

## NUVISTA ENERGY LTD.

### MANDATE OF THE BOARD OF DIRECTORS

The Board of Directors (the "**Board**") of NuVista Energy Ltd. ("**NuVista**") is responsible for the stewardship of NuVista, its subsidiaries, partnerships and other controlled entities. 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 NuVista. In general terms, the Board will:

- In consultation with the CEO, define the principal objectives of NuVista.
- Supervise the management of the business and affairs of NuVista with the goal of achieving NuVista's principal objectives as defined by the Board.
- Discharge the duties imposed on the Board by applicable laws.
- For the purpose of carrying out the foregoing responsibilities, take all such actions as the Board deems necessary or appropriate.

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

#### *Strategic Direction and Capital and Financial Plans*

- Require the CEO to present annually to the Board a longer range strategic plan and a shorter range business plan for NuVista's business, which plans must:
  - be designed to achieve NuVista's principal objectives;
  - identify the principal strategic and operational opportunities and risks of NuVista's business; and
  - be approved by the Board as a pre-condition to the implementation of such plans.
- Review progress towards the achievement of the goals established in the strategic, operating and capital plans.
- Identify the principal risks of NuVista's business and take all reasonable steps to ensure the implementation of the appropriate systems to manage these risks.
- Approve the annual operating and capital plans.
- Approve acquisitions and dispositions which require approval pursuant to expenditure limits established by the Board.
- Approve the establishment of credit facilities.
- Approve issuances of common shares or other instruments to the public.

#### *Monitoring and Acting*

- Monitor NuVista's progress towards achieving its goals, and revise and alter its direction through management in light of changing circumstances.

- Monitor overall human resources policies and procedures, including compensation and succession planning.
- Approve the dividend policy of NuVista.
- Appoint the CEO and determine the terms of the CEO's employment with NuVista.
- Ensure systems are in place for the implementation and integrity of NuVista's internal control and management information systems.
- In consultation with the CEO, develop a position description for the CEO.
- Evaluate the performance of the CEO at least annually.
- In consultation with the CEO, establish the limits of management's authority and responsibility in conducting NuVista's business.
- In consultation with the CEO, appoint all officers of NuVista and approve the terms of each officer's employment with NuVista.
- Develop a system under which succession to senior management positions will occur in a timely manner.
- Approve any proposed significant change in the management organization structure of NuVista.
- Approve all NuVista-sponsored retirement plans for officers and employees of NuVista.
- In consultation with the CEO, establish a disclosure policy for NuVista.
- Generally provide advice and guidance to management.
- Approve all matters relating to a takeover bid for the securities of NuVista.

### ***Finances and Controls***

- Review NuVista's systems to manage the risks of NuVista's business and, with the assistance of management, NuVista's auditors and others (as required), evaluate the appropriateness of such systems.
- Monitor the appropriateness of NuVista's capital structure.
- Ensure that the financial performance of NuVista is properly reported to shareholders, other security holders and regulators on a timely and regular basis.
- In consultation with the CEO, establish the ethical standards to be observed by all officers and employees of NuVista and use reasonable efforts to ensure that a process is in place to monitor compliance with those standards.
- Require that the CEO institute and monitor processes and systems designed to ensure compliance with applicable laws by NuVista and its officers and employees.

- Require that the CEO institute, and maintain the integrity of, internal control and information systems, including maintenance of all required records and documentation.
- Approve material contracts to be entered into by NuVista.
- Recommend to shareholders of NuVista a firm of chartered accountants to be appointed as NuVista's auditors.
- Ensure NuVista's oil and gas reserves report fairly represents the quantity and value of corporate reserves in accordance with generally accepted engineering principles and applicable securities laws.
- Take reasonable actions to gain reasonable assurance that all financial information made public by NuVista (including NuVista's annual and quarterly financial statements) is accurate and complete and represents fairly NuVista's financial position and performance.

### ***Governance***

- In consultation with the Chair of the Board, develop a position description for the Chair.
- Select nominees for election to the Board.
- Facilitate the continuity, effectiveness and independence of the Board by, amongst other things:
  - appointing a Chair of the Board;
  - appointing from amongst the directors an audit committee and such other committees of the Board as the Board deems appropriate;
  - defining the mandate of each committee of the Board;
  - ensuring that processes are in place and are utilized to assess the effectiveness of the Chair of the Board, the Board as a whole, each committee of the Board and each director; and
  - establishing a system to enable any director to engage an outside adviser at the expense of NuVista;
- Review annually the composition of the Board and its committees and assess directors' performance on an ongoing basis, and propose new members to the Board.
- Review annually the adequacy and form of the compensation of directors.

### ***Delegation***

- The Board may delegate its duties to, and receive reports and recommendations from, any committee of the Board.

### ***Composition***

- The Board should be composed of at least five individuals elected by the shareholders at the annual meeting.

- A majority of Board members should be independent directors (within the meaning of National Instrument 58-101) and free from any business or other relationship that could impair the exercise of independent judgment.
- Members should have or obtain sufficient knowledge of NuVista and the oil and gas business to assist in providing advice and counsel on relevant issues.
- Board members should offer their resignation from the Board to the Chair of the Governance and Nominating Committee following:
  - change in personal circumstances which would reasonably interfere with the ability to serve as a director; and
  - change in personal circumstances which would reasonably reflect poorly on NuVista (for example, finding by a Court of fraud, or conviction under Criminal Code or securities legislation).

### ***Meetings***

- The Board shall meet at least four times per year and/or as deemed appropriate by the Chair.
- The Board shall meet at the end of its regular quarterly meetings without members of management being present.
- Minutes of each meeting shall be prepared;
- The CEO and CFO shall be available to attend all meetings of the Board upon invitation by the Board.
- Vice-Presidents and such other staff as appropriate to provide information to the Board shall attend meetings at the invitation of the Board.

### ***Authority***

- The Board shall have the authority to review any corporate report or material and to investigate activity of NuVista and to request any employees to cooperate as requested by the Board.
- The Board may retain persons having special expertise and/or obtain independent professional advice to assist in fulfilling its responsibilities at the expense of NuVista.

Last reviewed and reapproved March 5, 2019