



GOVERNANCE AND HUMAN RESOURCES COMMITTEE MANDATE

Adopted by the Board of Directors on October 6, 2022

Updated Mandate approved by the Board of Directors on May 7, 2025

1 PURPOSE

The Governance and Human Resources Committee (the “**Committee**”) assists the board of directors (the “**Board**”) of Cavvy Energy Ltd. (the “**Corporation**”) in carrying out its duties and responsibilities regarding corporate governance, overseeing executive officer compensation and performance and reviewing public disclosure related to governance, executive and director compensation, board, individual director and committee effectiveness, director compensation, director nominations and reviewing public disclosure of the Corporation’s annual environmental, social and governance (“**ESG**”) report and associated ESG matters. The Committee shall comply with all applicable laws, rules and regulations and listing requirements (the “**Applicable Laws**”).

2 COMPOSITION, QUALIFICATION AND APPOINTMENT

- 2.1 The Committee consists of such number of directors as the Board may, from to time, by resolution determine, in no event to be less than three (3). Every Committee member must be a director of the Corporation.
- 2.2 Every Committee member must meet the independence test under section 1.4 of National Instrument 52-110 – *Audit Committees*, as determined by the Board.¹
- 2.3 Committee members are appointed by the Board. The members of the Committee are appointed promptly after each annual shareholders’ meeting.²
- 2.4 Any member of the Committee may be removed and replaced at any time by the Board and also automatically cease to be a member of the Committee as soon as such member ceases to be a director. If and whenever a vacancy exists, the remaining members may exercise all the powers of the Committee provided a quorum remains in office.
- 2.5 Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board on the recommendation of the Committee and will be filled by the Board if the membership of the Committee falls below three (3) directors.
- 2.6 The Chair of the Board (the “**Board Chair**”) shall sit as an *ex-officio*, non-voting member of the Committee

¹ Section 3.10 of NP 58-201

² Sections 3.11 and 3.16 of NP 58-201.

3 DUTIES AND RESPONSIBILITIES

The Committee shall perform the functions customarily performed by nominating, compensation and governance committees and any other functions assigned by the Board. In furtherance of its purpose and in addition to such responsibilities as may be required by Applicable Laws, the Committee assumes the following duties and responsibilities:³

3.1 Director Criteria and Selection

- (a) Establish and report to the Board a director succession plan and candidate identification and nomination process.
- (b) Develop and recommend to the Board, criteria for selecting potential director candidates that strives to attain a diversity of competencies, genders, personal qualities, geographical representations, business backgrounds, cultural backgrounds, experience, overall expertise, financial competency, and independence, considering the Corporation's circumstances and needs.
- (c) Identify and recommend suitable candidates for nomination to the Board and committees thereof and assesses their qualifications in light of Applicable Laws and this Mandate.⁴
- (d) Review and recommend to the Board criteria relating to directors' tenure.
- (e) Recommend to the Board the removal of a director in exceptional circumstances.
- (f) Consider resignations by a director submitted pursuant to the Corporation's majority voting policy and recommend to the Board the action to be taken with respect to such tendered resignation.
- (g) Monitor and ensure the adequacy of the orientation and continuing education program for members of the Board with respect to the business of Corporation and with respect to their duties as directors.
- (h) Review proposed amendments to the Corporation's by-laws before making recommendations to the Board for recommendation to the Shareholders.

3.2 Board and Committee Evaluations and Composition

- (a) At least annually, conduct an assessment of the Board, each committee and each director regarding his, her or its performance, effectiveness and contribution and reports on such review and assessment to the Board, taking into consideration (i) in the case of the Board or a committee, its mandate or Mandate, and (ii) in the case of an individual director, any applicable position description(s), as well as the competencies and skills each individual director is expected to bring to the Board.⁵
- (b) At least annually, assess the current composition, operation and organization of the Board and the committees of the Board considering legal and regulatory requirements, including considering the appropriate size of the Board and its committees with a view to facilitating

³ Section 3.11 and 3.16 of NP 58-201.

⁴ Section 3.13 of NP 58-201.

⁵ Section 3.18 of NP 58-201.

effective decision making, and making recommendations regarding the foregoing to the Board for approval.⁶

- (c) Create and maintain a list of the skills and competencies necessary and desirable for the Board as a whole and committees thereof.⁷
- (d) Annually review the skills, competencies, and qualifications of each director to serve on the Board and any committees thereof.
- (e) Assess the effectiveness of the Board nomination process at achieving the Corporation's diversity objectives; and measure the annual and cumulative progress in achieving the Board's gender and other diversity objectives.

3.3 Corporate Governance

- (a) At least annually, review the corporate governance trends and best practices applicable to the Corporation and the adequacy and effectiveness of the Board's governance policies, practices, and procedures and, following such review, recommend to the Board, as appropriate, new corporate governance policies, practices, and procedures with a view to maintaining high standards of corporate governance.
- (b) At least annually, review and recommend to the Board a statement of corporate governance practices to be included in the Corporation's management proxy circular.
- (c) At least annually, review the Board mandate and ensure each Committee has reviewed its own mandate and recommended to the Board changes that are deemed appropriate.
- (d) At least annually review and if appropriate recommend to the Board changes to the Corporation's principal governance corporate policies, which include but may not be limited to:
 - (i) Code Of Conduct (the "**Code**")
 - (ii) Whistleblower
 - (iii) Trading Restrictions and Blackout
 - (iv) Director Compensation and Expenses
- (e) At least annually ensure the Board and each of its members have acknowledged and signed off on all of the Corporation's principal corporate policies as listed in 3.3(d) of this mandate.
- (f) Monitor adherence to the Code and Whistleblower Policy and as appropriate review situations related thereto brought to the attention of the Committee.
- (g) Without limiting the generality of the foregoing, on a periodic basis generally advise the Board on matters of corporate governance.

3.4 Shareholder Proposals

⁶ Section 3.12 of NP 58-201.

⁷ Section 3.12 of NP 58-201.

- (a) Review all shareholder proposals submitted to the Corporation in connection with meetings of shareholders (including any proposal relating to the nomination of a member of the Board) and the timeliness of the submission thereof and recommend to the Board appropriate action on each such proposal.

3.5 Corporate Human Resources Philosophy

- (a) Periodically receive and review management's report on human resources matters, including but not limited to diversity and inclusion, recruitment, attrition, and corporate culture.
- (b) At least annually review and recommend to the Board approval of the Corporation's compensation philosophy statement.
- (c) At least annually assess the competitiveness and appropriateness of the Corporation's policies and practices relating to the compensation.
- (d) Identify the risks, if any, arising from the Corporation's compensation policies and practices, consider the implications of the identified risks and, if appropriate, recommend to the Board the adoption of practices that will assist in the identification and mitigation of any risks associated with the compensation policies and practices of the Corporation.
- (e) Review and, if appropriate, recommend to the Board the approval of, or any adoption, amendment, or termination of, the Corporation's incentive and equity-based compensation plans, and grants or issuances of compensation thereunder, and discharges any duties imposed on the Committee by any of those plans.

3.6 Executive Compensation

- (a) Annually review the CEO's base salary and make recommendations to the Board when appropriate to ensure market alignment. The CEO will consult with the Committee on base salaries of the CEO's direct reports however, Board approval is not required other than the CEO's salary.
- (b) Annually, review and recommend to the Board approval of the CEO specific goals and objectives relevant to the CEO's compensation and evaluates the CEO's performance in light of those goals and objectives and make recommendations to the Board with respect to the CEO's short term incentive and long term incentive compensation level based on this evaluation.
- (c) Review, and when appropriate, recommend to the Board for approval, any employment agreements, severance arrangements or plans, including any benefits to be provided for the CEO.

3.7 Compensation of Directors

- (a) At least annually, review the amount and form of compensation to be paid to each director considering whether that compensation realistically reflects the time commitment, responsibilities, and risks of the role. Recommend changes in director compensation to the Board as appropriate.

3.8 Management Information Circular Disclosure

- (a) Review and recommend to the Board approval of the Corporation's annual Management Information Circular ("MIC"), including specifically the Corporation's executive and director compensation information, and related disclosure, in accordance with Applicable Laws.⁸
- (b) At least annually ensure that Committee is educated on changing regulatory frameworks, disclosure requirements and associated governance trends related to executive and director compensation.

3.9 Executive Officers

- (a) Consider and recommend for approval by the Board the appointment of the CEO, the Chief Financial Officer (or individual acting in such capacity) (the "**CFO**"), Chief Operating Officer (or individual acting in such capacity) (the "**COO**") and Chief Commercial Officer (or individual acting in such capacity) (the "**CCO**").

3.10 Management Succession Planning

- (a) Establish and report to the Board an appropriate succession planning process for the CEO.
- (b) Review the assessment of the CEO's succession planning process regarding existing executive officers, senior management resources and other key personnel.

3.11 Shareholding Guidelines

- (a) Review, and recommend to the Board approval of any changes to executive and director share ownership policy requirements.
- (b) Monitor executive and director shareholder ownership levels against such requirements and review any public disclosure relating to such share ownership.

3.12 Environmental, Social and Governance

- (a) Review and recommend to the Board approval of the Corporation's annual ESG report, taking into consideration the feedback and contribution of other Board committees toward the financial, health, safety and environmental information contained in the report.
- (b) At least annually ensure the Committee and its members remain educated on the latest rules, regulations, industry trends and best practices regarding ESG and climate-related issues specific to the scope of the Committee.

3.13 Other Responsibilities

- (a) Perform such other functions as may from time to time be assigned to the Committee by the Board.

⁸ Section 3.17(c) of NP 58-201.

4 PROCEDURAL MATTERS

4.1 Committee Chair

The Board appoints one (1) Committee member to act as its chair (the “**Committee Chair**”), provided that if the Board does not so designate a Committee Chair, the Committee, by a majority vote, may designate a Committee Chair. The Committee Chair may be removed at any time at the discretion of the Board. The incumbent Committee Chair continues in office until (i) a successor is appointed, (ii) he or she is removed by the Board, or (iii) he or she ceases to be a director of the Corporation. If the Committee Chair is absent from a meeting, the Committee will, by majority vote, select another Committee member to preside at that meeting.

The Committee Chair has the following responsibilities and duties:⁹

- (a) Effectively lead the Committee in discharging all duties set out in this Mandate.
- (b) Chair meetings of the Committee.
- (c) Review and provide comments on the agenda for each meeting of the Committee prepared by management and instructs management to ensure that the properly prepared agenda and other meeting materials are circulated to the Committee with sufficient time for review prior to each Committee meeting.
- (d) Ensure that all matters requiring the Committee’s review or approval are properly tabled and presented for consideration at Committee meetings and that Committee members are free to express their viewpoints.
- (e) Ensure the Committee meets as frequently as necessary to carry out its duties effectively and ensures that there is sufficient time during Committee meetings to fully discuss all business properly put before the Committee.
- (f) In consultation with management, review the Committee’s annual work plan.
- (g) Report to the Board on the matters reviewed by, and on any decisions or recommendations of, the Committee at the next meeting of the Board following any meeting of the Committee.
- (h) Ensure that the Committee works as a cohesive group, including by maintaining effective communication and working relationships between members of the Committee, the Board, management, and advisors.
- (i) Ensure that the resources available to the Committee (in particular, timely and relevant information) are adequate to support its work.
- (j) Meet with all Committee members and seeks their feedback on Committee performance and other matters.
- (k) Communicate to the Chair of the Board any issues arising from the Committee meetings that bear on the relationship between the Board and management.
- (l) Carry out any other or special assignments or any functions as may be requested by the Board.

⁹ Section 3.5 of NP 58-201

4.2 Meetings

- (a) Meetings of the Committee may be called at the request of any member of the Committee, the CEO, the CFO or otherwise as required by law. Any such request will set out in reasonable detail the business proposed to be conducted at the meeting so requested. The Committee shall fix its own procedure at meetings and for the calling of meetings. The Committee meets at least each quarter and otherwise as necessary.
- (b) The CEO and the Board Chair shall receive notice of and have the right to attend and be heard at all meetings of the Committee, except in each case such part of the meeting, if any, which is a private session not involving all or some of these officers as determined by the Committee.
- (c) Unless otherwise determined, from time to time, by resolution of the Board, a majority of the Committee constitutes a quorum. No business may be transacted by the Committee except by resolution in writing signed by all the Committee members (whether in writing or electronically) or at a Committee meeting at which a quorum of the Committee is present in person or by means of such telephonic, electronic or other communication facilities that permits all participants to communicate adequately with each other during the meeting. At Committee meetings, Committee actions shall require approval of a majority of the votes cast by Committee members, except where only two (2) members are present, in which case any question shall be decided unanimously.
- (d) The Committee meets *in camera*, in the absence of management, at each regularly scheduled meeting.
- (e) The Corporation Secretary will be the secretary of all meetings. If the Corporation Secretary is not in attendance at any meeting, the Committee appoints a secretary to the Committee who need not be a director or officer of the Corporation. Minutes of Committee meetings will be recorded and maintained by the Committee's secretary and will be presented to the Committee Chair for review and approval.
- (f) The Committee may invite such officers, directors, and employees of the Corporation 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. It is expected that responsible management shall be reporting on particulars at each Committee meeting.

4.3 Reporting to the Board

The Committee will report to the Board in a timely manner with respect to each of its meetings held. This report may take the form of circulating copies of the minutes of each meeting held.

5 DELEGATION

The Committee has the authority to delegate to subcommittees, provided however that the Committee shall not delegate any power or authority required by Applicable Laws to be exercised by the Committee as a whole.

6 INDEPENDENT ADVISORS AND RESOURCES

- (a) The Committee may communicate directly with the Corporation's officers, employees or external parties and request Corporation information and documentation from these persons.

- (b) The Committee may investigate any matter relating to the Corporation's governance and human resources practices, or anything else within its scope of responsibility, and obtain full access to all Corporation books, records, facilities, and personnel.
- (c) The Committee may, in its sole discretion, engage independent outside counsel and such other advisors as it deems necessary to fulfil its duties and responsibilities under this Mandate. The Committee may set the compensation and oversee the work of any outside counsel and other advisors to be paid by the Corporation.¹⁰

7 LIMITATION ON THE DUTIES OF THE MEMBERS OF THE COMMITTEE

Nothing in this Mandate is intended, or may be construed, to impose on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard required by law.

8 EVALUATION OF COMMITTEE AND MANDATE REVIEW¹¹

On an annual basis, the Committee shall review and evaluate its performance. In conducting this review, the Committee shall address such matters that the Committee considers relevant to its performance and evaluate whether this Mandate appropriately addresses the matters that are or should be within its scope. The review and evaluation shall be conducted in such a manner as the Committee deems appropriate. The Committee shall deliver to the Board a report, which may be oral, setting forth the results of its review and evaluation, including any recommended changes to this Mandate and any recommended changes to the Corporation's or the Board's policies or procedures, as it deems necessary or appropriate.

This Mandate is not intended to give rise to civil liability on the part of the Corporation or its directors or officers to shareholders, other security holders, customers, suppliers, competitors, employees, or other persons or to any other liability whatsoever on their part.

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¹⁰ Section 4.1 of NI 52-110.

¹¹ Section 3.18 of NP 58-201