

**CONDOR PETROLEUM INC.**  
**CHARTER OF THE BOARD OF DIRECTORS**

**I. PURPOSE**

The board of directors (the “**Board of Directors**” or the “**Board**”) of Condor Petroleum Inc. (the “**Corporation**”, the “**Company**” or “**Condor**”) is responsible for the general supervision of the activities and management of the business and affairs of the Corporation and for acting in the best interests of the Corporation. The Board of Directors will discharge its responsibilities directly and through committees that may exist from time to time.

The Board of Directors will primarily fulfill their responsibilities by carrying out the activities enumerated in Part IV of this Charter.

**II. COMPOSITION**

The Board of Directors shall consist of a minimum of three and a maximum of nine directors, a majority of whom shall be Independent Directors (as defined below). Pursuant to *National Instrument 58-101 – Disclosure of Corporate Governance Practices* (as implemented by the Canadian Securities Administrators and as amended from time to time), a director is considered to be an “Independent Director” if he or she has no direct or indirect “material relationship” with the Corporation which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of a director’s independent judgment. Notwithstanding the foregoing, a director shall be considered to have a “material relationship” with the Corporation (and therefore shall be considered a “**Non-Independent Director**”) if he or she falls in one of the categories listed in Schedule “A” attached hereto.

**III. MEETINGS**

The time at which and place where the meetings of the Board shall be held and the calling of the meetings and procedure in all things at such meetings shall be determined by the Board in accordance with the Corporation’s articles and by-laws and applicable laws.

The agenda for each Board meeting shall be established by the Chief Executive Officer and the Chairman (if any), taking into account suggestions from other members of the Board. Meeting materials and information shall be distributed in advance of each meeting so as to provide adequate time for review.

Directors are expected to attend, in person or via tele- or video-conference, all meetings of the Board and the committees of the Board upon which they serve, to come to such meetings fully prepared, and to remain in attendance for the duration of such meetings. Where a director’s absence from a meeting is unavoidable, such director should, as soon as practicable after the meeting, contact the Chief Executive Officer or the Corporate Secretary for a briefing on the substantive elements of such meeting.

Independent Directors shall meet without Non-Independent Directors and management, as appropriate.

**IV. DUTIES AND RESPONSIBILITIES**

The Chairman (if any) shall have the duties and responsibilities set forth in “Position Description of Chairman”.

The mandate of the Board of Directors is the stewardship of the Corporation. To fulfill its responsibilities and duties, the Board of Directors shall:

1. Review, assess and update this Charter at least annually, as conditions dictate.
2. Establish committees and approve their respective mandates and the limits of authority delegated to each committee.
3. If the Chairman of the Board is not "independent" within the meaning of NI 58-101 or its successor instrument, then the Board will appoint an independent Lead Director.
4. Review and re-assess the adequacy of the mandate of the committees of the Board and the mandate of the Lead Director at least annually.
5. Assign to the various committees of the Board of Directors the general responsibility for developing the Corporation's approach to: (i) matters relating to compensation of the members of the Board of Directors and the Corporation's executive officers; (ii) matters relating to compliance with the regulatory requirements pertaining to the timeliness and content of the Corporation's public disclosure; (iii) matters relating to financial reporting and internal controls; and (iv) matters relating to the evaluation and reporting of the Corporation's oil and natural gas reserves and resources.
6. Satisfy themselves, to the extent feasible:
  - (a) as to the integrity of the officers of the Corporation and of the Chief Executive Officer of the Corporation; and
  - (b) that the officers of the Corporation and the Chief Executive Officer of the Corporation create a culture of integrity throughout the organization.
7. Maintain a Code of Business Conduct and Ethics for directors, officers and employees, monitor compliance with the Code and approve any waivers from the Code for executive officers and directors.
8. With the assistance of the Nominating and Corporate Governance Committee and Compensation Committee (if any):
  - (a) assess, at least annually, the effectiveness of the Board of Directors, the committees of the Board of Directors and the contribution of individual directors, including, consideration of the appropriate number of the directors;
  - (b) ensure that an appropriate review and selection process for new nominees as directors is in place;
  - (c) ensure that an appropriate orientation and education program for new directors is in place;
  - (d) adopt disclosure and securities compliance policies, including, without limiting the foregoing, communications policies of the Corporation to ensure that a system for corporate communications to all stakeholders exists, including processes for consistent, transparent, regular and timely public disclosure and to facilitate feedback from stakeholders;
  - (e) approve the nomination of directors;
  - (f) establish an appropriate system of corporate governance including practices to ensure that the Board of Directors functions independently of management;
  - (g) review the adequacy and form of the directors' compensation to ensure it realistically reflects the responsibilities and risks involved in being a director; and
  - (h) review the composition of the Board and engage in the process of determining Board of Directors member qualifications, including ensuring that a majority of directors qualify as

Independent Directors and that the appropriate number of Independent Directors are on each committee of the Board of Directors as required under applicable securities rules and requirements.

9. Develop written position descriptions for the Chairman (if any) and the Chair of each committee of the Board of Directors.
10. With the assistance of the Audit Committee:
  - (a) fulfill its oversight responsibilities relating to the financial accounting and reporting process and internal controls of the Corporation;
  - (b) ensure the Corporation's ethical behaviour and compliance with laws and regulations, audit and accounting principles and the Corporation's own governing documents; and
  - (c) identify the principal risks of the Corporation's business and ensure that appropriate systems are in place to manage these risks.
11. Appoint the Chief Executive Officer and officers, approve their compensation, and evaluate the Chief Executive Officer's performance against the goals and objectives developed and approved by the Board.
12. Ensure that a process is established as required that adequately provides for succession planning, including the appointing, training and monitoring of senior management.
13. Establish limits of authority delegated to management.
14. Adopt a strategic planning process and approve, on at least an annual basis, a strategic plan which takes into account, among other things, the business opportunities and business risks and monitor the performance of the Corporation against the strategic plan.
15. Approve the annual operating and capital budget, including a business plan, of the Corporation.
16. Review with the management of the Corporation, and approve, all material transactions and agreements to be entered into by the Corporation outside of the ordinary course of the business of the Corporation and all fundamental changes to the business of the Corporation.
17. Perform such other functions as prescribed by law or assigned to the Board of Directors in the articles and by-laws of the Corporation.
18. Develop and approve the goals and objectives that the Chief Executive Officer is responsible for meeting.

The foregoing list is not exhaustive. The Board of Directors may, in addition, perform such other functions as may be necessary or appropriate for the performance of its responsibilities and duties.

To assist the Board of Directors in discharging its responsibilities, the Board of Directors may retain, in addition to the Corporation's external counsel, at the expense of the Corporation, one or more persons having special expertise.

The Board of Directors expects that, in discharging their responsibilities to the stakeholders, the external counsel shall be accountable to the Board of Directors. The external counsel shall report all material issues or potentially material issues to the Board of Directors.

In discharging its duties under this mandate and charter, each member of the Board of Directors shall be obliged only to exercise the care, diligence and skill that a reasonable director would exercise in the same circumstances taking into account, but without limitation, the nature of the Corporation, the nature of the decision and the position of the director and the nature of the responsibilities undertaken by such director.

Nothing in this mandate and charter is intended, or may be construed, to impose on any member of the Board of Directors a standard of care or diligence that is in any way more onerous or extensive than the standard to which all Board of Directors members are subject.

The Board of Directors shall have full access to books, records, facilities, and personnel of the Corporation and shall have the authority to retain independent counsel and other advisors, as it deems necessary and at the expense of the Corporation, to carry out its duties.

## **V. MAJORITY VOTING**

If a director nominee receives more “withhold” votes than “for” votes at an uncontested shareholders’ meeting where director nominees have been nominated only by the Corporation, then such nominee will tender his or her resignation for consideration by the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee will consider the director nominee’s offer to resign and will make a recommendation to the Condor Board to accept the resignation unless exceptional circumstances exist that would warrant the applicable director continuing to serve on the Condor Board. Within 90 days of the date of the relevant shareholders’ meeting, upon considering the Nominating and Corporate Governance Committee’s recommendation, the Condor Board will accept the director’s offer to resign unless exceptional circumstances exist that warrant the director remaining on the Condor Board. No director that is required to tender his or her resignation pursuant to the “majority voting” policy shall participate in the deliberations or recommendations of the Nominating and Corporate Governance Committee or the Condor Board with respect to the director’s offer to resign. The Condor Board may fill any vacancy resulting from a resignation pursuant to the “majority voting” policy in accordance with the Corporation’s by-laws and articles and applicable corporate laws.

## **VI. BOARD TENURE**

The Company does not currently have a policy regarding director term limits. Board composition is assessed by the Nominating and Corporate Governance Committee to ensure the right mix of skills and experience for providing strong leadership and stewardship. Condor believes it is important to have directors who understand the oil and gas industry, the Company and its areas of operations. Long-term directors accumulate extensive Company and country knowledge and experience and can make growing contributions to the Condor Board over time. New directors can bring new experiences and perspectives to the Board. In the Nominating and Corporate Governance Committee’s current view, term limits for directors will not necessarily increase the level of skill and experience at the Condor Board level.

## **VII. BOARD DIVERSITY**

While the Company recognizes the benefits of diversity and inclusion at all levels within its organization, the Company does not currently have any formal policies that specifically require the identification, consideration, nomination or appointment of female board nominees or candidates for executive positions. Board nominations and appointments are assessed solely based upon the merits of the individual candidates related to the skills, experience and independence required in order to be effective. When searching for candidates for senior management positions, the Company focuses on attracting and retaining experienced and highly skilled individuals that can add value to the business.

## SCHEDULE "A"

### Meaning of "material relationship"

For the purposes of this Schedule "A", "**Corporation**" means Condor Petroleum Inc., including any of its subsidiary entities and parents. The following individuals are considered to have a "**material relationship**" with the Corporation:

- (a) an individual who is, or has been within the last three years, an employee or executive officer of the Corporation;
- (b) an individual whose immediate family member is, or has been within the last three years, an executive officer of the Corporation;
- (c) an individual who:
  - (i) is a partner of a firm that is the Corporation's internal or external auditor,
  - (ii) is an employee of that firm, or
  - (iii) was within the last three years a partner or employee of that firm and personally worked on the Corporation's audit within that time,

except that for the purposes of this paragraph (c), a partner does not include a fixed income partner whose interest in the firm that is the internal or external auditor of the Corporation is limited to the receipt of fixed amounts of compensation (including deferred compensation) for prior service with that firm if the compensation is not contingent in any way on continued service;

- (d) an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual:
  - (i) is a partner of a firm that is the Corporation's internal or external auditor,
  - (ii) is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice, or
  - (iii) was within the last three years a partner or employee of that firm and personally worked on the Corporation's audit within that time,

except that for the purposes of this paragraph (d), a partner does not include a fixed income partner whose interest in the firm that is the internal or external auditor of the Corporation is limited to the receipt of fixed amounts of compensation (including deferred compensation) for prior service with that firm if the compensation is not contingent in any way on continued service;

- (e) an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the Corporation's current executive officers serves or served at that same time on the entity's compensation committee; and
- (f) an individual who received, or whose immediate family member who is employed as an executive officer of the Corporation received, more than \$75,000 in direct compensation from the Corporation during any 12 month period within the last three years, except that for the purposes of this paragraph (f), direct compensation does not include (i) remuneration for acting as a member of the board of directors or of any board committee of the Corporation, and (ii) the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the Corporation if the compensation is not contingent in any way on continued service.

Despite paragraphs (a) to (f) above, an individual will not be considered to have a material relationship with the Corporation solely because the individual or his or her immediate family member:

- (i) has previously acted as an interim chief executive officer of the Corporation, or
- (ii) acts, or has previously acted, as a chair or vice-chair of the board of directors or of any board committee of the Corporation on a part-time basis.

For the purpose of the definition of “**material relationship**”, the terms set out below shall have the following meanings:

“**company**” means any corporation, incorporated association, incorporated syndicate or other incorporated organization;

“**control**” means the direct or indirect power to direct or cause the direction of the management and policies of a person or company, whether through ownership of voting securities or otherwise, except that an individual will not be considered to control a company if the individual owns, directly or indirectly, ten per cent or less of any class of voting securities of such company and is not an executive officer of such company;

“**executive officer**” of an entity – means an individual who is (a) a chair of the entity; (b) a vice-chair of the entity; (c) the president of the entity; (d) a vice-president of the entity in charge of a principal business unit, division or function including sales, finance or production; (e) an officer of the entity or any of its subsidiary entities who performs a policy-making function in respect of the entity; or (f) any other individual who performs a policy-making function in respect of the entity;

“**immediate family member**” means an individual’s spouse, parent, child, sibling, mother or father-in-law, son or daughter-in-law, brother or sister-in-law, and anyone (other than an employee of either the individual or the individual’s immediate family member) who shares the individual’s home;

“**person**” means an individual, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator, or other legal representative; and

“**subsidiary entity**” – a person or company is considered to be a subsidiary entity of another person or company if (a) it is controlled by (i) that other, or (ii) that other and one or more persons or companies each of which is controlled by that other, or (iii) two or more persons or companies, each of which is controlled by that other; or (b) it is a subsidiary entity of a person or company that is the other’s subsidiary entity.