

BAYTEX ENERGY CORP.

TERMS OF REFERENCE FOR THE LEAD INDEPENDENT DIRECTOR

The following sets forth the terms of reference for the lead independent director (the "Lead Independent Director") of the board of directors (the "Board") of Baytex Energy Corp. (the "Corporation"):

Introduction

The Board may appoint a Lead Independent Director in circumstances where the chair of the Board (the "Chairman") also has executive responsibilities (i.e., an executive chairman) or is not considered to be independent under applicable securities laws as they previously had executive responsibilities.

The Lead Independent Director's primary role is to act as liaison between management and the independent directors to ensure the Board is organized properly, functions effectively and meets its obligations and responsibilities, including those matters set forth in the Mandate of the Board.

Appointment

The Nominating and Governance Committee, in conjunction with the Chairman, shall be responsible for recommending a candidate for the position of Lead Independent Director from among the independent members of the Board. The Board shall be responsible for approving and appointing the Lead Independent Director.

The Lead Independent Director shall hold office at the pleasure of the Board, until a successor shall have been duly elected or appointed or until the Lead Independent Director resigns or is otherwise removed from the office by the Board.

Duties and Responsibilities

The Lead Independent Director has the responsibility to:

- in the absence of the Chairman or where the Chairman has excused himself due to any potential conflict, chair meetings of the Board;
- chair the "in camera" portions of Board meetings held without management being present;
- assist the Chairman to endeavour to ensure that Board leadership responsibilities are conducted in a manner that will allow it to function independently of management;
- provide input to the Chairman on preparation of agendas for meetings of the Board;
- if requested by the Nominating and Governance Committee, meet with each director to obtain insight as to where they believe the Board and its committees could be operating more effectively;
- meet with the Chairman to review the results of the Chairman assessment survey and the director peer and self-assessment survey for the Chairman of the Board;
- ensure that reasonable procedures are in place for directors to engage outside advisors at the expense of the Corporation in appropriate circumstances; and

- perform such other duties and responsibilities as may be delegated to the Lead Independent Director by the Board from time to time.

The Lead Independent Director may convene meetings of the Board with the concurrence of at least one other director.

Approved by the Board of Directors on December 9, 2015