for 2014.

2. **Annual Bonus Plan ("ABP"):** Ensign's ABP is a short term incentive plan designed so that NEOs have all or a high portion of their potential annual cash bonus compensation linked to overall corporate financial and safety results, rather than to individual business unit or geographical segment results. The ABP provides an opportunity for employees, including NEOs, to earn a target annual cash bonus based on meeting corporate performance objectives in key areas. In setting these objectives, a minimum threshold for corporate earnings and safety results (80% of target) must be met in order to receive an annual cash bonus. The maximum bonus is achieved at 120% of target.

   The ABP is subject to annual review by the Compensation Committee. For information on changes implemented effective January 1, 2015, please see the section above entitled "Summary of 2014 and 2015 Changes".

For 2014, the annual bonus was objectively calculated based on pre-determined targets, including pre-tax cash flow as compared to budget and is designed to recognize achievements measured over a one-year period. For NEOs, cash bonuses are based on corporate performance. At or below the minimum level of corporate performance, no cash bonus will be paid. Above the maximum level of corporate performance, the annual cash bonuses are capped.

The Board of Directors approves annual budgets, which define operating, financial, safety and other corporate goals for the Corporation (which includes all of its operating divisions). The annual cash bonus varies based on the degree to which financial, non-financial and strategic objectives meet or exceed the established targets. This award is then adjusted up or down by as much as 10% of the annual base compensation depending on how the Corporation meets its safety targets. When all objectives are met or exceeded, NEOs are eligible for an annual cash bonus of up to 110% of their base compensation, as follows:

Performance	Financial Targets Performance Score	Minimum/Target/ Maximum Payout (as a target % of ABP target) for Financial Targets Performance Score	Minimum/Target/ Maximum Payout (as a target % of ABP target) for Safety Targets Performance Score	Payout (as a target % of ABP target)
Minimum	80% of target	10%	-10%	0%
Target	100% of target	60%	0%	60%
High	120% of target	100%	+10%	110%

The Compensation Committee reviews and approves the final proposed annual cash bonus payments to employees, including NEOs, and may, where appropriate, adjust such bonus payments to reflect individual accomplishments and overall corporate performance.

The Compensation Committee may apply discretion to adjust the size of the cash bonus, which if applied usually occurs following a comprehensive assessment of corporate performance and the accomplishments of each executive.

3. **Performance Share Bonus Plan ("PSB Plan")**: The PSB Plan provides an award of Common Shares based on the most recent year's corporate performance. Common Shares are acquired in the market and vest over a period of three (3) years. As a result, awards pursuant to the PSB Plan provide a link from short term corporate performance to long-term shareholder interests, employee and officer retention, and facilitates share ownership in the Corporation without the dilutive aspects of issuing shares from treasury or granting stock options. The table below summarizes the characteristics of the PSB Plan. The Common Shares are granted pursuant to the PSB Plan based on the same corporate performance measures as used in the ABP.

	Performance Share Bonus Plan
Form of Award	Common Shares, purchased on the open market through the TSX.
Who participates	Employees and officers of the Corporation.
Target Award Amount	A cash amount is determined based on the annual cash bonus earned for financial and safety performance, which is used by a trustee to acquire Common Shares through the Toronto Stock Exchange, and held pursuant to the terms of the PSB Plan until vesting. For NEOs, the PSB award is 2.5 times the annual cash bonus. In addition to deferring a portion of the award over a longer period, this level is set to encourage Common Share ownership by NEOs.
Dividends	Dividends are paid on outstanding, unvested Common Shares, and accumulate in the form of additional Common Shares.
Vesting	Awards vest equally over a three year period, beginning on September 1 of the year following the year in which the award of Common Shares was earned. If an employee leaves their employment with the Corporation for any reason other than in the case of change of control, retirement in the normal course or death, the unvested Common Shares are forfeited.

	Performance Share Bonus Plan
Payout	Common Shares of the Corporation, paid out in kind upon vesting.
Performance Measures	The size of the PSB Plan award depends on the corporate performance of the most recent year, and the corresponding quantum of the annual cash bonus. Common Share awards under the PSB Plan will be nil if the annual cash bonus is nil. Future realized values at the time of vesting will reflect stock price performance and reinvested dividends over the vesting period.

As with the ABP, the Compensation Committee may apply discretion to adjust the size of the performance share award. This discretion is usually used following a comprehensive assessment of corporate performance and the accomplishments of each executive.

4. **Option-Based Awards – Share Options:** The Compensation Committee periodically awards stock options to NEOs and other qualifying employees for the purpose of providing an incentive that will enable the Corporation to achieve its long-term objectives and allow the Corporation to attract and retain quality personnel.

The Compensation Committee considers proposals from the Executive Management Committee for awards of stock options to NEOs and other qualifying employees on an individual basis. Previous grants of option-based awards are not taken into account when considering new grants. Roles, responsibilities and individual performance are considered, as is the performance of the Corporation overall, the applicable division in which an employee is employed and peer group grant levels.

	Stock Option Plan
Form of Award	Options on Common Shares, which are issued from treasury.
Who participates	Employees and officers of the Corporation. Directors are not eligible to receive stock options unless they are also an employee or officer of the Corporation.
Exercise Price	The closing price for the Corporation’s Common Shares on the last trading day preceding the date the options were granted.
Vesting	20% per year over a period of five (5) years.
Term	Expire at the end of the sixth (6^{th}) year following the grant date.
Payout	Upon exercise of a stock option, the holder receives one Common Share for each stock option exercised. The holder of stock options may elect to receive a cash payment, in lieu of Common Shares, equal to the difference between the stock option exercise price and the market price of the Corporation’s Common Shares on the TSX on the date of exercise.
Termination	Unvested stock options are forfeited on the date of cessation of employment, whether due to termination without cause, termination with cause, resignation, retirement or death. Vested options outstanding as at the date of cessation of employment may be exercised in the 3 months following the effective date of the cessation of employment.
Restrictions	No one person, nor the NEOs as a group, may hold stock options exceeding 5% of the Corporation’s outstanding Common Shares.
Re-Pricing	The Corporation does not re-price stock options.

The Corporation does not currently provide stock appreciation rights (SARs) to its NEOs. SARs are provided to certain employees residing outside of Canada, in lieu of stock options, and are subject to the same general conditions and restrictions as stock options.

5. **Other Compensation:**
Employee Savings Plan: For Canada-based employees, the Corporation also provides an “Employee Savings Plan”, whereby employees with a minimum of two (2) years of service can elect to contribute, based on years of service, up to 5% of their regular earnings to a saving plan. Ensign

contributes, on a matching basis, up to 5% of a participating employee's regular annual earnings (excluding bonuses and other discretionary or variable compensation) to this plan. Ensign's contribution is by way of the purchase of Common Shares acquired quarterly through the TSX. The Common Shares vest in favour of participating employees as to 50% in the year following the year in which the contribution was made, and 50% in the next year. Certain alternative plans are provided by the Corporation to employees in jurisdictions outside of Canada.

Benefits and Perquisites: Ensign provides standard benefits and perquisites as part of a competitive compensation package. The Corporation does not have:

- Employment contracts with any of its Named Executive Officers or other executives;
- Separate change in control agreements; or
- Executive pension or retirement plans.

Further, the Corporation does not re-price out-of-the-money stock options.

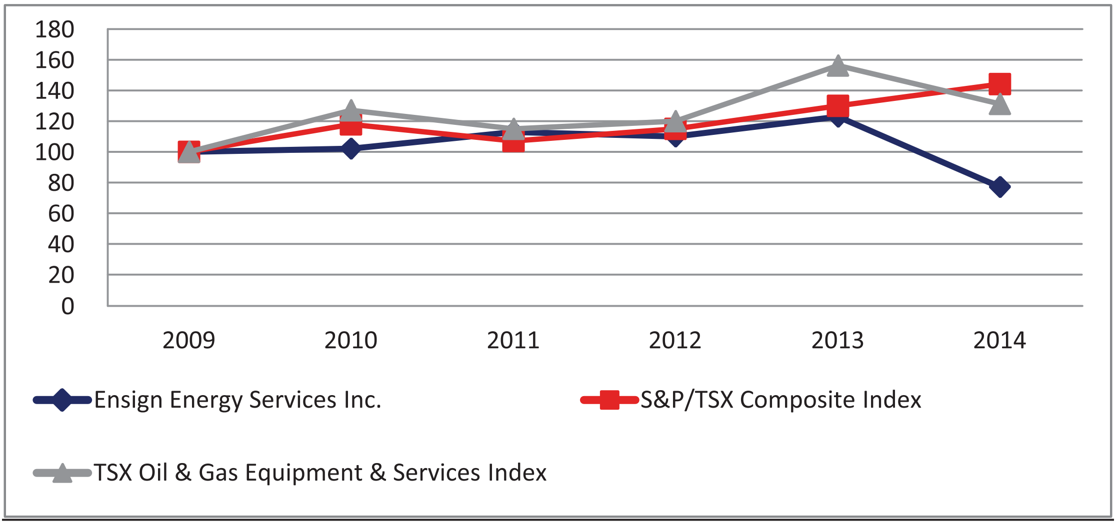
Total compensation for NEOs at Ensign is reviewed for competitiveness and compared to the Corporations' peer group for the achievement of established levels of performance. The Compensation Committee retains the ability to exercise discretion to ensure that compensation and incentive plan designs achieve the intended results and avoid unintended consequences. In determining whether discretion is warranted, the Compensation Committee comprehensively assesses each element of the compensation package provided to executives, the overall compensation package provided to each executive, the performance of the Corporation (financial and non-financial) and individual performance. This discretionary power is exercised judiciously by the Compensation Committee.

Please see the "Summary Compensation Table" for details regarding overall executive compensation awarded to Named Executive Officers in 2014, and the table entitled "Outstanding Share-Based and Option-Based Awards" for details on grants of options to the Named Executive Officers in 2014.

Performance Graph

The following performance graph illustrates Ensign's five year cumulative shareholder return, as measured by the closing price of the Common Shares at the end of each financial year, assuming an initial investment of $100 on December 31, 2009, compared to the S&P/TSX Composite Index and the TSX Oil & Gas Equipment & Services Index, assuming the reinvestment of dividends, where applicable.

Cumulative Value of a $100 Investment



Index	2009	2010	2011	2012	2013	2014
Ensign Energy Services Inc.	$100	$102	$113	$110	$123	$ 77
S&P/TSX Composite Index	$100	$118	$107	$115	$130	$144
TSX Oil & Gas Equipment & Services Index	$100	$127	$115	$120	$156	$131

The 2009 starting point in the performance graph reflects a low point in revenue and operating earnings for the Corporation as the industry had not yet started to recover from the downturn associated with the 2008/2009 global financial crisis. Ensign's net income hit a five-year low in 2010 before starting to recover in 2011. The recovery in financial performance continued into the start of 2012 before North American activity levels began to soften in the latter half of 2012. Throughout much of 2013, this weakness in North American oilfield services markets continued.

Ensign generated strong operating and financial results for the majority of 2014, even though falling oil prices in the second half of the year began to adversely impact expected levels of future demand for oilfield services, particularly in Canada and the United States. The Corporation's share price dropped significantly in the last half of 2014 as the outlook worsened due to falling oil and gas commodity prices.

Base salary determination for the NEOs is based primarily on past and expected future contribution, value to the organization, market competitiveness and individual performance. Industry challenges and outlook as well as general economic conditions in the regions in which Ensign operates, factors which also affect Common Share performance, are considered in determining base salary levels.

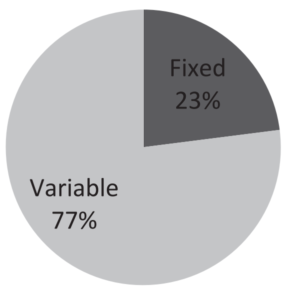
In 2009, in response to the challenging industry outlook which began in 2008 and was ongoing at that time, the NEOs accepted a 10% salary reduction, coinciding with a period of lower performance for the Common Shares. This 10% salary reduction was reversed in 2010 as the industry began to recover. NEOs were given moderate salary increases in 2011, 2012, 2013 and 2014 as Ensign's performance continued to improve.

The significant reduction in oil and gas commodity prices that began in the second half of 2014 has negatively impacted expectations regarding the demand for oilfield services in the near future. In response to the new challenges, at the suggestion of the Board of Directors the NEOs accepted a 10% reduction in base salary or annual consulting fee, and the Board of Directors accepted a 20% reduction in fees (as described further below in the section entitled "Director Compensation"), effective January 1, 2015.

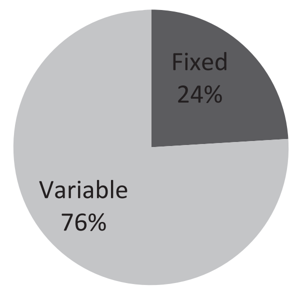
2014 Compensation and Pay Mix

The following charts show the respective actual pay mixes as between fixed and variable compensation for each of the NEO's for 2014. As indicated, most of our NEOs' compensation is delivered through variable compensation. For a breakdown of all elements of actual compensation paid in 2014, please refer to the "Summary Compensation Table".

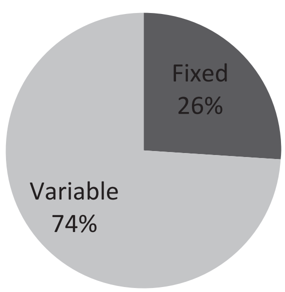
Robert H. Geddes



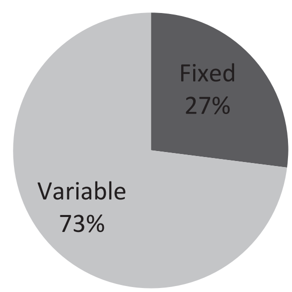
Edward D. Kautz



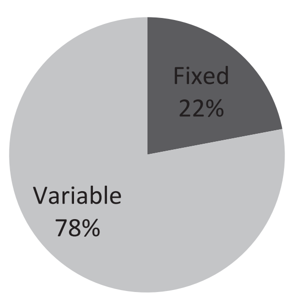
Glenn O.J. Dagenais



Selby W. Porter



N. Murray Edwards



The annual and long-term incentives are variable or at-risk compensation, which is awarded based on corporate and business unit performance. The relative weighting of these elements varies by level within the Corporation, where the most senior individuals, including the NEOs, have the highest proportion of compensation at-risk. This is intended to ensure alignment between an individual's ability to influence business unit and corporate results, and the degree to which their compensation is affected by those results. Annual bonus payments are objectively calculated, but nonetheless remain at the Compensation Committee's discretion, which discretion may be exercised after a comprehensive assessment of corporate performance and the accomplishments of each executive.

Compensation Objective Supported

Base salaries reflect Ensign's goal of retaining and attracting qualified individuals. The relatively low proportion of base compensation as a percentage of total compensation reflects the Corporation's compensation philosophy of delivering a meaningful proportion of total compensation to NEOs using variable pay.

Ensign's ABP and PSB Plan provide an opportunity to earn a target annual cash bonus and Common Share award based on meeting corporate and divisional performance objectives in key areas that include earnings, and health, safety and environmental results. In setting these objectives, certain minimum thresholds for corporate earnings and safety results must be met in order to receive an annual cash bonus and Common Share award.

Ensign's stock option program assists Ensign with retention and market competitiveness, and provides an opportunity and incentive for NEOs to participate in and contribute to the long-term growth of the Corporation.

Compensation of the Named Executive Officers

The following summarizes Ensign's 2014 performance measures and the 2014 performance and total direct compensation of the NEOs.

2014 Performance of the NEO's

In 2014, Ensign achieved success in a number of areas and continues to be well-positioned to capitalize on business opportunities, even in the current market environment. The Board of Directors believes that Ensign compares favourably to its peer group on the key metrics of balance sheet, capital structure, return on capital employed and cash flow.

Specific measures have been put into place to monitor achievement of corporate strategy, including return on capital employed, total shareholder return, annual growth targets, reliability and cost targets.

Solid progress continues to be made towards the Corporation's health, safety and environmental performance goals on employee development, recordable injuries, energy efficiency, environmental stewardship and reliability.

In 2014 the Corporation specifically achieved the following:

- We continued expansion of our drilling and well servicing fleet capabilities, with the addition of five (5) new automated drilling rigs (ADR®) and three (3) new well servicing rigs.
- We achieved continued development of drilling rig automation, specifically through the integration of control room systems that manage downhole tools, increasing penetration weight and lowering the risk of getting stuck in hole.
- The Ensign Global Risk Management System (GRMS), initially rolled out in 2013, is now recognized as an industry leader in safety data management.
- We continued to expand our geographic footprint and market presence, specifically in Australia, Oman and Kurdistan.
- We continued to expand directional drilling services in Canada and in the United States, both as an integrated services provider and as a stand-alone service.
- We negotiated a new lending agreement with a three (3) year term and expanded credit facilities with our lenders.

2014 Annual Bonus Calculation

As described in the section above entitled "Executive Compensation Components – Detailed Description", in 2014 Ensign rewarded the NEOs and other ABP participants based on the performance achieved versus annual approved targets, as follows:

- Financial Performance: The financial component of the annual cash bonus in 2014 used the key financial metric of net pre-tax cash flow from operations as a percentage of the annual approved budget as approved by the Board of Directors. Overall corporate financial performance is based on the Corporation's consolidated financial results, and each operating division has specific financial performance targets based on its own approved annual budget to ensure "line of sight" for the employees in that division.

In 2014, on a consolidated basis, the Corporation's pre-tax cash flow from operations achieved approximately 110% of the approved annual budget for 2014, resulting in an annual cash bonus payout to the NEOs, based on this metric, of approximately 74% of earned annual base salary.

- Safety Performance: Safety performance metrics designed to incentivize ongoing positive behaviour to reduce or eliminate incidents and injuries are set annually for each operating division, measured by actual safety results in a division. The metrics used for 2014 were:
  - Leading indicators – behaviour-based safety elements such as observation cards, training and inspection targets and job safety analysis review targets; and
  - Lagging indicators – total recordable injury rate.

  Safety performance metrics on a consolidated basis in 2014 achieved approximately 95% of targets, resulting in a 9.5% positive increment added to the annual cash bonus calculated on the financial metric.

Together, the achievement of financial and safety metrics resulted in a total annual cash bonus pursuant to the ABP of approximately 85% of earned base salary.

Governance of the financial performance criteria and metrics is comprehensive. Reviews of measures, weightings, targets and performance results are conducted at various times of the year by the appropriate divisional, corporate and Compensation Committee levels before being approved by the Board of Directors. Annual safety goals for each division are reviewed by the Health, Safety & Environment Committee ("**HSE Committee**") of the Board of Directors, to ensure alignment with the objectives of that Committee.

2014 PSB Plan Awards

The calculation of the 2014 PSB Plan awards used the same financial metric as the ABP, described above. The ABP cash amount determined by the financial metric only (which, in 2014, was approximately 74% of earned annual base salary) is multiplied by a set factor of 2.5 for NEOs, which dollar amount is used to purchase Common Shares that vest over a three year period.

2014 Stock Option Grants

NEOs and other eligible employees are eligible to receive grants of stock options. Grants of stock options are recommended by the Executive Management Committee to the Compensation Committee for review and approval. Options are not guaranteed to be granted annually or on a pre-determined schedule, but are granted at the discretion of the Compensation Committee, having regard to market cycles, recruitment, retention, competitive compensation, roles, responsibilities and individual performance, as balanced by the number of options available and the requirement to restrict the volume of outstanding options below acceptable dilution thresholds. While stock options were granted in each of the past three (3) years, none were granted in 2011.

Looking Ahead to 2015

As stated above in the section entitled "Base Compensation", in December 2014, the Compensation Committee increased base salaries or consulting fee, as applicable, for the NEOs in 2015 by 2.8% (2014 – 2.5%), based on peer group benchmarking, an assessment of NEO performance, prevailing market conditions and the guidance on increases offered to drilling field personnel established by the Canadian Association of Oilwell Drilling Contractors (CAODC), the drilling and well servicing industry association in Canada. No changes were made to the maximum potential pay-outs under the ABP, or the PSB Plan, expressed as a percent of base salary, based on benchmarking total direct compensation with the peer group levels.

However, on January 28, 2015 the NEOs accepted a 10% reduction to their 2015 annual salary or consulting fee, at the suggestion of the Board of Directors, retroactive to January 1, 2015, to demonstrate leadership and emphasize the importance of controlling costs during this unstable period of time for the industry. Given the current industry outlook, it is expected that the total economic value of 2015 compensation for the NEOs will be significantly less than the total compensation levels achieved for 2014.

In December 2014, the Compensation Committee approved changes to the design of the ABP and the PSB Plan. Starting in 2015, the performance metrics that will be used to determine the bonus and award payouts will be the following: pre-tax cash flow as compared to approved annual budget, asset efficiency ratio ("**AER**"), safety performance and achievement of strategic objectives. Pre-tax cash flow as compared to annual budgets and safety performance will both be measured against the internal budget and targets, while the AER metric will be measured against an absolute target. The achievement of approved strategic objectives will be assessed by the Compensation Committee. The results of the ABP will continue to be used to determine the level of PSB Plan awards.

The Compensation Committee believes that using the same metrics to determine the payout under both plans is reasonable considering that three different metrics are used. In addition, the Compensation Committee, when finalizing the annual bonus calculations for the NEOs, will also look at the Corporation's relative total shareholder return compared to its peer group for the fiscal year to determine if any adjustments to the bonus or award that would be appropriate.

Ensign does not currently anticipate making any further significant changes to its compensation policies and practices in 2015.

Summary Compensation Table

The following table sets forth for the year ended December 31, 2014 information concerning the compensation paid or payable to the five (5) executive officers of the Corporation whose total compensation for the year ended December 31, 2014 exceeded $150,000 and who met the requirements to be classified as "Named Executive Officers" pursuant to National Instrument 51-102. Specific aspects of this compensation are covered in greater detail in subsequent tables.

The total compensation for all Named Executive Officers in 2014 represents 1.92% of the funds from operations for the Corporation in 2014 (2013 – 1.92%).

Please note, as described further in the Statement of Corporate Governance Practices in this Information Circular, that the Corporation does not have a named Chief Executive Officer.

					Non-equity incentive plan compensation			
Name and Principal Position	**Year**	**Salary ($)**	**Share-based awards ($)**	**Option-based awards [3] ($)**	**Annual incentive plans [4] ($)**	**Long-term incentive plans [5] ($)**	**All other compen-sation [6] ($)**	**Total compen-sation ($)**
GEDDES, ROBERT H.	2014	620,125	—	364,000	522,819	1,160,564	16,329	2,683,837
President & Chief Operating Officer	2013	605,000	—	806,000	312,192	662,475	29,438	2,415,105
	2012	575,000	—	866,000	281,245	662,041	24,885	2,409,171
KAUTZ, EDWARD D.	2014	461,250	—	227,500	388,873	863,229	12,166	1,953,018
Executive Vice President United States &	2013	450,000	—	503,750	239,619	492,750	22,670	1,708,789
International Oilfield Services	2012	428,000	—	541,250	290,164	694,839	23,059	1,977,312
DAGENAIS, GLENN O. J.	2014	435,625	—	227,500	367,269	815,272	11,354	1,857,020
Executive Vice President Finance &	2013	425,000	—	503,750	219,824	465,375	20,421	1,634,370
Chief Financial Officer	2012	400,000	—	541,250	195,649	460,550	17,223	1,614,672
PORTER, SELBY W.	2014	256,250	—	0	216,041	479,572	6,570	958,433
Vice Chairman	2013	250,000	—	0	133,121	273,750	11,910	668,781
	2012	225,000	—	0	110,052	259,049	10,923	605,024
EDWARDS, N. MURRAY	2014	0 [1]	—	364,000	367,269	815,272	435,625 [1]	1,982,166
Chairman	2013	0 [1]	—	806,000	226,306	465,375	425,000 [1]	1,922,681
	2012	0 [1]	48,954 [2]	866,000	195,649	460,550	418,482 [1]	1,989,635

Notes:

(1) Mr. Edwards is not a full time employee of the Corporation and therefore does not receive a salary. However, he provides ongoing management services to Ensign and meets the definition of an NEO. Mr. Edwards or his controlled corporation receives an annual consulting fee for his services, which for 2014 was $435,625, included in the column "All other compensation" (2013 – $425,000; 2012 – $400,000). Effective January 1, 2012, Mr. Edwards' annual consulting fee was increased from $150,000 to $400,000 (the last increase to this annual consulting fee having occurred in 2006), and he no longer received additional compensation for services rendered in his capacity as a Director of the Corporation.

(2) **Share-based awards**: In 2012, in connection with a change to the base annual consulting fee referred to in Note (1) above, Mr. Edwards ceased to qualify as a participant pursuant to the "Directors' Deferred Share Unit Plan and Common Share Payment Plan". As such, all DSUs credited to

Mr. Edwards together with any dividends credited to such DSUs (being a total of 4,097.766738 DSUs), were paid out in accordance with an agreement between Mr. Edwards and the Corporation. These DSUs were granted and valued as follows:

DSU Credit Date	DSU's Credited	Grant Date Fair Value ($)
March 31, 2011	1,000	13,048
June 30, 2011	1,000	14,694
September 30, 2011	1,000	9,600
December 31, 2011	1,000	11,612
TOTAL:	**4,000**	**48,954**

The grant date fair value of the DSU awards granted to Mr. Edwards is calculated for compensation disclosure purposes using the Black-Scholes pricing model with the following assumptions:

	Black-Scholes Pricing Model – Assumptions		
Quarter Ending	Average Risk Free Interest Rate	Average Expected Life	Expected Volatility
March 31, 2011	3.32	13.5	41.2
June 30, 2011	3.09	13.25	40.1
September 30, 2011	2.14	13.0	39.9
December 31, 2011	1.93	12.8	39.7

The fair value for compensation disclosure purposes differs from accounting expense, as the DSUs are considered cash-settled under International Financial Reporting Standards 2 ("**IFRS 2**"), and are therefore re-valued at every quarter end.

(3) **Option-based awards**: The grant date fair value of option-based awards granted to NEOs pursuant to the Stock Option Plan is calculated for compensation disclosure purposes using the Black-Scholes option pricing model with the following assumptions:

		Black-Scholes Option Pricing Model – Assumptions		
	Grant Date Fair Value	Average Risk Free Interest Rate	Average Expected Life	Expected Volatility
December 2014	$1.82	1.0%	5 years	38.5%
December 2013	$4.03	1.3%	5 years	40%
January 2012	$4.33	1.0%	5 years	40%
2011 – no option-based awards granted	N/A	N/A	N/A	N/A

The fair value for compensation disclosure purposes differs from accounting fair value, as the option-based awards are, under IFRS 2, considered to be compound financial instruments and accounted for as cash-settled awards. Therefore these awards are re-valued at every quarter end.

(4) **Annual incentive plans**: Annual incentive plans include the cash bonus amounts earned under the Annual Bonus Plan. Cash bonus awards are paid to the NEO in cash in April or May following the year in which they were earned and accrued. Because of the timing of the payments of these bonuses relative to the date of this Information Circular, prior year numbers are adjusted as appropriate to reflect actual final payment amounts.

(5) **Long-term incentive plans**: Long-term incentive plans include the Performance Share Bonus Plan, pursuant to which vested and unvested Common Shares are awarded to NEOs in the years indicated. Awards pursuant to the PSB Plan are in the form of a cash payment of 250% of the NEOs cash bonus earned for financial performance under the Annual Bonus Plan, which is deposited with a trustee for the purpose of purchasing Common Shares on the TSX on behalf of the NEO. These acquired Common Shares vest to the benefit of each NEO equally over three years each September 1 beginning in the year following the year in which such award was earned. Any dividends paid by the Corporation on unvested Common Shares held pursuant to the PSB Plan are used to purchase additional Common Shares on behalf of the NEO. If the NEO leaves the employment of the Corporation for any reason, other than normal retirement over a certain age, the unvested Common Shares purchased pursuant to the PSB Plan are forfeited by the NEO.

(6) **All other compensation**:

(i) Canadian Employee Savings Plan: This includes Common Shares that have vested during the year to the benefit of NEOs who elect to participate in the Corporation's "Employee Savings Plan" for Canadian-based employees. Up to 5% of a participating employee's base salary is matched in cash contributions made by the Corporation, used to purchase Common Shares on the TSX on behalf of the NEO. Such Common Shares vest to the benefit of each NEO equally over two years each February 1. The value of the vested shares is derived by multiplying the Common Share price on the vesting date by the number of Common Shares vesting to the benefit of the NEO on that date.

(ii) Perquisites and Benefits: The value in aggregate of perquisites and benefits, which comprises parking, group insurance and club memberships, for each NEO is less than $50,000 and is less than 10% of the total of each NEOs salary for 2012, 2013 and 2014.

(iii) In connection with a change to the base annual consulting fee paid to Mr. Edwards and described in Note (2) above, in 2012 Mr. Edwards ceased to qualify as a participant pursuant to the "Directors' Deferred Share Unit Plan and Common Share Payment Plan". As such, all DSUs credited to Mr. Edwards together with any dividends credited to such DSUs (being a total of 4,097.766738 DSUs), were paid out in accordance with an agreement between Mr. Edwards and the Corporation. The total taxable benefit realized on such buy out was $63,433. The dollar value of earnings paid on share-based awards not factored into the grant date fair value already reported is $18,482, being the $63,433 paid to Mr. Edwards in 2012 less the $48,954 grant date fair value reported in 2011.

Outstanding Share-based Awards and Option-based Awards

The following table sets forth for each Named Executive Officer all option-based awards outstanding as at December 31, 2014. There were no share-based awards outstanding as at December 31, 2014.

		Option-based Awards			
Name	**Grant Date (dd/mm/yyyy)**	**Number of securities underlying unexercised options (1)(2) (#)**	**Option Exercise Price ($)**	**Option Expiration Date (dd/mm/yyyy)**	**Value of un-exercised in-the-money options (3) ($)**
GEDDES, ROBERT H.	09/12/2010	300,000	14.00	31/12/2015	0
	06/01/2012	200,000	17.20	31/12/2016	0
	05/12/2013	200,000	16.13	31/12/2018	0
	03/12/2014	200,000	10.37	31/12/2019	0
TOTAL:		**900,000**			**0**
KAUTZ, EDWARD D.	09/12/2010	175,000	14.00	31/12/2015	0
	06/01/2012	125,000	17.20	31/12/2016	0
	05/12/2013	125,000	16.13	31/12/2018	0
	03/12/2014	125,000	10.37	31/12/2019	0
TOTAL:		**550,000**			**0**
DAGENAIS, GLENN O.J.	09/12/2010	175,000	14.00	31/12/2015	0
	06/01/2012	125,000	17.20	31/12/2016	0
	05/12/2013	125,000	16.13	31/12/2018	0
	03/12/2014	125,000	10.37	31/12/2019	0
TOTAL:		**550,000**			**0**
PORTER, SELBY W.	N/A	0	N/A	N/A	0
TOTAL:		**0**			**0**
EDWARDS, N. MURRAY	09/12/2010	300,000	14.00	31/12/2015	0
	06/01/2012	200,000	17.20	31/12/2016	0
	05/12/2013	200,000	16.13	31/12/2018	0
	03/12/2014	200,000	10.37	31/12/2019	0
TOTAL:		**900,000**			**0**

Notes:

(1) Comprised of the number of unexercised options as at December 31, 2014.

(2) The securities underlying the options granted are Common Shares. The options granted vest at the rate of 20% per year, on a cumulative basis. For more information, see "Stock Option Plan".

(3) All option values have been determined based on the closing price for Common Shares of $10.20 on December 31, 2014. "In-the-money" means that the exercise price for the option is less than $10.20, being the closing market price for the Common Shares on December 31, 2014.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth, for each Named Executive Officer, the value of option-based awards which vested during the year ended December 31, 2014, and the value of non-equity incentive plan compensation earned during the year ended December 31, 2014. The Corporation has no share-based awards applicable to NEOs.

Name	Option-based awards – Value vested during the year ($) (1)(2)(3)	Share-based awards – Value vested during the year ($)	Non-equity incentive plan compensation – Value earned during the year ($) (4)
GEDDES, ROBERT H.	229,400	N/A	1,160,564
KAUTZ, EDWARD D.	130,550	N/A	863,229
DAGENAIS, GLENN O. J.	130,550	N/A	815,272
PORTER, SELBY W.	N/A	N/A	479,572
EDWARDS, N. MURRAY	229,400	N/A	815,272

Notes:

(1) Includes options which vested pursuant to the Stock Option Plan during 2014.

(2) Options vest at the rate of 20% per annum, commencing in the year subsequent to the year that the option was granted. Each option-based award has a set vesting date of July 1 or October 1 in each year. As such, one fifth of the options granted to each NEO in 2009, 2010, 2012 and 2013 vested and became exercisable in 2014.

(3) The value of option-based awards is calculated based on the difference between the market value of the Common Shares underlying the options on the vesting date and the exercise price of the options and reflects the aggregate value realized had the vested options been exercised on the vesting date.

(4) Non-equity incentive plan compensation includes vested and unvested Common Shares awarded to the NEO under the Performance Share Bonus Plan in 2014. See Note 5 to the Summary Compensation Table, above.

None of the Corporation's Named Executive Officers realized any benefit from the exercise of stock options in the year ended December 31, 2014.

Pension Plan Benefits

The Corporation does not have a pension plan or provide other retirement plan benefits.

Termination and Change of Control Benefits

Ensign does not have written employment agreements in place with any of its NEOs which provide for incremental payments, payables or benefits upon termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Corporation or a change in a NEOs' responsibilities. Upon termination of employment for any reason, such executives (as with other employees) would be entitled to benefits for a severance period to be determined, pursuant to applicable law, at the time of termination, depending upon length of service, age, salary level and a number of other factors.

The specific provisions of the Corporation's Stock Option Plan govern the treatment of unvested and vested Options, and the PSB Plan and the Employee Savings Plan govern the treatment of unvested shares held in these plans on the cessation of employment, including on a change of control (please see the section entitled "Stock Option Plan" below, and the section entitled "Executive Compensation Components" above, for further details).

Depending on the conditions of termination, we treat NEOs and other employees as follows:

Type	Termination Payment	Annual Bonus Plan	Performance Share Bonus Plan	Stock Options	Employee Savings Plan (1)
Resignation	All salary and benefit programs cease.	Cash bonus is forfeited.	Unvested awards, including the dividend reinvestment component, are forfeited.	Vested stock options must be exercised within 3 months; unvested stock options are forfeited.	Unvested shares held in trust are forfeited.
Retirement	All salary and benefit programs cease.	Cash bonus is paid on a pro-rata basis.	Unvested awards, including the dividend reinvestment component, vest in the normal course (over 3 years) if the employee's age plus years of service at the time of retirement is equal to or greater than 65.	Vested stock options must be exercised within 3 months; unvested stock options are forfeited.	Unvested shares held in trust vest in an accelerated manner, as at the retirement date, if the employee's age plus years of service are equal to or greater than 65. Otherwise, unvested shares are forfeited.
Death	All salary and benefit programs cease, except for the payout of applicable life insurance benefits.	Cash bonus is paid on a pro-rata basis.	Unvested awards, including the dividend reinvestment component, vest in an accelerated manner (on the date of death).	Vested stock options must be exercised within 3 months; unvested stock options are forfeited.	Unvested shares held in trust vest in an accelerated manner (on the date of death).
Termination without Cause	All salary and benefit programs cease. Severance provided on an individual basis pursuant to applicable law, which in most jurisdictions reflects length of service, position, age, salary level and other applicable factors.	Cash bonus is forfeited.	Unvested awards, including the dividend reinvestment component, are forfeited.	Vested stock options must be exercised within 3 months; unvested stock options are forfeited.	Unvested shares held in trust are forfeited.
Termination with Cause	None. All salary and benefit programs cease.	Cash bonus is forfeited.	Unvested awards, including the dividend reinvestment component, are forfeited.	Vested stock options must be exercised within 3 months; unvested stock options are forfeited.	Unvested shares held in trust are forfeited.

(1) The Canadian Employee Savings Plan is an employee benefit plan available to employees in resident in Canada only. Similar plans may be in place for the benefit of employees in the Corporation's other jurisdictions of operation.

In the event of any arrangement, consolidation, amalgamation or merger of the Corporation with or into any corporation or entity, or a transfer of all or substantially all of the assets of the Corporation to another corporation or entity (a "**change of control**"), the Board of Directors may cause all Options to vest and become exercisable by Optionees. In such event, the Named Executive Officers would be entitled to exercise the option-based awards which are set forth in the table entitled "Outstanding Share-Based Awards and Option-Based Awards", which also sets forth the value of such in-the-money options as at December 31, 2014.

In addition, Common Shares purchased pursuant to the Annual Bonus Plan, plus any Common Shares purchased pursuant to the dividend reinvestment component of such plan, vest upon a change of control.

There would be no other incremental payments, payables and benefits that are triggered by, or result from, a change of control scenario for compensation. If any of the Named Executive Officers were terminated following a change of control, such executives would be entitled to salary, annual bonus and other compensatory benefits for a severance period to be determined at the time of such change of control, depending upon length of service, age, salary level and a number of other factors.

Mandatory Executive Share Ownership Guideline
With a view to further aligning management's interests with those of the Shareholders, the Corporation has implemented a requirement that executive officers (being the Chairman, Vice Chairman, President and Chief Operating Officer, Executive Vice Presidents and Chief Financial Officer) and senior managers (being Senior Vice Presidents and Vice Presidents), hold the level of Common Shares outlined below:

Executive Level	Ownership Requirement
Chairman	4 times annual consulting fee
Vice Chairman, President and Chief Operating Officer	4 times base salary
Executive Vice Presidents and Chief Financial Officer	3 times base salary
Senior Vice Presidents	2 times base salary
Vice Presidents	1 times base salary

Executive officers and senior managers to whom this guideline applies must reach the minimum required level of share ownership within five (5) years of their date of promotion or appointment to the executive officer or senior manager level position. In calculating Common Share ownership for officers, the aggregate value of Common Shares owned (but not the value of any exercisable and vested stock options and not the value of any unvested component of the share bonus) is used. The minimum requirement for the levels noted above fluctuates yearly based on salary changes and changes to the price of the Common Shares.

In order to avoid the need to continuously monitor and adjust holdings based on fluctuations in the market price of the Common Shares, for the purposes of the minimum shareholding requirement applicable to the Corporation's members of management, the value of shareholdings is calculated based on the greater of: (a) the current market value of the Common Shares; (b) the market value of the Common Shares as at December 31 of the immediately preceding year; and (c) the acquisition cost of such Common Shares. Once the applicable threshold is met, further purchases are not required if the value of the Common Shares held decreases solely as a result of a decline in the trading price of the Common Shares. However if the value decreases for any other reason (i.e. sale of Common Shares), such member of Management is required to increase the value of his or her investment to the required threshold.

As of March 27, 2015, all of the executive officers and senior managers subject to this guideline have satisfied their ownership requirements, other than those senior managers who are within the five (5) year time period during which such senior managers have to accumulate these holdings. The table below summarizes the share ownership levels for each of the five (5) NEOs as of March 27, 2015 (and based on the closing price of the Common Shares on March 27, 2015 of $9.99).

	As at March 27, 2015		Ownership Requirement			
Name and Principal Position	**Actual Ownership ($) (1)**	**Actual Ownership (#) (2)**	**Multiple of 2014 Base Salary / Consulting Fee**	**Multiple of 2014 Base Salary**	**Share Requirement (#) (1)**	**Meets Requirement**
GEDDES, ROBERT H. President & Chief Operating Officer	$ 4,397,688	440,209	4 x $620,125	$2,480,500	248,298	Yes
KAUTZ, EDWARD D. Executive Vice President United States & International Oilfield Services	$ 1,432,716	143,415	3 x $461,250	$1,383,750	138,514	Yes
DAGENAIS, GLENN O. J. Executive Vice President Finance & Chief Financial Officer	$ 9,690,200	969,990	3 x $435,625	$1,306,875	130,818	Yes
PORTER, SELBY W. Vice Chairman	$ 7,263,849	727,112	4 x $256,250	$1,025,000	102,603	Yes
EDWARDS, N. MURRAY Chairman	$254,700,015	25,495,497	4 x $435,625	$1,742,500	174,424	Yes

Notes:

(1) The ownership value and value of the share requirement are calculated based on the closing price for the Common Shares on March 27, 2015 of $9.99.

(2) Includes Common Shares beneficially owned, controlled or directed by the NEO.

SECTION 4 – DIRECTOR COMPENSATION

Directors Compensation Philosophy and Objectives

In 2014, all non-management Directors of the Corporation received a comprehensive compensation package comprised of both cash and equity compensation, as follows:

(i) an annual retainer in the form of a cash retainer;
(ii) an annual equity retainer in the form of deferred share units ("**DSUs**") or Common Shares pursuant to the "Directors Deferred Share Unit and Common Share Payment Plan" (described in detail below);
(iii) committee chair and committee member cash retainers; and
(iv) meeting fees.

Compensation programs and levels for non-management Directors are designed to attract and retain high quality individuals who possess experience and capabilities appropriate for the demands of the Corporation's board, and to align the interests of the non-management Directors with the Corporation's shareholders. In addition, the remuneration package for Directors is intended to compensate these individuals for their time commitment, the discharge of their responsibilities and the accountabilities of serving as a Director of the Corporation. The Corporate Governance, Nominations & Risk Committee and the Board of Directors as a whole review director compensation on an annual basis for its adequacy in light of the foregoing factors, as well as for competitiveness against the Corporation's peer group.

***Non-Management Directors – Retainers and Fees*:**

In connection with a regular annual review of director compensation, on May 8, 2014, the Corporate Governance, Nominations & Risk Committee resolved that the some aspects of the compensation provided to non-management Directors for the 2014 year would be modestly increased over the 2013 level. However on January 28, 2015, in light of uncertain market conditions, the Board of Directors unanimously volunteered to take a 20% reduction in compensation, being the annual cash retainer, annual equity retainer and meeting fees. This reduction is effective January 1, 2015 and is in alignment with the 10% salary reduction accepted by the NEOs for 2015, as described in the section entitled "Executive Compensation Components – Detailed Description". This reduction reflects the Corporation's belief in the importance of demonstrating leadership and emphasizing cost control in light of the current oilfield services industry outlook. The Board of Directors will continue to monitor evolving industry conditions and may make further adjustments to Director compensation as may be deemed appropriate under the circumstances.

As such, Director compensation for 2014 as compared with 2013, and current 2015 compensation, is as follows:

	2015 **20% reduction from 2014 levels**	**2014**	**2013**
Base Retainer	$32,000	$40,000	$40,000
Base Equity Retainer (DSU or Common Share Retainer)	DSUs or Common Shares valued at $80,000	DSUs or Common Shares valued at $100,000	DSUs or Common Shares valued at $90,000
Committee Chairperson Retainer	$ 6,000	$ 7,500	$ 5,000
Audit Committee Chair Retainer	$12,000	$15,000	$15,000
Lead Director Retainer (1)	$ 8,000	$10,000	$10,000
Committee Member Retainer (2)	$ 2,400	$ 3,000	$ 2,500
Audit Committee Member Retainer (2)	$ 4,000	$ 5,000	—
Board and Committee Meeting Attendance (3)	$ 1,200	$ 1,500	$ 1,500
Travel Allowance (4)	$1,200/day	$1,500/day	$1,500/day

Notes:

(1) The position of Lead Director of the Board of Directors was established on March 14, 2013.

(2) Committee chairs do not also receive a committee member retainer for the same committee.

(3) Includes meetings held in-person and by telephone conference call; includes attendance at strategic planning sessions with members of the Corporation's senior management, if any, held in the year.

(4) The full amount of the travel allowance day rate is paid where a Director flies to or from outside North America to attend a meeting. Half the day rate is paid where a Director flies to or from a meeting within North America, where the flight time is equal to or greater than two hours. Out-of-pocket expenses are also reimbursed.

DIRECTOR COMPENSATION

In addition to attending all meetings of the Board and its committees on which they sit, Directors are encouraged to attend, and in practice do attend, other committee meetings. Directors are not paid additional fees for such attendance.

All fees (other than the equity retainer, which is credited or paid quarterly) are paid to Directors annually, in December of the year in which the fees are earned. Fees are pro-rated for partial service. Where applicable, DSUs are credited to a DSU account maintained for the eligible Director and Common Shares are purchased on the open market by the Corporation and are paid to each eligible Director. The equity component of the annual retainer for Directors is intended to ensure an alignment of interests between the Directors who are not also full time employees of the Corporation, and those of the Shareholders.

The next regularly scheduled review of non-management Director compensation will take place in May 2015.

Equity-Based Compensation – Directors DSU Plan and Common Share Payment Plan

The Board of Directors believes that equity-based compensation for Directors provides for greater alignment of interests between Directors and Shareholders. As such, non-management Directors receive equity based compensation in the form of Deferred Share Units (notional shares) or Common Shares.

On December 9, 2010, the CGNR Committee approved the implementation, effective January 1, 2011, of a deferred share unit plan as an alternative to the then-current annual Common Share retainer. This plan, called the "Directors Deferred Share Unit and Common Share Payment Plan" (the "**DSU Plan**"), applies to non-management Directors of the Corporation.

Pursuant to the DSU Plan, eligible Directors may be awarded DSUs, or may elect instead to receive up to 100% of the award in Common Shares, in such numbers as may be awarded by the CGNR Committee from time to time. An election to receive Common Shares in lieu of DSUs lasts for one year and once made, is irrevocable for such year. If a Director elects to receive Common Shares, these Common Shares are purchased on the open market at the prevailing market price on the TSX for the Common Shares.

DSUs are credited to a DSU account for each eligible Director, at a fair market value based upon the volume weighted average trading price of the Common Shares on the TSX for the five (5) trading days immediately prior to the date the DSUs are credited. The DSUs may not be redeemed until a Director has ceased to hold any position with the Corporation. Following the date the eligible Director ceases to hold any position with the Corporation, he or she will have until July 1 of the following calendar year to redeem his or her awards in exchange for a cash payment equal to the number of DSUs held multiplied by the volume weighted average trading price of the Common Shares on the TSX for the five (5) trading days immediately prior to the date of settlement, adjusted for dividends.

DSUs are regarded as equivalent to Common Shares for the sole purpose of evaluating a Directors' shareholdings in connection with the minimum shareholding requirement applicable to Directors.

The CGNR Committee may amend, suspend or terminate the DSU Plan at any time, the last such amendments having occurred in 2014, as follows:

- the annual equity retainer was increased to a value of $100,000 per year; and
- once any applicable minimum equity holding requirement was met by a Director, such Director can elect to take up to a maximum of 60% of the equity retainer in cash instead of DSUs or Common Shares.

Subsequently, on January 28, 2015, the annual equity retainer was decreased by 20% to a value of $80,000 per year (as discussed above).

Approximately 68% of non-management Directors total compensation in 2014 was paid through the issuance of DSUs or Common Shares. The remaining 32% was paid in cash, subject to a provision in the DSU Plan which requires that a non-management Director accept the full amount of his or her fees in DSUs or Common Shares until the minimum shareholding requirement is satisfied (see the section entitled "Director Share Ownership Requirements"). Once the applicable minimum shareholding requirement is met, Directors can elect to take all or a portion of their equity retainer in cash instead of Common Shares or DSUs.

2014 Directors Summary Compensation Table

The following table sets forth, for the year ended December 31, 2014, information concerning the compensation paid to Directors (other than Directors who are also Named Executive Officers, being

DIRECTOR COMPENSATION

Robert H. Geddes, Selby W. Porter, and N. Murray Edwards, whose compensation information is provided in Section 4 – Compensation Discussion and Analysis). Such Directors earned aggregate cash compensation of $497,459 during the fiscal year ended December 31, 2014 (2013 – $472,373) and aggregate share compensation of 44,759 DSUs or Common Shares (2013 – 31,910 DSUs or Common Shares) for services performed by them as Directors. The Corporation does not provide any non-equity incentive plan compensation to non-management Directors.

Name	Fees earned ($)	Non-cash retainer ($) (1)	All other compensation ($) (2)	Total compensation ($)
HOWE, JAMES B.	76,500	99,981	0	176,481
KANGAS, LEN O.	83,000	100,007	0	183,007
MOOMJIAN, JR., CARY A.	11,081	15,616	3,000	29,697
SCHROEDER, JOHN G.	82,000	100,007	0	182,007
SKIRKA, KENNETH J.	105,878 (3)	99,981	9,000	214,859
SURKAN, GAIL D.	70,000	99,981	0	169,981
WHITHAM, BARTH E.	69,000	99,981	4,500	173,481
TOTAL:	**497,459**	**615,554**	**16,500**	**1,129,513**

Notes:

(1) "**Non-cash retainer**" includes the DSU or Common Share award component of the Directors annual retainer, pursuant to the DSU Plan.

(i) DSUs: Eligible (non-employee) Directors who received DSUs in 2014 (Kangas and Schroeder) were credited such DSUs at the end of each fiscal quarter, as follows:

Quarter Ended	Base Price ($)	DSUs Credited (#)	Value of DSUs ($)
March 31, 2014	16.17	1,392	22,509
June 30, 2014	16.54	1,662	27,489
September 30, 2014	14.43	1,733	25,007
December 31, 2014	10.31	2,425	25,002
TOTAL:		**7,212**	**100,007**

Mr. Moomjian, who joined the Board of Directors on November 5, 2014, was credited DSUs at the end of the fourth quarter, as follows:

Quarter Ended	Base Price ($)	DSUs Credited (#)	Value of DSUs ($)
December 31, 2014	10.31	1,515	15,616
TOTAL:		**1,515**	**15,616**

The pricing of the DSUs paid to Directors who received their equity retainer in the form of DSUs in 2014 is based on the volume weighted average trading price of the Common Shares on the TSX for the five (5) trading days prior to the date the DSUs are credited. The grant date fair value of the DSU awards is calculated for compensation disclosure purposes using a Black-Scholes pricing model, as detailed in Note 4 to the Summary Compensation Table.

(ii) Common Shares: Eligible (non-employee) Directors who elected to receive Common Shares in 2014 (Howe, Skirka, Surkan and Whitham) were paid such Common Shares at the end of each fiscal quarter, as follows:

Quarter ended	Base Price ($)	Common Shares (#)	Value of Common Shares ($)
March 31, 2014	16.36	1,375	22,495
June 30, 2014	16.58	1,658	27,490
September 30, 2014	14.95	1,672	24,996
December 31, 2014	10.00	2,500	25,000
TOTAL:		**7,205**	**99,981**

The aggregate value of the Common Shares paid to Directors who elected to receive their equity retainer in the form of Common Shares in 2014 is based on the acquisition price of the Common Shares on the TSX. In certain instances, as a consequence of the Common Shares being purchased on the open market, the Common Share credit date may differ from the trade settlement date.

(2) "**All other compensation**" includes the travel allowance amounts paid to certain Directors in 2014.

(3) In addition to compensation provided by the Corporation to Mr. Skirka in his capacity as a Director of Ensign, Mr. Skirka receives fees, in Australian dollars, for services rendered by him as a director of certain of our subsidiary corporations in Australia. He receives an annual base fee of AUD $33,000 for such services, including certain statutorily required payments, and reimbursement of expenses. For reporting purposes, these amounts have been translated at the average exchange rate for 2014, being CAD $100 = AUD $99.63.

Directors Fees – Breakdown

The following table sets forth a detailed breakdown of the fees earned by our Directors (other than Directors who are also Named Executive Officers, being Robert H. Geddes, Selby W. Porter and N. Murray Edwards, whose compensation information is provided in Section 3 – Compensation Discussion and Analysis), for the year ended December 31, 2014:

Name	Retainer Fees (1) ($)	Board Meetings ($)	Committee Meetings ($)	Travel Allowance ($)	Other (3) ($)	Equity Retainer (DSUs or Common Shares) (2) ($)	Total ($)
HOWE, JAMES B.	52,500	10,500	13,500	0	—	99,981	176,481
KANGAS, LEN. O.	60,500	10,500	12,000	0	—	100,007	183,007
MOOMJIAN, JR., CARY A.	6,581	3,000	1,500	3,000	—	15,616	29,697
SCHROEDER, JOHN G.	58,000	10,500	13,500	0	—	100,007	182,007
SKIRKA, KENNETH J.	53,500	10,500	12,000	9,000	32,878	99,981	214,859
SURKAN, GAIL D.	46,000	10,500	13,500	0	—	99,981	169,981
WHITHAM, BARTH E.	48,000	10,500	10,500	4,500	—	99,981	173,481
TOTALS:						**615,554**	**1,129,513**

Notes:

(1) Retainer amounts reported include the annual base cash retainer plus cash retainer amounts for committee chairs and committee membership.

(2) See Note 1 to the Directors Summary Compensation Table for a description of the calculation of the equity retainer, comprised of DSUs or Common Shares credited or paid to Directors in 2014.

(3) The amounts reported for Mr. Skirka include CAD $32,878 (AUD $33,000) in retainer fees paid to him with respect to services provided as a director of certain of our Australian subsidiaries. For reporting purposes, these amounts have been translated at the average exchange rate for 2014, being CAD $100 = AUD $99.63.

Directors' Outstanding Share-Based Awards

The following table sets forth as at December 31, 2014 information concerning all share-based awards outstanding for all of our Directors, other than Directors who are also Named Executive Officers (whose compensation information is provided in Section 3 – Compensation Discussion and Analysis).

	Share-Based Awards		
Name	Number of shares or units of shares that have not vested (1) (#)	Market or payout value of share-based awards that have not vested ($)	Market or payout value of vested share-based awards not paid out or distributed (2) ($)
HOWE, JAMES B.	N/A	N/A	N/A (3)
KANGAS, LEN O.	0	0	235,416
MOOMJIAN, JR., CARY A.	0	0	15,453
SCHROEDER, JOHN G.	0	0	235,416
SKIRKA, KENNETH J.	N/A	N/A	N/A (3)
SURKAN, GAIL D.	N/A	N/A	44,503 (3)
WHITHAM, BARTH E.	N/A	N/A	N/A (3)

Notes:

(1) Although DSUs vest immediately upon being credited to a participant's account, in accordance with the "Directors Deferred Share Unit and Common Share Payment Plan", DSUs cannot be redeemed until retirement or other separation of service of the Director.

(2) Calculated based on the closing price of the Common Shares on December 31, 2014 of $10.20 multiplied by the accumulated number of DSUs credited to the Director on such date, including DSU equivalents issued in lieu of cash dividends paid on the underlying Common Shares, for the period from the grant date to December 31, 2014 (being a total of 52,038 DSUs – 23,080 credited to each of Mr. Kangas and Mr. Schroeder, 1,515 credited to Mr. Moomjian and 4,363 credited to Ms. Surkan).

(3) Pursuant to the DSU Plan, Mr. Howe, Mr. Skirka, Ms. Surkan and Mr. Whitham elected to receive Common Shares in lieu of DSUs in 2014.

The Corporation has not granted options to non-management Directors since 2007 and the amended Stock Option Plan approved by Shareholders at the annual and special meeting of the Shareholders held on May 20, 2009 no longer permits any such grants to Directors.

Directors' Incentive Plan Awards – Value Vested or Earned During the Year

The only share-based awards granted by the Corporation are pursuant to the "Directors Deferred Share Unit and Common Share Payment Plan", instituted in 2011 by the Corporation for Directors who are not also full-time employees of the Corporation. All of these awards vested on their credit or payment date. DSUs expire on July 1 of the calendar year immediately following the year in which a holder ceases to be a Director. The value excludes dividend equivalents credited to such Director's DSU account and dividends paid on Common Shares during the year ended December 31, 2014.

Name	Share-based awards – Value vested during the year ($) (1)
HOWE, JAMES B.	100,036 (2)
KANGAS, LEN O.	100,511
MOOMJIAN, JR., CARY A.	15,453
SCHROEDER, JOHN G.	100,511
SKIRKA, KENNETH J.	100,036 (2)
SURKAN, GAIL D.	100,036 (2)
WHITHAM, BARTH E.	100,036 (2)

Notes:

(1) Calculated based on the closing price of the Common Shares on the credit or award date, multiplied by the number of DSUs or Common Shares credited or awarded.

DSUs: Credit or Award Date	Closing Price ($)	DSUs Credited (#)	Value vested ($)
March 31, 2014	16.34	1,392	22,745
June 30, 2014	16.57	1,662	27,539
September 30, 2014	14.71	1,733	25,492
December 31, 2014	10.20	2,425	24,735
TOTAL:		**7,212**	**100,511**

COMMON SHARES: Credit or Award Date	Closing Price ($)	Common Shares (#)	Value vested ($)
March 31, 2014	16.34	1,375	22,468
June 30, 2014	16.57	1,658	27,473
September 30, 2014	14.71	1,672	24,595
December 31, 2014	10.20	2,500	25,500
TOTAL:		**7,205**	**100,036**

Mr. Moomjian's DSU award for 2014 was pro-rated to reflect his November 5, 2014 appointment to the Board of Directors.

DSUs: Credit or Award Date	Closing Price ($)	DSUs Credited (#)	Value vested ($)
December 31, 2014	10.20	1,515	15,453
TOTAL:		**1,515**	**15,453**

(2) Pursuant to the DSU Plan, Mr. Howe, Mr. Skirka, Ms. Surkan and Mr. Whitham elected to receive Common Shares in lieu of DSUs in 2014. In certain instances, as a consequence of the Common Shares being purchased on the open market, the Common Share credit or award date may differ from the trade settlement date.

SECTION 5 – STATEMENT OF CORPORATE GOVERNANCE PRACTICES

National Instrument 58-101 entitled "Disclosure of Corporate Governance Practices" ("**NI 58-101**") requires that if management of an issuer solicits proxies from its security holders for the purpose of electing directors, that certain prescribed disclosure respecting corporate governance matters be included in its management information circular. The Toronto Stock Exchange ("**TSX**") also requires listed companies to provide, on an annual basis, the corporate governance disclosure which is prescribed by NI 58-101.

The Board of Directors of Ensign is responsible for the overall stewardship and governance of the Corporation, and has put in place standards and benchmarks by which that responsibility can be measured.

Director Independence

The Board of Directors of Ensign has determined that a majority of Directors (seven of the ten Directors) standing for election are considered to be independent within the meaning of NI 58-101.

A Director is independent if he or she has no material relationship with the Corporation, meaning a relationship which could in the view of the Board of Directors be reasonably expected to interfere with the exercise of independent judgment. Further, there is a three (3) year period during which the following individuals shall not be deemed independent: (i) former employees of the Corporation, or of its independent auditor; (ii) former employees of any company whose compensation committee includes an officer of the Corporation; and (iii) immediate family members of the individuals specified in (i) and (ii) above.

The Corporate Governance, Nominations & Risk Committee (the "**CGNR Committee**") and the Board reviews annually the relationship that each Director has with the Corporation (either directly, or as a partner, shareholder or officer of an organization that has a relationship with the Corporation). Following this review, only those Directors who the Board and the CGNR Committee affirmatively determine have no direct or indirect material relationship with the Corporation will be considered independent directors.

The following table illustrates the independence status of each Director nominee:

Director	Independence Status	Basis for Determination of Non-Independence
EDWARDS, N. MURRAY (Chairman)	Non-independent	As a significant shareholder and as Chairman of the Corporation, Mr. Edwards has substantial influence from the Board of Director's perspective on the Corporation's business approach, strategies, practices and culture.
GEDDES, ROBERT H.	Non-independent	Mr. Geddes, President and Chief Operating Officer of the Corporation, is not considered to be an independent director due to his current role as an officer of the Corporation.
HOWE, JAMES B.	Independent	N/A
KANGAS, LEN O. (Lead Director)	Independent	N/A
MOOMJIAN, JR., CARY A.	Independent	N/A
PORTER, SELBY W.	Non-independent	Mr. Porter, Vice Chairman of the Corporation, is not considered to be an independent director due to his current role as an officer of the Corporation.
SCHROEDER, JOHN G.	Independent	N/A
SKIRKA, KENNETH J.	Independent	N/A
SURKAN, GAIL D.	Independent	N/A
WHITHAM, BARTH E.	Independent	N/A

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Board of Directors has determined that the Chairman of the Board of Directors, N. Murray Edwards, is not an independent director within the meaning of NI 58-101. The Board of Directors, in conjunction with the CGNR Committee has developed a broad mandate for the CGNR Committee (of which Mr. Edwards is not a member), which includes managing and developing a more effective board and ensuring that the Board of Directors can function independently of management.

The Corporation's bylaws do not permit a second or casting vote by the Chairman in the event of a tie.

To provide additional leadership to its independent Directors, the Board of Directors encourages all Directors to add agenda items to any Board of Directors meeting or to the meeting of any committee. Further, the Chairman of the CGNR Committee (who is also the Lead Director) acts as the chair for the "in-camera" session of each Board of Directors meeting, during which the independent Directors are provided with an opportunity to express views in the absence of members of management.

Lead Director

On March 14, 2013, the Board of Directors accepted a recommendation of the CGNR Committee and approved the establishment of a lead director role, which would be assumed by the Chair of the CGNR Committee (Mr. Len Kangas), who is an independent director or, at the discretion of the independent directors, by another independent director. This provides the independent directors with flexibility in determining who is best to lead the independent directors as circumstances dictate. The Lead Director is charged with providing independent leadership to the Board in circumstances where the non-independent Chairman could potentially be in conflict, or at any other time the Board determines that leadership of a Lead Director is appropriate.

Other Issuer Directorships

There is no formal limit placed on the number of public corporation directorships that a Director may have. However the Corporation's Directors are encouraged to consult with the CGNR Committee when considering any appointment to the board of another public company, so that such Committee may ensure that the Director's other commitments, including to such other proposed public board, do not interfere with the time commitment required by the Corporation's Board of Directors. Further, the Corporation's Code of Integrity, Business Ethics and Conduct prohibits a Director from acting as a director, officer or in any other role of any other entity engaged in the oil and gas drilling and/or service business and which competes directly or indirectly with any activity of the Corporation.

In addition to the foregoing, the Board's mandate does not specifically prohibit interlocking Board positions. The Board prefers to examine each situation on its own merits with a view to examining material relationships which may affect a Director's independence. There are currently no interlocking Board memberships among our Directors.

The CGNR Committee is of the view that each Director was in 2014, and will be for 2015, able to devote the time and resources necessary for the proper discharge of his or her duties as a Director. The table below sets forth the current directorships of other issuers held by Ensign's Director nominees:

Name of Director	Names of Other Reporting Issuers
EDWARDS, N. MURRAY	Canadian Natural Resources Limited Magellan Aerospace Corporation
HOWE, JAMES B.	Bengal Energy Ltd. Pason Systems Inc.
WHITHAM, BARTH E.	Intrepid Potash Inc.

"In Camera" Sessions of the Independent Directors

The agenda for each Board of Directors meeting and each committee meeting, whether regularly scheduled or specially convened, includes an "in-camera" session which is scheduled and always takes place towards or at the end of each such meeting. The "in-camera" session includes only the independent Directors, absent the Directors who are members of management, being Robert H. Geddes, the President and Chief Operating Officer of the Corporation, Selby W. Porter, the Vice Chairman of the Corporation, N. Murray Edwards, the Corporation's Chairman, and any other member of management present at such Board of Directors or committee meeting. The Lead Director acts as chairperson of each "in camera" session of the Board of Directors. The Lead Director or chairperson of each "in-camera" session reports any items of business that arose or resolutions passed during such session to the Corporate Secretary of the Corporation immediately following each such "in-camera" session.

2014 Board and Committee Meeting Attendance

The overall average attendance for all meetings of the Board of Directors and its committees held in 2014 is 99%. The specific attendance record of each Director for all Board of Directors meetings (including strategic planning meetings) and meetings of any committee of the Board of Directors for the financial year ended December 31, 2014 is set forth below:

Director	Board of Directors Meetings (2)	Audit Committee Meetings (2)	Compensation Committee Meetings (2)	Corporate Governance, Nominations & Risk Committee Meetings (2)	Health, Safety & Environment Committee Meetings (2)	Overall Attendance
EDWARDS, N. MURRAY (1)	7/7	—	—	—	—	100%
GEDDES, ROBERT H. (1)	7/7	—	—	—	—	100%
HOWE, JAMES B.	7/7	4/4	5/5	—	—	100%
KANGAS, LEN O.	7/7	—	—	4/4	4/4	100%
MOOMJIAN, JR., CARY A.	2/2 (3)	—	—	1/1	—	100%
PORTER, SELBY W. (1)	7/7	—	—	—	—	100%
SCHROEDER, JOHN G.	7/7	4/4	5/5	—	—	100%
SKIRKA, KENNETH J.	7/7	—	—	4/4	4/4	100%
SURKAN, GAIL D.	7/7	—	5/5	4/4	—	100%
WHITHAM, BARTH E.	7/7	4/4	—	—	3/4 (4)	93%

Notes:

(1) As members of management, Mr. Edwards, Mr. Geddes and Mr. Porter may attend, and in practice do regularly attend, committee meetings but do not serve on any of the Committees of the Board of Directors.

(2) In-camera meetings without Directors who are also members of management were held after each Board and Committee meeting that took place in 2014. Directors in attendance at each of the meetings indicated in this table were also in attendance for the in-camera portion of such meetings.

(3) Mr. Moomjian joined the Board on November 5, 2014, and has attended all meetings since his appointment. On December 4, 2014, he was appointed to the CGNR Committee and the Compensation Committee. Subsequent to that date, in 2014, one meeting of the CGNR Committee was held and no meetings of the Compensation Committee were held.

(4) Mr. Whitham was absent for one regularly scheduled meeting of the HSE Committee.

Board Mandate

The Board of Directors has the obligation to oversee the conduct of the business of the Corporation and to supervise senior management who are responsible for the day-to-day conduct of the business. A copy of the mandate of the Board of Directors is included in Schedule 1 at the end of this Information Circular.

The Corporation's corporate governance guidelines state that the Board of Directors is responsible for the stewardship of the Corporation and supervising the management of the business and affairs of the Corporation. Accordingly, the Board of Directors, through its quarterly meetings and meetings of its committees, and through its directions to management and policies and resolutions of the Board, regularly reviews and supervises the business and affairs of the Corporation. In addition, the Board of Directors, in conjunction with senior management, determines the limits of management's authority and responsibility and establishes and monitors the corporate objectives which management is responsible for meeting.

The Board of Directors has developed written position descriptions for the Chairman of the Board of Directors and the Chairman of each Committee of the Board of Directors.

The Corporation does not have a named CEO. This role is delegated by the Board of Directors to the Executive Management Committee, comprised of the five (5) Named Executive Officers of the Corporation acting in the following capacities: Chairman, Vice Chairman, President and Chief Operating Officer, Chief Financial Officer and Executive Vice President. Collectively, these positions carry the responsibilities normally associated with a CEO.

Committees and Committee Composition

The Board of Directors currently has four (4) standing committees: the Audit Committee, CGNR Committee, the Compensation Committee and the HSE Committee. All Committees are comprised entirely of independent Directors.

The CGNR Committee, which is comprised entirely of independent Directors, reviews the makeup of the Board and its Committees on an annual basis. This Committee then acts as a nominating committee to consider if and when new directors are to be proposed as additions to, or to fill vacancies of, the Board of Directors, having regard to the competencies, skills and personal qualities of the candidates and the members of the Board of Directors and their perception of the needs of the Corporation.

The Board of Directors periodically considers whether additional committees are required or whether the mandates of existing committees should be expanded to include additional areas of responsibility and consideration.

Director Skills and Experience

Directors are only nominated if they have an appropriate mix of skills, knowledge and business experience, and a history of achievement. This experience is critical for the Board to provide effective oversight and support our future growth. The CGNR Committee has developed a skills and experience matrix, which is used to assess the composition of the Board with reference to the following specific categories:

1. Board of Director Experience: Prior or current experience as a board member of a major organization (public, private or non-profit).
2. Senior Leadership Experience: Experience driving strategic insight and direction, achieving innovation and growth in a private, public or governmental institution.
3. Industry Specialist: Experience in oilfield services or oil and gas exploration and production; knowledge of customers, markets, operational challenges, strategies, regulatory matters and technology.
4. Financial Expertise: Executive experience in financial accounting, reporting and knowledge of other considerations and issues associated with auditing requirements of public companies; experience in corporate finance with demonstrated knowledge of debt and equity markets, M&A activities, tax, investor relations and insurance.
5. International Experience: Senior executive experience in an organization with global operations; understanding of cultural, political and regulatory requirements outside of North America.
6. Compensation: Executive or board compensation committee experience, leading to a thorough understanding of compensation, benefits, incentives, equity and perquisites.
7. Human Resources: Executive or board experience in attracting, promoting, developing and retaining personnel, including succession planning and talent management.
8. Health, Safety, Environment: Understanding of industry regulations and requirements related to workplace health, safety and environment.
9. Legal: Experience in litigation, contracts, international legal systems and securities / capital markets regulatory framework.
10. Risk Management: Experience in the process of identifying and managing principal corporate risks.

The age and gender of current and prospective Directors are also considered in the matrix.

The CGNR Committee uses this matrix as a tool to assist in the assessment and recruitment of potential candidates for the Board of Directors. In addition to the identified skills and experience qualifications, candidates must exhibit the highest degree of professionalism, integrity, values and independent judgment. The objective is to maintain a sufficient range of skills, expertise and experience necessary to enable the Board to carry out its responsibilities effectively.

Director Orientation

Under the Corporation's orientation program, senior management, along with certain Directors, provide orientation to new Directors. In addition, new Directors are provided background material regarding the Corporation that include, among other things, details on the Corporation's financial operating results, investor presentations, philosophy and policies, corporate management and legal structure, a list of all corporate divisions and their principal business activities and industry information. Field visits are arranged as appropriate.

Orientation of a new Director took place in the summer and fall of 2014, before Mr. Moomjian joined the Board on November 5, 2014. Mr. Moomjian was provided extensive materials and met with members of management and certain members of the Board of Directors in Calgary, Alberta, to familiarize himself with our industries, our geographic regions of operation, our assets and equipment, our financial results, our debt structure and balance sheet, our vision and strategies, our policies, governance practices, compensation structure, succession planning, insurance program, and our budgeting and forecasting processes. Prior to joining the Board, Mr. Moomjian also conducted a site visit at a facility of the Corporation in Houston, Texas, where he met with members of operational management and viewed the on-site equipment.

Director Education

At regularly scheduled meetings, the Board of Directors receives and discusses reports concerning the operations and financial results of the Corporation and each of its business segments. These reports provide Directors ongoing operational information relevant to market conditions and trends impacting short and long-term divisional results and are important in the Board of Directors' ability to provide strategic direction.

Quarterly presentations are held on topics relevant to the Directors' understanding of the Corporation's business or their role as a Director, and to educate and inform them of relevant matters including in the following areas: industry changes, requirements and standards, business trends, challenges and opportunities, corporate governance and legal trends and issues, market analyses, and technological developments relevant to the industry. Board of Directors meetings are occasionally held at division offices to allow for a tour of the facilities and improve the Directors' general knowledge of the Corporation's business.

Further, strategic planning sessions are periodically held with the Board of Directors and senior executives. These sessions provide intensive additional detailed operational, market and business activity information to the Directors. A specific focus of these sessions is to provide a briefing on strategic issues affecting the Corporation, including a review of the competitive environment, industry trends, and the Corporation's performance relative to its peers, and to provide a forum for a review of the Corporation's perceived strengths, weaknesses, opportunities and threats.

During 2014, the following continuing education presentations, strategy sessions and related events were held for the Directors:

Date	Topic	Presenter / Host
March 13	Business Update – US Southern Drilling & International West	Michael Nuss (Senior Vice President, US Southern & International West)
March 26 – 28	Site Visit – California operations (Bakersfield and Long Beach) (attended by Len Kangas, Selby Porter and John Schroeder)	Larry Lorenz (Vice President, Drilling – California)
April	Site Visits – Australia operations (Barrow Island and Perth) (attended by Kenneth Skirka)	Gene Gaz (Senior Vice President, International East)
May 8	Business Update – US Rockies & California	Tom Schledwitz (Senior Vice President, US Rockies & California)
August 6	Business Update – Canadian Drilling	Robert Zanusso (Senior Vice President, Canadian Drilling); Tom Connors (Senior Vice President, Canadian Drilling Services)
October	Site Visits – Australia operations (Toowoomba and Brisbane) (attended by Kenneth Skirka)	Gene Gaz (Senior Vice President, International East)
November 5	Business Update – Engineering	Wayne Kipp (SVP Engineering), Rod McBeth (VP Engineering), Amar Kahlon (ADR Product Engineer)
	Business Update – Manufacturing & Procurement	Brian Murphy (Director, Global Rig Manufacturing), Todd Blackman (Director, Global Procurement)
	Director Education Session – Cybersecurity	Murray Paton (Director IT)
	Finance Update – 2014 Forecast	Glenn Dagenais (Executive Vice President Finance & CFO)
December 3	Business Update – International East	Brage Johannessen (Executive Vice President International East); Gene Gaz (Senior Vice President International East)
	Finance Update – 2015 Forecast	Glenn Dagenais (Executive Vice President Finance & CFO)

Representatives of the external auditor of the Corporation are present at all meetings of the Audit Committee, providing a forum for discussion of any emerging trends, requirements and issues related to accounting and audit matters. The CGNR Committee receives regular updates on corporate governance trends and best practices from Management. The Compensation Committee receives semi-annual reports from Management regarding compensation programs and trends, succession planning and leadership development programs. Further, Management provides quarterly reports to the HSE Committee regarding current issues, trends, regulatory requirements, risk areas and compliance programs.

Directors are also encouraged to identify their continuing education needs through a variety of means, including discussions with management and at Board and Committee meetings. Course and conference attendance on topics relevant to a Director's knowledge and skill set are encouraged. Management also periodically provides Directors newsletters and corporate or outside reports relevant to the Corporation's business or their committee responsibilities.

Director Term Limits and Other Mechanisms of Board Renewal

Ensign's has not adopted a policy for term limits for Directors. See "Director Tenure" above for additional disclosure and background regarding Ensign's decision to refrain from implementing a policy for term limits for Directors. See "Directors Skills and Experience" above regarding the skills, experience and other attributes considered by the CGNR Committee in connection with the renewal process of the Board.

Diversity

Ensign's Board of Directors supports the objectives of increasing diversity on boards of directors and at the executive levels of issuers, and recognizes that diversity provides a depth and breadth of viewpoints and perspectives.

While Ensign's Board of Directors has not adopted any policies, quotas or targets specifically addressing the level of representation of women on its Board or in executive officer positions, Ensign is committed to advancing women, and other individuals representing a diversity of backgrounds, into leadership roles through its talent management, learning development, and succession planning processes.

In considering candidates for both Board and executive officer appointments, the Board considers skill, knowledge, experience, business requirements and individual character, without reference to age, gender, race, ethnicity or religion, as it believes this approach is in the best interests of Shareholders. A formal written policy has not been adopted as Ensign is committed to a merit and qualifications-based method of selecting Directors and executive officers and Ensign believes that imposing quotas or targets would compromise its principle-based candidate selection system.

As of the date hereof, one (1) of Ensign's Directors (10%) and one (1) of Ensign's executive officers (4%) at the vice president level and above, are women.

By continuing to foster opportunities for development and promotion at all levels of the Corporation, Ensign's objectives of diversity are continually being pursued.

Ethical Business Conduct

The Corporation has developed a Code of Integrity, Business Ethics and Conduct (the "**Code of Conduct**") that includes such topics as employment standards, conflict of interest, and the treatment of confidential information and trading in the Corporation's shares, to foster conduct of the Corporation's business in a consistently legal and ethical manner. Each Director and all employees are required to abide by the Corporation's Code of Conduct.

The CGNR Committee periodically reviews the Corporation's Code of Conduct to ensure it addresses appropriate topics and complies with regulatory requirements. Any recommended changes are submitted to the Board of Directors for approval. The CGNR Committee last concluded a regularly scheduled review of the Code of Conduct on November 7, 2013, after which certain amendments to the prior version of the Code of Conduct were adopted, specifically with respect to anti-bribery and anti-corruption measures.

Ensign has distributed to each employee, and distributes to all new employees, an employee handbook that includes a summary of the Corporation's Code of Conduct as well as links to the full text of the Code of Conduct on the Corporation's website. The most recent company-wide distribution of the Code of Conduct, to all Directors, officers and employees, occurred in the first quarter of 2014.

The Board of Directors monitors compliance with the Code of Conduct by requiring periodic certifications by its senior officers as to their compliance, and through the "whistleblower" program that provides a procedure for the submission of information by any Director, officer or employee relating to possible violations of the Code of Conduct.

Code of Conduct certifications were most recently obtained from all Directors and senior executives in March 2015, as part of the Corporation's practice of annually requiring a review and certification as to compliance with the Code of Conduct from all of Ensign's Directors and senior officers. Currently, certification from all other employees takes place on a three-year cycle. The certification requires that the Director, officer or employee confirm that he or she has reviewed the Code of Conduct, agrees to observe and comply with the Code of Conduct and requires disclosure of any real or perceived conflict of interest at the time of certification and at any time during the course of the individual's relationship with Ensign. This review and certification is overseen by the CGNR Committee.

The Corporation's "whistleblower" program permits anonymous reporting of violations of the Code of Conduct, through a whistleblower phone number, email address or by mail. The Chairman of the Audit Committee oversees investigations of alleged breaches of the Code of Conduct together with management where appropriate. The Chairman of the Audit Committee reports on whistleblower activity to the Board of Directors on a quarterly basis.

No material change reports were filed in 2014 or in 2015 up to the date hereof pertaining to any conduct of a Director or executive officer that constitutes a departure from the Code of Conduct.

The Code of Conduct is available on the Corporation's website (www.ensignenergy.com), on SEDAR at www.sedar.com, or by contacting the Corporate Secretary of the Corporation at 400 – 5th Avenue S.W., Suite 1000, Calgary, Alberta, T2P 0L6.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Independent Judgment of Directors
In accordance with the *Business Corporations Act* (Alberta), Directors who are a party to or are a director or an officer of a person who is a party to a material contract or material transaction or a proposed material contract or proposed material transaction are required to disclose the nature and extent of their interest and not to vote on any resolution to approve the contract or transaction. Such Directors excuse themselves from that portion of the meeting. If required, an independent committee may be formed to deliberate on such matters in the absence of the interested party.

Nomination of Directors
The CGNR Committee is responsible for identifying and recommending to the board new candidates for nomination to the Board of Directors, having regard to the competencies, skills and personal qualities of the candidates and the members of the Board of Directors and their perception of the needs of the Corporation. From time to time the CGNR Committee will make recommendations to the Board of Directors as to the appropriate size of the Board of Directors. In addition, the CGNR Committee will review annually and recommend to the Board of Directors the nomination of directors for election at the annual meeting of shareholders, the appointments to each committee of the Board of Directors and any changes to the terms of reference of such committees.

The CGNR Committee of the Board of Directors maintains a “skills matrix” to assist in identifying and evaluating potential new members of the Board of Directors against existing skills and experience on the Board. The “skills matrix” is reviewed and updated by the CGNR Committee on an ongoing basis. Some of the key competencies that the Board of Directors believes its members should have (individually or collectively) include: corporate executive experience, international business experience, financial acumen, knowledge of corporate governance, executive compensation, risk management and health, safety and environmental issues, and oilfield services operational experience.

Director Compensation
The CGNR Committee and the Board of Directors periodically reviews the adequacy and structure of Directors’ compensation to ensure that the level of compensation reflects the responsibilities, time commitment and risks involved in being an effective director. For further details, please see the subsection of this Information Circular entitled “Director Compensation”.

Board, Board Member and Committee Assessments
Regular assessments of the efficiency of the Board, its committees and individual Directors are conducted.

The responsibility for assessing the effectiveness of the Board of Directors as a whole, the committees of the Board of Directors and the contribution of individual Directors has been included in the mandate of the CGNR Committee. Assessments, including Director peer assessments, are conducted in alternating years by the CGNR Committee, as follows:

Year 1:	Peer Review	Outcome
Peer assessments by all Directors of their own performance as well as the performance of the other Directors, directed primarily at the following: ▪ Effectiveness of the Chair of the Board of Directors and Committee Chairs; ▪ Contributions of individual Directors to the Board of Directors as a whole and to Committees; ▪ The apparent preparation of individual Directors for Board of Directors and Committee meetings; and ▪ The conduct of individual Directors in Board of Directors and Committee meetings.		▪ Full responses are reviewed by the CGNR Committee. ▪ A summary report is provided by the Chair of the CGNR Committee to the full Board of Directors. ▪ The CGNR Committee Chair follows up with individual Directors on any matters of concern raised in the assessment and takes action, as appropriate.

Year 2:	Board Review	
Assessment by all Directors of the overall functioning of the Board of Directors and its Committees, and self-assessment of personal contributions, specifically: ▪ Review, approval and monitoring of strategic and operating plans; ▪ Corporate compliance and controls; ▪ Review and approval of management performance and compensation; ▪ Review of succession planning; ▪ Advice and counsel to management; ▪ Selection and evaluation of Board candidates; ▪ Board practices generally; and ▪ Committee structure and performance.		

Assessments are conducted in the form of an on-line questionnaire, aimed at facilitating fulsome responses, including qualitative responses, and providing assurance as to the anonymity of the responses provided. The Chair of the CGNR Committee compiles the results of the annual assessments, including any qualitative comments, and provides a formal report, in a summary form, to this Committee and to the Board of Directors as a whole. Areas of concern raised by Directors in the assessments, whether with respect to individual Directors, the Board of Directors as a whole or its Committees, are highlighted. Trends are observed and strategies for improvement are discussed, with review and follow-up by the entire Board of Directors. Meetings are held between the Chair of the CGNR Committee and individual Directors on an as-needed basis to address any issues of concern brought forth in the above assessments.

Mandatory Share Ownership

The Corporation has adopted mandatory share ownership policies that apply to Directors and senior officers of the Corporation. Please see the sections of this Information Circular entitled “Election of Directors”, “Director Share Ownership Requirements” and “Compensation Discussion and Analysis – Mandatory Executive Share Ownership Guidelines”, for details on requirements for mandatory share ownership for Directors and senior officers, respectively.

As at March 27, 2015, each Director and senior officer subject to this policy holds more than the minimum required number of Common Shares and / or DSUs pursuant to these policies.

Communications Policy

The Board has a disclosure policy wherein it has delegated the communications function to the senior management of the Corporation. The President and Chief Operating Officer or the Executive Vice President Finance and Chief Financial Officer generally handle shareholder communications. They also are responsible for all communications from and to the Corporation’s shareholders, other stakeholders and the public generally.

Board Approvals and Structure

The Board of Directors responds to and if it considers appropriate, approves with such revisions as it may require, corporate objectives and recommended courses of action that have been brought forward by management. In addition to maintaining the powers it must retain by statute, significant business activities, actions and communications proposed to be taken or submitted for consideration by the Corporation are subject to approval by the Board of Directors.

Annual capital and operating budgets and significant changes, long range plans, the annual proxy circular, the Annual Information Form, major changes in the organizational structure of the Corporation, annual and quarterly financial statements, major acquisition and disposition transactions, major financing transactions involving the issuance of shares, debt securities and other securities, major banking relationships, dividends, long-term contracts with significant cumulative financial commitments, appointment of officers and succession plans for Directors and senior officers are all subject to approval by the Board of Directors.

STOCK OPTION PLAN

SECTION 6 – STOCK OPTION PLAN

In 1997, the Shareholders approved the establishment of a stock option plan (the "**Plan**"). Pursuant to such Plan, the Corporation is permitted to grant options ("**Options**") from time-to-time to officers and other employees of the Corporation and its subsidiaries. Since the initial approval of the Plan, periodic amendments have been made to such Plan, as follows:

- In 2001, the Shareholders approved an amendment to the Plan to provide all current option holders the right to elect to receive Common Shares or a direct cash payment in exchange for Options exercised. This amendment to the Plan was designed to balance the need for a long-term compensation program to retain employees and the concerns of shareholders regarding the dilution caused by stock options.
- In 2005, the Shareholders approved an amendment to the Plan to delete the reference to a maximum number of Common Shares issuable or reserved pursuant to the Plan, and provide the maximum number of Common Shares issuable pursuant to the Plan shall be equal to 10% of the outstanding Common Shares. Any increase in the issued and outstanding Common Shares will result in an increase in the available number of Common Shares issuable under the Plan, and any exercise of options will make new grants available under the Plan.
- On May 20, 2009, the Shareholders again approved certain amendments to the Plan, which were proposed by the Board of Directors in light of trends in corporate governance and the objective of providing principled executive compensation. The primary amendments approved by Shareholders on that date were: (i) to prescribe a fixed maximum number of Common Shares of 15,300,000 to be set aside and reserved for the granting of stock options under the Plan; (ii) to fix the number of Common Shares issuable under the Plan in any calendar year at 2% of the then outstanding Common Shares; (iii) to eliminate the eligibility of non-management members of the Board of Directors to receive grants of stock options; (iv) to extend the expiry date of a stock option which would otherwise expire during a blackout period for a period of 10 business days after the blackout period ends; and (v) to provide for the Board of Directors to amend, modify or discontinue the Plan or any stock options granted thereunder. Shareholder approval is required to: (a) increase the maximum number of 15,300,000 Common Shares reserved for issuance; (b) reduce the exercise price of or cancel and re-issue any stock option; (c) extend the expiry dates on any outstanding stock option; (d) allow non-management directors to be eligible for the grant of stock options; (e) permit transfers (or assignments) of stock options except for estate settlement purposes; or (f) increase the number of Common Shares issuable to insiders beyond the current restrictions.

Other features of the current Plan are as follows:

- Eligible participants include officers and key employees of the Corporation.
- The number of Common Shares issuable (or reserved for issuance) to insiders will not exceed 5% of the outstanding Common Shares.
- The number of Common Shares issuable (or reserved for issuance) to any one Optionee will not exceed 5% of the outstanding Common Shares.
- The number of Common Shares, together with all of the Corporation's other previously established or proposed share compensation arrangements:
    - issuable (or reserved for issuance) to insiders at any time will not exceed 10% of the outstanding Common Shares;
    - which may be issued to insiders within a one-year period will not exceed 10% of the outstanding Common Shares; and
    - which may be issued to any one insider and such insider's associates within a one-year period will not exceed 5% of the outstanding Common Shares.
- The exercise price of Options granted will be the closing price per Common Share on the Toronto Stock Exchange on the last trading day preceding the date of grant of the Options.
- Options vest on the occurrence of a change of control and vesting may be accelerated in the discretion of the Board of Directors.
- Options granted pursuant to the Plan have a term not exceeding 10 years and have generally been issued on the basis of vesting equally over five (5) years.
- In case of cessation of employment of an optionee, Options are exercisable within three (3) months from such cessation.

STOCK OPTION PLAN

- In case of death of an optionee, Options may be exercised by the personal representatives of heirs of the deceased optionee within three (3) months from the date of death.
- Options are non-assignable.

The Board of Directors believes that granting of stock options is and should be used by the Corporation to augment the overall compensation package offered to its employees. The Corporation has a long-standing policy of awarding stock options to executive officers and employees, assisting the Corporation in providing compensation packages that are competitive with its industry peer group.

The Plan also constitutes a principal component in the compensation arrangements for the executives and employees of the Corporation, aiding in the recruitment and retention of skilled, knowledgeable and dedicated staff. The Board of Directors believes this established policy of awarding stock options meets the Corporation's business objectives, specifically those of retention and competitive compensation, balanced by the overriding principle that outstanding options and the ability to grant additional options should be restricted to levels below acceptable dilution thresholds. The Board of Directors is of the view that the options provide an incentive for all employees and officers to ensure they are striving to maximize shareholder value.

Equity Compensation Plan Information As At December 31, 2014

Plan Category	Numbers of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders	7,943,600	$14.14	6,942,300
Equity compensation plans not approved by security holders	Nil	Nil	Nil

The Stock Option Plan is the only equity compensation plan of the Corporation. From time to time, stock appreciation rights ("**SARs**") are granted to certain employees of the Corporation in lieu of stock options, where such employee's jurisdiction of residence or taxation makes the receipt of stock options undesirable. All SARs granted are subject to the same general conditions and restrictions as set forth in the Stock Option Plan, with the exception of any right or ability to exercise the SAR for Common Shares (SARs may only be exercised for cash). The number of securities to be issued upon exercise of outstanding Options, as of December 31, 2014, represented 5.20% of the total number of Common Shares issued and outstanding as of that date (2013 – 5.42%).

In 2014 a total of 2,456,500 Options were granted pursuant to the Plan (2013 – 2,279,000). This represented 1.60% of the issued and outstanding Common Shares as of December 31, 2014 (2013 – 1.49%). The stock option annual grant rate over the past three (3) years is as follows:

Year	Number of Common Shares Issued and Outstanding as at January 1	Number of Options Granted During the Year	Options Granted During the Year as a Percentage of Issued and Outstanding Common Shares for that year
2014	153,060,132	2,456,500	1.60%
2013	153,213,232	2,279,000	1.49%
2012	153,210,232	2,393,500	1.56%

OTHER INFORMATION

SECTION 7 – OTHER INFORMATION

Voting Securities and Principal Holders Thereof
The record date for determination of the holders of Common Shares entitled to notice of and to vote at the Meeting is March 27, 2015. As at March 27, 2015 there were 153,060,132 Common Shares issued and outstanding and entitled to vote at the Meeting. Each Shareholder or his or her proxy represented at the Meeting will be entitled to one vote for each Common Share held by such Shareholder.

The following is the only party known to the Directors and senior officers of the Corporation to beneficially own, directly or indirectly or exercise control or direction over, more than 10% of the outstanding voting securities of the Corporation as at March 27, 2015:

Name	Number of voting securities, owned, directly or indirectly, or over which control or direction is exercised	Percentage of outstanding voting securities so owned, controlled or directed
Edwards, N. Murray Calgary/Banff, Alberta	25,495,497 Common Shares	16.66%

Interest of Informed Persons in Material Transactions
Management of the Corporation is not aware of any material interest, direct or indirect, of any Director or officer of the Corporation, any nominee for director of the Corporation, or any person beneficially owning, directly or indirectly, more than 10% of the Corporation's voting securities, or any associate or affiliate of any such person in any material transaction during 2014 or in any material proposed transaction which in either case has materially affected or would materially affect the Corporation or any of its subsidiaries.

Other Matters
Management of the Corporation knows of no amendment, variation or other matter to come before the Meeting other than those set forth in the Notice. If other matters properly come before the Meeting, the accompanying proxy will be voted on such matters in accordance with the best judgment of the person or persons voting the proxy.

Additional Information
Additional information relating to the Corporation is available on SEDAR at www.sedar.com.

Financial information is provided in the Corporation's comparative consolidated financial statements and management's discussion and analysis ("**MD&A**") for the fiscal year ended December 31, 2014. Shareholders may request copies of the Corporation's consolidated financial statements and MD&A by contacting:

ENSIGN ENERGY SERVICES INC.

400 – 5th Avenue S.W., Suite 1000
Calgary, Alberta T2P 0L6
Attention: Corporate Secretary
Telephone (403) 262-1361
Fax (403) 262-8215
Website: www.ensignenergy.com

SCHEDULE 1

ENSIGN ENERGY SERVICES INC.
(the "Corporation")
MANDATE OF THE BOARD OF DIRECTORS

The Board of Directors (the "Board") of the Corporation is responsible for the stewardship of the Corporation. In discharging its responsibility, the Board will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances and will act honestly and in good faith with a view to the best interests of the Corporation. In general terms, the Board will:

A. in consultation with management of the Corporation, define the principal objectives of the Corporation;

B. supervise the management of the business and affairs of the Corporation with the goal of achieving the Corporation's principal objectives as defined by the Board;

C. discharge the duties imposed on the Board by applicable laws; and

D. for the purpose of carrying out the foregoing responsibilities, take all such actions as the Board deems necessary or appropriate.

Without limiting the generality of the foregoing, the Board will perform the following duties:

Strategic Direction, Operating, Capital and Financial Plans

1. review progress towards the achievement of the goals established in the strategic, operating and capital plans;
2. identify the principal risks of the Corporation's business and take all reasonable steps to ensure the implementation of the appropriate systems to manage these risks;
3. approve the annual operating and capital plans;
4. approve issuances of additional common shares or other securities to the public;
5. monitor the Corporation's progress towards its goals, and to revise and alter its direction through management in light of changing circumstances;

Management and Organization

6. appoint the President and determine the terms of the President's employment with the Corporation;
7. evaluate the performance of the President at least annually;
8. establish the limits of management's authority and responsibility in conducting the Corporation's business;
9. appoint all officers of the Corporation and approve the terms of each officer's employment with the Corporation;
10. develop a system under which succession to senior management positions will occur in a timely manner;
11. approve any proposed significant change in the management organization structure of the Corporation;
12. approve all retirement plans for officers and employees of the Corporation;
13. establish a communications policy for the Corporation;
14. generally provide advice and guidance to management;

Finances and Controls

15. use reasonable efforts to ensure that the Corporation maintains appropriate systems to manage the risks of the Corporation's business;
16. monitor the appropriateness of the Corporation's capital structure;
17. ensure that the financial performance of the Corporation is properly reported to shareholders, other security holders and regulators on a timely and regular basis;
18. establish the ethical standards to be observed by all officers and employees of the Corporation and use reasonable efforts to ensure that a process is in place to monitor compliance with those standards;

SCHEDULE 1 – MANDATE OF THE BOARD OF DIRECTORS

19. require that the management institute and monitor processes and systems designed to ensure compliance with applicable laws by the Corporation and its officers and employees;

20. require that the management institute, and maintain the integrity of, internal control and information systems, including maintenance of all required records and documentation;

21. review and approve material contracts to be entered into by the Corporation;

22. recommend to the shareholders of the Corporation a firm of chartered accountants to be appointed as the Corporation's auditors;

23. take all necessary actions to gain reasonable assurance that all financial information made public by the Corporation (including the Corporation's annual and quarterly financial statements) is accurate and complete and represents fairly the Corporation's financial position and performance;

Governance

24. facilitate the continuity, effectiveness and independence of the Board by, amongst other things;

a) selecting nominees for election to the Board;

b) appointing from amongst the directors an audit committee and such other committees of the Board as the Board deems appropriate;

c) defining the mandate of each committee of the Board;

d) ensuring that processes are in place and are utilized to assess the size of the Board, the effectiveness of the Chairman of the Board, the Board as a whole, each committee of the Board and each director;

e) review the orientation and education program for new members to the Board to ensure that it is adequate and effective;

f) establishing a system to enable any director to engage an outside adviser at the expense of the Corporation; and

25. review annually the adequacy and form of the compensation of directors.

Delegation

26. The Board may delegate its duties to and receive reports and recommendations from any committee of the Board.

Meetings

27. The Board shall meet at least four times per year and/or as deemed appropriate by the Chairman of the Board;

28. minutes of each meeting shall be prepared;

29. the President or his designates may be present at all meetings of the Board; and

30. Vice-Presidents and such other staff as appropriate to provide information to the Board shall attend meetings at the invitation of the Board.