



ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

MANDATE AND TERMS OF REFERENCE

Establishment of Committee

The board of directors (the "**Board**") of Cardinal Energy Ltd. ("**Cardinal**" or the "**Corporation**") hereby establishes a committee of the Board to be called the Environmental, Social and Governance Committee (the "**Committee**").

Role and Objective

The purpose of the Committee is to assist the Board in fulfilling its responsibilities by reviewing and making recommendations to the Board relating to the environmental, social and related governance policies, practices and programs of the Corporation and its subsidiaries (if any).

Membership of Committee

1. The Committee shall be comprised of at least three (3) directors of the Corporation ("**Directors**"), a majority of whom shall be "independent" (as such term is defined in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* or its successor instrument (as amended from time to time)).
2. The Board shall have the power to appoint the Chair of the Committee (the "**Committee Chair**") who shall be an independent Director and the other members of the Committee.

Specific Duties and Responsibilities

To carry out its responsibilities, the Committee shall:

Environment, Social and Governance

1. oversee the Corporation's policies, procedures, and strategies relating to environmental, social and governance ("**ESG**") matters to assess, consider and manage risks, opportunities and potential performance improvement relating thereto;
2. monitor and/or review and, if appropriate, make recommendations to the Board on:
 - a. Cardinal's business to assist Cardinal in conducting its business in a socially responsible, ethical and transparent manner that includes engagement, respect and support for the communities in which Cardinal works; and
 - b. the integration of ESG matters in the development of the Corporation's business strategy and financial planning;

3. receive periodic reports from management of the Corporation ("**Management**") regarding:
 - a. Cardinal's initiatives and opportunities to improve its ESG performance including efforts to reduce emissions and waste, reduce or substitute energy and water use, minimize land disturbance and improve health and safety practices;
 - b. the Corporation's health, safety and environmental performance, including versus established targets, if applicable, and changes in the Corporation's performance; and
 - c. Management's assessment of significant operational risks and exposures with respect to ESG matters; and
4. review the effectiveness of the response by Cardinal, to health, safety and environmental issues, including compliance with applicable legislation, regulatory requirements and industry standards;
5. consider and review the setting and performance against appropriate targets (if applicable), benchmarking, procedures and reporting methods used by the Corporation to measure its climate, environmental protection, health and safety performance and other relevant performance;
6. review and assess Cardinal's approach to ESG reporting and external communication, including the assessment of materiality, analogous sustainability disclosure and other written communication with stakeholders;
7. review, in conjunction with Management, and report to the Board, as appropriate:
 - a. on the Corporation's compliance with codes, standards, regulations and applicable laws with respect to environmental protection and health and safety;
 - b. on emerging social, political and environmental trends, issues and regulations with respect to environmental protection and health and safety; and
 - c. on Management's decisions on abandonment and reclamation, including appropriate asset retirement obligation determination;
8. report to the Board on the findings of any significant report by regulatory agencies, external health, safety and environment consultants or auditors concerning the Corporation's performance in health, safety and environmental matters and any necessary corrective measures taken to address issues and risks that have been identified by the Corporation, external auditors or by regulatory agencies; and
9. report to the Board on the results of any review with management, consultants and legal advisors of the implications of major corporate undertakings such as the acquisition or expansion of facilities or decommission of facilities.

Meetings and Administrative Matters

1. At all meetings of the Committee 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.
2. A quorum for meetings of the Committee will be a majority of its members and the rules for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those governing the Board.

3. Meetings of the Committee should be scheduled to take place at least four times per year. Minutes of all meetings of the Committee shall be taken. The Chief Financial Officer and Chief Executive Officer of Cardinal shall attend meetings of the Committee, unless otherwise excused from all or part of any such meeting by the Committee Chair.
4. The Committee shall forthwith report the results of meetings and reviews undertaken and any associated recommendations to the Board.
5. The Committee may invite such officers, Directors and employees of Cardinal and its subsidiaries (if any) as it sees fit from time to time to attend at meetings of the Committee and assist in the discussion and consideration of the matters being considered by the Committee.
6. The Committee 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 Committee and at the expense of Cardinal without any further approval of the Board.
7. The Committee shall have the authority to investigate any ESG related activity of the Corporation and to communicate directly with external advisors. All employees of the Corporation are to cooperate as requested by the Committee.
8. Any members of the Committee may be removed or replaced at any time by the Board and will cease to be a member of the Committee as soon as such member ceases to be a Director. The Board may fill vacancies on the Committee by appointment from among its members. If and whenever a vacancy exists on the Committee, the remaining members may exercise all their powers so long as a quorum remains. Subject to the foregoing, following appointment as a member of the Committee, each member will hold such office until the Committee is reconstituted.
8. Any issues arising from these meetings that relate to the relationship between the Board and Management should be communicated by the Committee Chair to the Chair of the Board or the or the independent lead Director.

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