



BOARD OF DIRECTORS

MANDATE AND TERMS OF REFERENCE

Role and Objective

The board of directors (the "**Board**") of Cardinal Energy Ltd. ("**Cardinal**" or the "**Corporation**") 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. In general terms, the Board will:

- a. in consultation with the Chief Executive Officer of Cardinal (the "**CEO**"), define the principal objectives of Cardinal;
- b. supervise the management of the business and affairs of Cardinal with the goal of achieving Cardinal's principal objectives as developed by the Board in association with the CEO;
- 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.

Specific Duties and Responsibilities

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

Executive Team Responsibility

1. monitor overall human resources policies and procedures;
2. appoint the CEO and senior officers and approve their compensation;
3. in conjunction with the CEO, develop a clear mandate for the CEO and monitor the CEO's performance;
4. establish processes as required that adequately provide for succession planning, including the appointing, training and monitoring of senior management ("**Management**");
5. approve all Cardinal sponsored retirement plans for officers and employees;
6. in consultation with the CEO, establish the limits of authority and responsibility delegated to Management in conducting Cardinal's business;

Strategic Direction, Operational Effectiveness and Financial Reporting

1. annually review and adopt a strategic planning process and approve Cardinal's strategic plan, which shall take into account, among other things, the opportunities and risks of Cardinal's business;

2. approve annual operating and capital budgets;
3. review and consider for approval all amendments or departures proposed by Management from established strategy, capital and operating budgets or matters of policy which diverge from the ordinary course of business;
4. review the principal business and financial risks of the Corporation and review guidelines, policies and reports from Management with respect to risk assessment, risk management and major financial risk exposures, including the processes Management uses to assess and manage the Corporation's risk and exposures and if, in the Board's view, changes in guidelines and policies are desirable, make such changes, as applicable;
5. establish, or cause to be established, processes and systems designed to ensure compliance with applicable regulatory, corporate, securities and other laws by Cardinal and its officers and employees;
6. ensure systems are in place for the implementation and integrity of Cardinal's internal control and management information systems, including maintenance of required records and documentation;
7. review and approve Cardinal's financial statements and oversee Cardinal's compliance with applicable audit, accounting and reporting requirements;
8. recommend to the shareholders of the Corporation, a firm of chartered accountants to be appointed as Cardinal's auditors;
9. approve the Corporation's dividend policy;
10. approve acquisitions and dispositions which require approval pursuant to expenditure limits established by the Board;
11. approve the establishment of credit facilities;
12. approve issuances of common shares or other instruments to the public;
13. approve all matters relating to a takeover bid for the securities of Cardinal;

Integrity/Corporate Conduct

1. establish a communications policy or policies to ensure that a system for corporate communications to stakeholders exists as required by applicable laws, including processes for consistent, transparent, regular and timely public disclosure, and to facilitate feedback from stakeholders;
2. approve a Code of Business Conduct and Ethics (the "**Code**") for directors, officers and employees and monitor compliance with the Code and approve any waivers of the Code for officers and directors;
3. to the extent feasible, satisfy itself as to the integrity of the CEO and other executive officers of Cardinal and that the CEO and other executive officers create a culture of integrity throughout Cardinal;

Board Process/Effectiveness

1. approve the nomination of directors;
2. facilitate the continuity, effectiveness and independence of the Board by, amongst other things:
 - (a) appointing a Chair of the Board, and a lead independent director, if the Chair is not independent;

- (b) appointing an audit committee and such other committees of the Board as the Board deems appropriate;
 - (c) approving the mandates and the limits of authority delegated to each Board committee;
 - (d) establishing appropriate practices for the regular evaluation of the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors, including considering the appropriate size of the Board;
 - (e) considering and, if thought fit, approving requests from directors, committees of directors or from the engagement of special advisors from time to time;
3. attempt to ensure that Board materials are distributed to directors in advance of regularly scheduled meetings to allow for sufficient review of the materials prior to the meeting. Directors are expected to attend all Board meetings;
 4. review the adequacy and form of the directors' compensation to ensure it realistically reflects the responsibilities and risks involved in being a director;
 5. each member of the Board is expected to understand the nature and operations of Cardinal's business, and have an awareness of the political, economic and social trends prevailing in the areas in which Cardinal operates, or is contemplating potential operations;
 6. in addition to the above, adherence to all other Board responsibilities as set forth in Cardinal's By-Laws, any other material agreements to which the Corporation is a party, applicable policies and practices and other statutory and regulatory obligations, such as issuance of securities, etc., is expected; and
 7. the Board may delegate its duties to, and receive reports and recommendations from, any committee of the Board.

Meetings and Administrative Matters

1. The time at which and place where the meetings of the Board shall be held and the calling of meetings and the procedure in all respects at such meetings shall be determined by the Board, unless otherwise determined by the by-laws of the Corporation.
2. At all meetings of the Board every resolution shall be decided by a majority of the votes cast. In case of an equality of votes, the chair of the meeting shall not be entitled to a second or casting vote.
3. Agendas, approved by the Chair or the lead independent director, as applicable, will be circulated to Board members along with background information on a timely basis prior to Board meetings.
4. The Board may invite such officers, directors and employees of the Corporation and its subsidiaries (if any) as it sees fit from time to time to attend at meetings of the Board and assist in the discussion and consideration of the matters being considered by the Board.
5. Minutes of the Board will be recorded and maintained.
6. The Board may retain and pay persons having special expertise and/or obtain independent professional advice to assist in fulfilling its responsibilities at such compensation as established by the Board and at the expense of Cardinal.

7. Independent directors shall meet regularly without Management participation at every board meeting, including special meetings and not just regularly scheduled meetings.

Last reviewed and approved by the Board effective March 20, 2024.