

1. BOARD CHARTER

1. ROLE

Cardinal Resources Limited's (the "Company") Board of Directors' (the "Board") primary duty is to supervise the management of the business and affairs of the Company. The Board, directly and through its committees and the Chair of the Board, shall provide direction to senior management, primarily through the Managing Director, to pursue the best interests of the Company.

2. COMPOSITION

It is a priority of the Board to maintain a majority of independent director representation on the Board. The Board takes into account the skills and experience required in the context of the Company's operations and activities from time to time in the director identification and selection process. The Directors of the Board shall include directors of a mixture of race, gender and age. In determining whether or not directors are independent, the Board applies the criteria set out in National Policy 58-201 – *Corporate Governance Guidelines* of the Canadian Securities Administrators and the ASX Recommendations. The Board considers that a director is an executive if that director is involved in the day to day management of the Company.

Where it would be inappropriate for the Chair of the Board to be an independent director, the Company will appoint a lead independent director. Either the independent Chair or the Lead Independent Director will act as the effective leader of the Board and ensure that the Board's agenda will enable it to successfully carry out its duties. The independent directors should hold regularly scheduled meetings at which non-independent directors and members of management of the Company are not in attendance.

The independent directors, along with all directors, are responsible for reviewing and challenging executive performance. They are also responsible for contributing to the development of strategy.

Each director must have an understanding of the Company's principal operational and financial objectives, plans and strategies, and financial position and performance. Directors must have sufficient time to carry out their duties and not assume responsibilities that would materially interfere with, or be incompatible with, Board membership. Directors who experience a significant change in their personal circumstances, including a change in their principal occupation, are expected to promptly advise the chair of the Nomination Committee.

The Board should also comprise of Directors with a mix of qualifications, experience and expertise which will assist the Board in fulfilling its responsibilities, as well as assisting the Company in achieving growth and delivering value to shareholders.

In appointing new members to the Board, consideration must be given to the demonstrated ability and also future potential of the appointee to contribute to the ongoing effectiveness of the Board, to exercise sound business judgement, to commit the necessary time to fulfil the requirements of the role effectively and to contribute to the development of the strategic direction of the Company.

The composition of the Board is to be reviewed regularly against the Company's Board skills matrix prepared and maintained by the Nomination Committee to ensure the appropriate mix of skills and expertise is present to facilitate successful strategic direction.

Prior to the Board proposing re-election of non-executive Directors, their performance will be evaluated by the Nomination Committee to ensure that they continue to contribute effectively to the Board.

3. RESPONSIBILITIES OF THE BOARD AND MANAGEMENT

To fulfill its role, the Board is responsible for:

- overseeing the Company's commitment to the health and safety of employees and contractors, the environment and sustainable development;
- overseeing the activities of the Company, including verifying that internal, financial, non-financial and business control and management information systems have been established by management;
- reviewing all earnings guidance, news releases containing financial information based on a company's financial statements prior to the release of such statements;
- identifying the principal risks associated with the Company's business and operations and ensuring the implementation of appropriate systems to manage these risks;
- appointing and removing the Managing Director, Chief Financial Officer, Company Secretary, and other senior executives, evaluating their performance, reviewing their remuneration and ensuring an appropriate succession plan is in place, including the appointment, training and monitoring of such persons, with consideration to the objectives of the Diversity Policy of the Company;
- satisfying itself, to the extent feasible, as to the integrity of the Managing Director, Chief Financial Officer, Company Secretary and other senior executives of the Company and that the Managing Director, Chief Financial Officer, Company Secretary and other senior executives strive to create a culture of integrity throughout the Company;
- reviewing, on a periodic basis, a report of the Remuneration and Nomination Committee concerning the Company's approach to executive compensation;
- setting the strategic objectives of the Company, taking into account emerging trends, the competitive environment, the opportunities and risks of the business and business practices in the industry, and periodically reviewing the Company's progress against those objectives;
- reviewing, ratifying and monitoring systems of risk management, internal compliance and control, codes of conduct and legal compliance to minimise the possibility of the Company operating beyond acceptable risk parameters;
- setting the operational and financial objectives and goals for the Company as well as reviewing and, if advisable, approving any policies and processes generated by management relating to the authorization of major investments and significant allocation of capital;
- developing the Company's approach to corporate governance, including developing a set of corporate governance principles and guidelines;
- approving and monitoring budgets, capital management and acquisitions and divestments;

- approving and monitoring the budget and the adequacy and integrity of financial and other reporting such that the financial performance of the company has sufficient clarity to be actively monitored;
- approving the annual, half yearly and quarterly accounts;
- recommending to shareholders the appointment of the external auditor as and when their appointment or re-appointment is required to be approved by them;
- monitoring compliance with the Company's Shareholder Communication Policy and Continuous Disclosure Policy;
- approving significant changes to the organisational structure;
- procuring appropriate professional development opportunities for Directors to develop and maintain the skills and knowledge needed to perform their role as Directors effectively;
- appointment of professional advisors; and
- formal determinations that are required by the Company's constitutional documents or by law or other external regulation.
- annually reviewing this Charter and making changes as deemed necessary by the Board.

These responsibilities are designed to provide strategic guidance for the Company and effective oversight management.

The Board has established the following committees: the Audit and Risk Committee, the Remuneration and Nomination Committee, Health, Safety, Environmental and Social Committee and Technical Committee. Subject to applicable law, the Board may establish other Board committees or merge or dissolve any Board committee at any time. The Board has approved charters for each established Board committee and shall approve charters for any Board committee established in the future. The Board has delegated to the applicable committee those duties and responsibilities set out in each Board committee's charter. The Board shall appoint, annually or as required, the members and a chair of each committee, after receiving recommendations from the Nomination Committee.

Other than with respect to the matters set out herein and in the various Board committee charters, the Board has delegated all remaining authority to the Managing Director for management of the Company's business within any limits imposed by the Board and subject to the Directors' statutory and fiduciary duties.

4. RESPONSIBILITIES OF DIRECTORS

Directors must act honestly and in good faith with a view to the best interest of the Company and shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Each director is encouraged to use his or her best efforts to attend all meetings of the Board and the committees of the Board of which such director is a member. Directors will be expected to have read and



considered the materials sent to them in advance of each meeting and to actively participate in such meetings. Directors may serve on the boards of other issuers so long as these commitments do not materially interfere and are compatible with their ability to fulfill their duties as a member of the Board. Directors must advise the Chair in writing in advance of accepting an invitation to serve on the board of another public issuer.

Directors must disclose their interests, positions, associations or relationships. The independence of the Directors should be regularly assessed by the Board in light of the interests disclosed by them.

Directors are expected to bring their independent views and judgement to the Board and must declare immediately to the Board any potential or active conflicts of interest. In addition, Directors must immediately declare to the Board any loss of independence by such Director. The Board will then determine whether or not it will communicate such loss of independence to the market.

No member of the Board (other than a Managing Director) may serve for more than three years or past the third annual general meeting following their appointment, whichever is the longer, without being re-elected by the shareholders.

5. POSITION DESCRIPTIONS

The Board has approved position descriptions for the Chair of the Board and the Managing Director of the Company. The Board shall review such position descriptions from time to time, as required.

The Chair/Lead Independent Director

The Chair (or Lead Independent Director) is responsible for overseeing the operations and affairs of the Board of the Company. In fulfilling his or her duties, the Chair (or Lead Independent Director) will be responsible for:

- providing leadership to foster the effectiveness of the Board;
- ensuring there is an effective relationship between the Board and senior management, including by acting as a liaison between the Board and senior management;
- acting as an advisor to senior management in matters concerning the interests of the Company;
- ensuring that the appropriate committee structure is in place and assisting the Nomination Committee in making recommendations for appointment to such committees;
- in consultation with the other members of the Board and the Managing Director, preparing the agenda for each meeting of the Board;
- ensuring that the directors receive the information required for the proper performance of their duties, including information relevant to each meeting of the Board;
- chairing Board meetings and sessions of independent directors, including stimulating debate, providing adequate time for discussion of issues, facilitating consensus, encouraging full participation and discussion by individual directors and confirming that decisions are reached and accurately recorded;

- chairing all shareholder general meetings;
- together with the Nomination Committee, ensuring that an appropriate system is in place to evaluate the performance of the Board as a whole, the Board's committees and individual directors with a view to ensuring that they are fulfilling their respective responsibilities and duties, and making recommendations to the Nomination Committee for changes when appropriate;
- consulting with the Nomination Committee on candidates for nomination or appointment to the Board;
- monitoring shareholder communication and continuous disclosure generally and for compliance with the Shareholder Communication Policy and the Continuous Disclosure Policy;
- working with the Managing Director to ensure that the Board is provided with the resources to permit it to carry out its responsibilities and bringing to the attention of the Managing Director any issues that are preventing the Board from being able to carry out its responsibilities; and
- providing additional services required by the Board.

The Chair is also responsible for monitoring shareholder communication, continuous disclosure compliance and Board performance.

The Managing Director

The Managing Director is primarily responsible for the overall management of the business and affairs of the Company. In this capacity, the Managing Director shall establish the strategic and operational priorities of the Company and provide leadership for the effective overall management of the Company.

In fulfilling his or her duties, the Managing Director will be responsible for:

- implementing the policies and strategy set by the Board;
- developing annual business plans and budgets for the Board's approval that support the Company's long-term strategy;
- consistently striving to achieve the Company's short and long-term financial and operating goals and objectives;
- providing leadership and vision, and maintaining a high level of employee morale and motivation, with a view to ensuring the implementation of the Company's strategy;
- fostering a corporate culture that promotes integrity and ethical values throughout the organization, including setting the tone by meeting the highest ethical standards;
- developing and motivating the executive officers of the Company and providing overall management to ensure the effectiveness of the leadership team;
- serving as the Company's chief spokesperson and ambassador;

- ensuring compliance by the Company with all applicable laws, rules and regulations, as well as the Company's Codes of Conduct and any other policies adopted by the Board from time to time; and
- ensuring that the Board remains fully informed through direct communication with the Chair (or Lead Independent Director) for all significant matters, and dealing with the Board in a manner that ensures that the Board is able to provide the best counsel and advice possible.

In carrying out those responsibilities, the Managing Director must report to the Board in a timely manner and ensure all reports to the Board present a true and fair view of the Company's financial condition and operational results.

6. PROCESS FOR EVALUATING BOARD PERFORMANCE

The Board, the Board's committees and each individual director will undergo periodic formal assessments regarding his, her or its effectiveness and contribution. An independent third party consultant may be engaged to facilitate such assessments.

The assessments require each director to complete a questionnaire relating to the role, composition, procedures, practices and behaviour of the Board and its members taking into consideration the Board or Board committee's mandate or charter, position descriptions and the competencies and skills each individual director is expected to bring to the Board, as applicable. Senior executives having most direct contact with the Board may also be invited to complete similar questionnaires. Responses to the questionnaires are confidential and provided directly to the consultant, with the results in aggregate then being communicated to the Chair of the Board. The Board as a whole then holds a facilitated discussion during which each Board member has the opportunity to raise any matter, suggestion for improvement or criticism with the Board as a whole.

The Chair of the Board may also meet individually with each Board member to discuss their performance.

7. ACCESS TO EMPLOYEES AND INDEPENDENT ADVICE

The Board shall have unrestricted access to employees of the Company, and its subsidiaries.

The Board shall have the authority, so long as it is acting reasonably in the interests of the Company and in the discharge of its duties, to retain external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective reasonable compensation of these advisors. The Company shall provide appropriate funding, as determined by the Board, for the services of these advisors.

8. BOARD MEETINGS

The Directors may determine the quorum necessary for the transaction of business at a meeting, however, until otherwise determined, there must be a minimum of two Directors present at a meeting to constitute a quorum.

The Board will schedule formal Board meetings at least quarterly and hold additional meetings, including by telephone, as may be required.

Non-executive Directors may confer at scheduled times without management being present.



The minutes of each Board meeting shall be prepared by the Company Secretary, approved by the Chair and circulated to Directors after each meeting.

The Company Secretary shall ensure that the business at Board and committee meetings is accurately captured in the minutes.

The Company Secretary shall co-ordinate the timely completion and distribution of Board and committee papers for each meeting of the Board and any committee.

Minutes of meetings must be approved at the next Board meeting.

Further details regarding Board meetings are set out in the Company's Constitution.