

BIRCHCLIFF

ENERGY

COMPENSATION COMMITTEE CHARTER

Purpose

The purpose of the Compensation Committee (the “**Committee**”) of the board of directors (the “**Board**”) of Birchcliff Energy Ltd. (the “**Corporation**”) is to assist the Board in fulfilling its responsibilities with respect to the compensation of the directors, officers and employees of the Corporation, including ensuring that the Corporation’s compensation program is aligned with the Corporation’s business objectives and attracts, retains and incentivizes the management talent needed to achieve such objectives.

Composition of the Committee

- (a) Number of Members: The Committee shall be composed of a minimum of three members, each of whom shall be a member of the Board.
- (b) Independence of Members: Each member of the Committee shall be “independent” within the meaning of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* promulgated by the securities regulatory authorities in Canada, as may be amended from time to time.
- (c) Appointment and Vacancies: The members of the Committee shall be appointed by the Board and shall serve at the pleasure of the Board. Any member of the Committee may be removed or replaced at any time by the Board and shall automatically cease to be a member of the Committee as soon as such member ceases to be a director of the Corporation. The Board may fill vacancies on the Committee by appointment from among its members. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all of its powers so long as a quorum remains.
- (d) Chair: The Board shall designate one member of the Committee as the chairperson of the Committee (the “**Chair**”). The Chair shall preside over all meetings of the Committee, and in the Chair’s absence, the members of the Committee present may designate from among such members the chair for the purpose of such meeting.

Transaction of Business and Meetings

- (a) Transaction of Business: The Committee shall transact its business in accordance with governing corporate legislation and the provisions of the by-laws of the Corporation. To the extent not provided either therein or in the provisions of this Charter, the Committee may determine the manner in which it will transact its business by way of resolution passed by a majority of votes cast thereon.
- (b) Number of Meetings: The Committee shall meet at least once per year or more frequently as is necessary to carry out its duties and responsibilities.
- (c) Calling of Meetings: The Chair or any member of the Committee may at any time convene a meeting of the Committee. Upon a request from the Chairman of the Board or the Chief Executive Officer of the Corporation (the “**CEO**”), the Chair shall convene a meeting of the Committee to consider any matters that the Chairman of the Board or the CEO desires to bring to the attention of the Committee.

- (d) Notice of Meetings: Notice of meetings shall be delivered, mailed, emailed or sent by any other form of transmitted or recorded message to each member of the Committee not less than forty-eight hours before the meeting is to take place. Notice of any meeting or any irregularity thereof may be waived by any member. Meetings may be held at any time without formal notice if all the members are present, or if a quorum is present and those members who are absent have signified their consent to the meeting being held in their absence. Any resolution passed or action taken at such a meeting shall be valid and effectual as if it had been passed or taken at a meeting duly called and constituted.
- (e) Quorum: A quorum for meetings of the Committee shall be a majority of the members of the Committee. No business may be transacted by the Committee at a meeting unless a quorum of the Committee is present.
- (f) Voting: All motions made at a meeting of the Committee shall be decided by a simple majority of votes cast by members of the Committee who vote on such motion. In the event of an equality of votes on any motion, the Chair (or the person presiding at the meeting as chair) shall not have a second or casting vote.
- (g) Minutes and Reporting to the Board: Minutes shall be prepared of all meetings of the Committee. A copy of such minutes shall be circulated to all members of the Committee and the Board. In addition, the Chair may report to the Board (orally or otherwise) on any matter in his or her view requiring the immediate attention of the Board.
- (h) Attendance of Non-Members: The Committee may invite to a meeting any officers, directors or employees of the Corporation, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out its duties and responsibilities. The CEO is expected to be available to attend meetings of the Committee or portions thereof, unless otherwise excused from all or part of any such meetings by the Chair. If not a member of the Committee, such invitees shall have no voting rights at any meeting of the Committee.

Duties and Responsibilities

The Committee is responsible for:

- (a) reviewing the Corporation's general compensation philosophy and recommending to the Board any changes thereto;
- (b) reviewing all proposed equity-based incentive plans (e.g. stock options), non-equity based incentive plans (e.g. cash bonuses), savings plans and retirement plans (collectively, "**Plans**") and any amendments to existing Plans (other than those that are administrative and immaterial in nature) and making recommendations to the Board with respect thereto;
- (c) reviewing and approving the corporate goals and objectives relevant to the compensation of the CEO, evaluating the CEO's performance in light of those corporate goals and objectives and based upon such evaluation, making recommendations to the Board on the CEO's compensation;
- (d) reviewing, in consultation with the CEO, the compensation of the non-CEO executive officers of the Corporation, and making recommendations to the Board with respect thereto;
- (e) reviewing, in consultation with the CEO, the annual salaries and incentive awards (e.g. bonuses and stock options) to be paid or granted on an aggregate basis to the officers and employees of the Corporation, and making recommendations to the Board with respect thereto;
- (f) reviewing the compensation of the non-employee directors of the Corporation, including their participation in any Plans, and making recommendations to the Board with respect thereto;

- (g) reviewing the terms and conditions of any contractual arrangements relating to the appointment, termination, retirement or compensation of the executive officers of the Corporation and making recommendations to the Board with respect thereto;
- (h) reviewing the Corporation's Form 51-102F6 – *Statement of Executive Compensation* and other material disclosures regarding the compensation of the Corporation's executive officers or directors before the Corporation publicly discloses such information, and making recommendations to the Board with respect thereto;
- (i) considering and reviewing the risks facing the Corporation relating to compensation matters and recommending to the Board mitigation strategies to manage such risks;
- (j) reviewing succession plans for the executive officers of the Corporation;
- (k) bringing to the attention of the Board such other issues as are necessary to carry out its mandate and making recommendations to the Board with respect to the foregoing, as well as reviewing and reporting to the Board on any other matters as may be delegated to the Committee by the Board from time to time or as designated in any Plan documents; and
- (l) reviewing, at least annually, this Charter and recommending to the Board any amendments to this Charter that the Committee considers necessary or advisable.

Access to Information and Advisors

- (a) In discharging its role, the Committee shall have full access to all books, records, facilities and personnel of the Corporation to the extent that the same relate to matters that are the responsibility of the Committee under this Charter.
- (b) The Committee has the authority to engage such advisors (including independent legal counsel) as it considers necessary or desirable to assist it in fulfilling its duties and responsibilities as provided in this Charter and to set the compensation to be paid thereto, such engagement to be at the Corporation's expense. The Corporation shall be responsible for all other expenses of the Committee that are deemed necessary or desirable by the Committee in order to fulfil its duties and responsibilities as provided for in this Charter.

Approved and Adopted: February 14, 2024