



FLINT ENERGY SERVICES LTD.

Code of Ethics

Policy #:

Created By:
Corporate Human Resources

Applicable to:
All Employees

Approved By: 
W. J. (Bill) Lingard

Created:

Revised: August 2008

Purpose

Flint Energy Services is grounded in a set of core values that have been developed after significant thought and input from Flint employees, managers and the executive. These core values should be relied upon in all decision making affecting the business activities at Flint.

The purpose of this policy is to ensure that all Flint employees have a clear understanding of the company's expectations regarding their conduct and decision making at work, and to provide them with a clear understanding of what to do in the event that they witness unethical behaviour at work, or are faced with making a decision which may not be in alignment with our core values. Our ongoing commitment to these values is necessary to ensure that we operate with the highest ethical standards and achieve our vision.



VISION

*Customer's service provider of choice
People's employer of choice*

VALUES to VISION

Integrity *Do the Right Thing*

- Be honest and trustworthy
- Be ethical
- Communicate openly

People *Protect Our Most Valued Asset*

- People are #1 – 24/7
- Always be safe
- Encourage personal development

Success *Achieve our Goals*

- Set and achieve operational, financial and personal goals
- Get involved
- Measure results

Excellence *Be the Best*

- Deliver exceptional results
- Anticipate and understand customer needs
- Consistently manage performance

Dynamic *Create Innovative Solutions*

- Be receptive to change
- Continuously learn and improve
- Recognize and reward achievement

In all decision making at work, Flint employees should be conscious of the following “Ethics Check” questions:

1. ***Is it legal?*** Will I be violating any law or company policy?
2. ***Is it balanced?*** Is it fair to all concerned in the short term as well as the long term? Does it promote win-win relationships?
3. ***Could it be Reciprocal?*** How would I feel if I were in the shoes of each of the affected parties?
4. ***How will it make me feel about myself?*** Will it make me proud? Would I feel good if my decision was published in the newspaper? Would I feel good if my family knew about it?

Policy

Confidential Information

All information and intellectual property created in the course of an individual's employment with Flint is the exclusive property of Flint. All Flint information should be considered confidential, and should not be disclosed to any outside party unless required by law or authorized business practices.

Confidential information may take a variety of forms – verbal or written, computer data and files, paper documents and files, photos or film. Employees shall not use, copy or disclose confidential information for personal gain or advantage. Unauthorized disclosure includes revealing information concerning Flint plans or strategies, customers, employees, sub-contractors, suppliers, business associates, technical data test results, contracts, computer software, financial data except as published with the authorization of the Board of Directors, proposed mergers or acquisitions, or other information regarding the private affairs of the company.

Employees may disclose confidential information only for the purpose of conducting company business, where required as an authorized business practice, and at all times under the management and control of the senior manager in the business unit where the information was created.

Information concerning employees of Flint may only be disclosed in accordance with the provisions of applicable federal and/or provincial/state privacy legislation and Flint's Privacy Policy. Any questions regarding the disclosure of employee information with any outside party should be referred to Flint's Privacy Officer for review prior to disclosure.

Employees have a duty to safeguard confidential or proprietary information against unauthorized external and internal disclosure. Employees who have such information in their possession are responsible for its safekeeping at all times. It is expected that the material will be protected in a manner that is appropriate to the sensitivity of that information, and consistent with established company information storage and security protocols.

Information which is considered Material in nature may only be disclosed in accordance with the provisions of applicable federal and/or provincial/state disclosure and securities legislation and Flint's Disclosure Policy. Any questions regarding the disclosure of Material information, or determinations of materiality, should be referred to a member of Flint's Disclosure Committee – Chief Executive Officer, Chief Financial Officer, or Vice-President – Finance.

Conflicts of Interest

A conflict of interest arises in any situation where an employee's obligation to serve the best interests of Flint and Flint's shareholders could be affected by other interests of the employee.

Employees must avoid all situations where their personal interests or objectives are, or might be perceived to be, in conflict with the interests of Flint. Examples include, but are not limited to:

- Employees either directly or indirectly (through a family member or associate) should not gain personal financial benefits by use of their position or company information obtained in the course of their employment.
- Employees must refrain from any business activity or employment that would place them in competition with Flint in the provision of any product or service offered by Flint.
- Employees must avoid entering into any role or relationship with other employee's of Flint that could result in personal gain or undue favour to the employee in the workplace.
- Employees must not accept a position as a member of a Board of Directors or an Officer of a customer or competitor of Flint unless approved by Flint's Board of Directors.
- Employees must not be a major investor or influential shareholder of any competitor or supplier of Flint except as may be allowed under the section governing "Conducting Business with Flint" below.

Employees may participate in employment outside of Flint, however this is only allowed if:

- The secondary employment in no way interferes with the employee's duties, availability or performance of their duties for Flint.
- The employment does not involve the conduct of any business activity on behalf of the secondary employer during any portion of the employee's scheduled work day with Flint.
- The employment does not require the use of any Flint property, tools or other assets, including phones, fax, computers, etc.
- The employment is in no way connected with a supplier, contractor, sub-contractor, customer, competitor or any other entity with which Flint does business.
- The employment does not create or appear to create ethical or legal conflicts of interest.

Disclosure of Conflicts of Interest

Not every possible conflict of interest can be identified in advance. If an employee finds himself or herself in a situation where a conflict of interest exists or may be perceived to exist, full disclosure of the circumstances to Flint will provide an opportunity to deal with the issue before difficulties arise. To address or eliminate an existing or potential conflict of interest, employees are directed to contact their Supervisor or department manager immediately. If the conflict is such that the supervisor or manager may also be involved, employees are directed to contact their divisional Senior Vice President.

Competitors

Flint is committed to conducting all business transactions in compliance with all applicable laws and regulations, and supports the ideal of a free and competitive market for all products and services consumed and supplied by Flint in the course of its business activity.

Therefore, Flint expects its employees to maintain the highest standards in their relationships with competitors. Employees are prohibited from conducting any activity that improperly reduces or eliminates competition in the market place.

- Employees are required to refrain from entering into any illegal arrangement, agreement or understanding with a competitor concerning prices, terms of sale, or bidding practices, or which may have the effect of influencing prices, terms of sale, or bidding practices.
- Employees must also refrain from obtaining a competitor's trade secrets, proprietary or confidential information through illegal or unethical means.
- Employees are also directed to refrain from publicly expressing any disparaging comments about a competitor's products, services or business practices.

Employees Conducting Business with Flint

The practice of employees conducting business with Flint which is outside of their employment relationship is generally discouraged, but is allowed under certain circumstances. In all cases, such business transactions must meet the highest possible test of transparency.

- Any business relationship between an employee and Flint must be pre-authorized by a Vice President.
- Rental of employee property to be used in the conduct of Flint business (e.g. personal vehicles, quads, tools, equipment) must be done at prevailing market rates as established or confirmed by Conex Equipment Rentals Ltd.
- Any purchase, lease or rental of buildings or land by Flint from an employee must be pre-authorized by the President and CEO.

Use of Company Property

The use of company property including time, facilities, vehicles, equipment, tools, supplies or other material is permitted only when performing company duties, unless expressly authorized by Flint policy concerning the use of company property.

Gifts and Hospitality

Employees must not accept or grant any gift, perquisite benefit or other favour which may be intended or perceived to be intended to influence or be provided in exchange for a favour or advantage to a third party conducting or wishing to conduct business with Flint.

To preserve the image and integrity of the employee and the company the following guidelines shall be followed:

- Business gifts other than items of small intrinsic value (\$250 or less) should not be accepted from suppliers nor given to clients;

- Reasonable hospitality is an accepted courtesy of a business relationship. Reasonable hospitality is defined as hospitality that in the normal course of business may be reciprocated by the employee or client;
- The frequency and nature of gifts or hospitality accepted or given should not be allowed whereby the recipient (employee or client) might be or might be deemed by others to have been influenced in making a business decision as a consequence of accepting such hospitality or gifts;

Employees shall not solicit suppliers for business gifts or hospitality for personal benefit.

With the prior approval of the Business Unit Manager responsible for organizing or hosting a company function, suppliers may be solicited for business gifts of small intrinsic value (\$150 or less). This solicitation should be limited to one function per year, and may be further limited by Flint's executive where suppliers or customers may be exposed to solicitations from a number of business units in the course of a year.

Discrimination and Harassment

Flint is committed to maintaining a workforce free of workplace discrimination and harassment. Flint endorses the Construction Owners Association of Alberta's "Respect in the Workplace" best practice policy on workplace harassment, and all employees are expected to abide by the company's Workplace Respect Policy and all provisions of applicable federal and/or provincial discrimination and harassment legislation.

Compliance, Investigation and Enforcement

Accounting, Auditing and Financial Reporting Issues

As a public company, Flint is committed to maintaining the highest possible standards of accuracy and transparency in the conduct of our business activities and in the reporting of company financial results.

If at any time an employee feels they have witnessed illegal or unethical behaviour or practices in the conduct of the company's financial affairs, they are required to report their concerns, anonymously if desired, and without fear of reprisal. To ensure the highest possible level of integrity and objectivity in investigating such concerns, Flint has established an independent review process:

- Flint has established an anonymous toll free "Whistleblower Hotline" as well as the ability to send anonymous emails directly to the audit committee of the board of directors. Members of the audit committee are required to be independent of management, and Flint's audit committee does not include any members of company management. The email site is managed by an outside third party, Global Corporate Compliance, and can be accessed through the link on our corporate intranet "Our Flint Energy" (OFE) as well as directly over the Internet at www.globalcci.com. The username to access this service is "Flint" and the password is "F2flint". An anonymous voicemail can be left by calling 1-877-266-2579.

The intent of this process is to ensure that inadequate corporate governance, public disclosure and abuse of accounting processes does not occur. It is not intended to establish a "general complaints hotline".

Workplace Respect and Employee Relations Issues

Consistent with our vision, Flint is committed to providing our employees with a positive, professional and safe working environment free from physical or psychological bullying, harassment or violence in any form.

It is the responsibility of managers, supervisors, and all employees to take action to ensure that violations of respect are eliminated and reported. If at any time an employee has been subjected to or witnessed a violation of respect in the workplace, they are required to report the violation, anonymously if desired, and without fear of reprisal. Flint has established an anonymous third party reporting hotline and reporting website to ensure the highest level of integrity and objectivity in reporting and investigating such issues:

- The hotline and website are managed by an outside third party, Ethics Point, and can be accessed by calling toll-free 1-888-332-3564, or through the link on our corporate intranet "Our Flint Energy" (OFE) as well as directly over the internet at www.ethicspoint.com.

All Other Concerns

Flint employees are encouraged to discuss any suspected violations of its values, safety, quality and environmental policies or governmental laws or regulations with their supervisors, the Human Resources department, the company's Manager of Internal Audit, Mark Power: mpower@flintenergy.com (780) 416-3347, the company's Chief Financial Officer, Paul M. Boechler: pboechler@flintenergy.com (403) 218-7181, or the President and CEO, Bill Lingard: blingard@flintenergy.com (403) 218-7188.

When complaints are received by any of the above noted individuals, an investigation will be conducted and the results will be reported to the individual making the complaint and the Divisional Vice President responsible for the business unit in which the incident is alleged to have occurred.

Every effort will be made to protect the anonymity of the employee making the complaint, however due to the nature of the events identified, this may not always be possible. In all cases though, the employee making the complaint may do so without fear of reprisal. Any occurrences of reprisal or harassment stemming from the raising of a concern will be reported to the President and dealt with appropriately.

Where a case is proven, an employee may, depending on the circumstances and the gravity of the incident, be reprimanded, suspended or terminated. Details of cases in which employees are found in breach of the policy may be published in such a manner as the company deems appropriate.

Notification of Policy

All new employees will be advised of the company's Ethics Policy during their sign on and orientation process.

The company may amend or alter the Ethics policy from time to time as business and legislative parameters demand. As changes are made, employees will be advised of these amendments. Employees are expected to comply with all aspects of any current policy as a condition of continued employment.

All salaried and construction management staff will be required to acknowledge in writing that they have received and read a copy of the company's Ethics Policy annually.



FLINT ENERGY SERVICES LTD.

INTEGRATED. INTEGRAL.

Please sign and return this confirmation statement to the Corporate Human Resources Department in Sherwood Park once you have read the attached Code of Ethics.

I have read, understand and acknowledge my responsibilities to the company and shareholders of Flint Energy Services Ltd. as outlined in the company's Code of Ethics.

Employee Signature

Date

Employee Name (Please Print)