



POSITION DESCRIPTION FOR THE CHAIRMAN OF THE BOARD

The terms "**Cardinal**" or the "**Corporation**" refer to Cardinal Energy Ltd., the term "**Board**" refers to the Board of Directors of Cardinal and the term "**Chairman**" refers to the Chairman of the Board.

INTRODUCTION

1. The Chairman is appointed annually by the Board.
2. The Board is responsible for the stewardship of Cardinal. 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 Cardinal. The mandate of the Board is set forth in further detail pursuant to the written mandate adopted by the Board.

QUALIFICATIONS OF THE CHAIRMAN

In order to act as Chairman of the Board of Cardinal, the person must:

1. Be qualified to serve as a director under Section 105 of the *Business Corporations Act* (Alberta); and
2. be "independent" (as such term is used in National Instrument 58-201 – *Corporate Governance Guidelines* (as amended from time to time)).

DUTIES AND RESPONSIBILITIES

Working With the Board

The Chairman has the responsibility to:

- a. Endeavour to provide overall leadership to the Board without limiting the principle of collective responsibility and the ability of the Board to function as a unit;
- b. endeavour to ensure that Board meetings function satisfactorily and that the tasks of the Board are handled in the most reasonable fashion under the circumstances. In this connection, it is recommended that the Chairman attempt to ensure that the individual director's particular knowledge and competence are used as best is possible in the Board work for the benefit of Cardinal;
- c. endeavour to encourage full participation and discussion by individual directors, stimulate debate, facilitate consensus and ensure that clarity regarding decisions is reached and duly recorded.
- d. develop and recommend to the Board for approval and periodically review structures and procedures designed to ensure that the Board can function effectively and independently of management. The Chairman of the Board shall consider, and allow for, regular meetings of all independent directors, in which Board deliberations can take place without management being present;
- e. annually prepare a statement of corporate governance practices to be included in the Corporation's annual report or information circular if required by applicable law and make recommendations to the Board as to which directors should be classified as "independent directors", "related" directors or "unrelated" directors pursuant to any such report or circular;

- f. recommend suitable candidates for nominees for election or appointment as directors, and recommend the criteria governing the overall composition of the Board and governing the desirable individual characteristics for directors and in making such recommendations, the Chairman should consider:
 - (i) the needs of Cardinal and its stage of development the competencies and skills that the Chairman considers to be necessary for Cardinal and the Board, as a whole, to possess;
 - (ii) the competencies and skills that the Chairman considers each existing director to possess;
 - (iii) the competencies and skills each new nominee will bring to the boardroom; and
 - (iv) whether or not each new nominee can devote sufficient time and resources to his or her duties as a member of the Board;
- g. as required, develop, for approval by the Board, an orientation and education program for new recruits to the Board and mentor and counsel new Board members;
- h. attempt to ensure that the directors are alert to their obligations pursuant to law and any other material agreements to which the Corporation is a party;
- i. act as a forum for concerns of individual directors in respect of matters that are not readily or easily discussed in a full Board meeting, including the performance of management or individual members of management or the performance of the Board or individual members of the Board;
- j. endeavour to establish a line of communication with the Chief Executive Officer of Cardinal to ensure that Board meetings can be scheduled to deal with important business that arises outside of the regular scheduled meetings;
- k. convene meetings of the Board with the concurrence of at least one other Director and establish the frequency of meetings and review such frequency from time to time;
- l. chair all meetings of the Board including closed sessions and in camera sessions and, unless otherwise determined by the directors, at all meetings of shareholders;
- m. establish the agenda for each Board meeting and in conjunction with the CEO and other members of management of the Corporation assist in the coordination of information packages and related events for each Board meeting;
- n. liaise with management to ensure that a proper notice and agenda has been disseminated, and that appropriate accommodations have been made for the specific Board meeting and that minutes of the Board are recorded;
- o. endeavour to ensure that the Board's negotiations take place when as many of the directors as possible are present and that essential decisions are made when as many directors as possible are present;
- p. endeavour to ensure reasonable procedures are in place for directors to retain, oversee, compensate and terminate independent professional advisors to assist the Board in its activities and review and considering the engagement at the expense of Cardinal of professional and other advisors by any individual director when so requested by any such director;
- q. when conducting a meeting of directors and/or shareholders, to enforce the by-laws, and rules of procedure. These duties include:
 - (i) ensuring that the meeting is duly constituted;

- (ii) ensuring the meeting provides for reasonable accommodation;
 - (iii) confirming the admissibility of all persons at the meeting;
 - (iv) preserving order and the control of the meeting;
 - (v) in respect of shareholders' meetings, appointing scrutineers if requested, and instructing them in their duties;
 - (vi) ruling on the validity of proxies; and
 - (vii) to ascertain the sense of the meeting by a vote on all questions properly brought before the meeting;
- r. communicate annually with each director to obtain insight as to where they believe the Board and its committees could be operating more effectively;
 - s. establish a line of communication with each committee Chairman and annually review each committee's mandate and work plan to ensure that the delegated duties of the Board are carried out appropriately;
 - t. review any issues that may involve a conflict of interest involving management;
 - u. act as principal communicator to convey Board advice and guidance to senior management;
 - v. act as principal communicator to receive, if applicable, shareholder and other stakeholder concerns and communicate such concerns to senior management; and
 - w. annually, with the Board as a whole, review and consider refinement of the position description for the Chairman of the Board.

Approved by the Board of Directors on August 27, 2012.