

**SOURCE ENERGY SERVICES LTD.
MANDATE OF THE BOARD OF DIRECTORS**

The members of the board of directors (respectively, the “**Directors**” and the “**Board**”) have the responsibility to oversee the conduct of the business of Source Energy Services Ltd. (the “**Company**”) and to oversee the activities of management who are responsible for the day-to-day conduct of the business.

Section 1 Composition

The number of Directors shall be fixed by the Board in accordance with the Company’s constating documents and applicable laws and regulations, including the *Business Corporations Act* (Alberta), Canadian securities legislation and the standards, rules, polices and guidelines of the stock exchange(s) on which the Company’s securities are listed (collectively, “**Applicable Laws**”), upon the recommendation of the Compensation and Corporate Governance Committee. A majority of the Directors shall be “independent” for the purposes of National Policy 58-201 – *Corporate Governance Guidelines* (“**NP 58-201**”).

The Board shall appoint a chair (the “**Chair**”) from among its members. The role of the Chair is to act as the leader of the Board, to manage and coordinate the activities of the Board and to oversee execution by the Board of this Mandate. If the Chair is not independent for the purposes of NP 58-201, the Board shall appoint an independent Lead Director of the Board (the “**Lead Director**”) from among its members to be responsible for ensuring that the independent Directors have opportunities to meet without management and non-independent (or conflicted, as applicable) Directors, as required, and will assume such other responsibilities as the independent Directors may designate in accordance with any applicable position descriptions or other applicable guidelines that may be adopted by the Board from time to time.

The Board may, from time to time, engage consultants or members of the Company’s management team that are not directors of the Company and these persons may attend meetings or portions of meetings as invited guests of the Board. Otherwise, the Board will consist only of Directors and only Directors and a Corporate Secretary, appointed by the Board, may attend meetings of the Board.

Section 2 Operation

The Board operates by delegating certain of its authorities to management and by reserving certain powers to itself. The Board retains the responsibility of managing its own affairs including selecting its Chair, nominating candidates for election to the Board, constituting committees of the full Board and determining Director compensation. Subject to the Company’s constating documents and Applicable Laws, the Board may constitute, seek the advice of and delegate powers, duties and responsibilities to committees of the Board.

The full Board considers all major decisions of the Company, except that certain analyses and work of the Board will be performed by standing committees empowered to act on behalf of the Board. The Company has a number of standing committees, including the Audit Committee, the Compensation and Corporate Governance Committee and the Health, Safety and Environment Committee, and has the authority to appoint other committees to steward certain other matters. Each standing committee must have a mandate that has been approved by the Board.

Each committee shall operate according to the mandate approved by the Board and outlining its duties and responsibilities and the limits of authority delegated to it by the Board. The Board shall review and reassess the adequacy of the mandate of each committee on a regular basis and, with respect to the Audit Committee, at least once a year.

The Chair shall annually propose the leadership and membership of each committee. In preparing recommendations, the Chair will take into account the preferences, skills and experience of each Director. Committee

chairs and members are appointed by the Board at the first Board meeting after the annual shareholder meeting or as needed to fill vacancies during the year.

The Board will hold four regularly scheduled meetings each year. The independent members of the Board shall also meet before or after its regularly scheduled meetings without members of management or non-independent Directors present. Special meetings will be called as necessary. Directors are expected to attend all Board meetings and all Board committee meetings where such Director is a member of such committee, although it is understood that conflicts may occasionally arise that prevent a Director from attending a meeting. Attendance at Board meetings and Board committee meetings in person is preferred, but attendance by teleconference or other electronic communication established by the Board or such Board committee is permitted. In advance of each regular Board and committee meeting and, to the extent feasible each special meeting, information and presentation materials relating to matters to be addressed at the meeting will be distributed to each Director. It is expected that each Director will review presentation materials in advance of a meeting.

The Chair presides at all meetings of the Board and shareholders. Minutes of each meeting shall be prepared by the Corporate Secretary (or in his or her absence a secretary who has been appointed for the purposes of the meeting). The Chief Executive Officer of the Company (the “CEO”), if he or she is not a Director, shall be available to attend all meetings of the Board or committees of the Board upon invitation by the Board or any such committee. Members of management and such other staff as appropriate to provide information to the Board shall attend meetings at the invitation of the Board. Following each meeting, the Corporate Secretary will promptly report to the Board by way of providing draft copies of the minutes of the meetings. Supporting schedules and information reviewed by the Board at any meeting shall be available for examination by any Director upon request to the CEO or Corporate Secretary.

Section 3 Responsibilities

The Board is responsible under law to supervise the management of the business and affairs of the Company. In broad terms the stewardship of the Company involves the Board in strategic planning, risk identification, management and mitigation, senior management determination and succession planning, communication planning and internal control integrity.

Section 4 Specific Duties

Without limiting the foregoing, the Board shall have the following specific duties and responsibilities:

(1) Legal Requirements

- (a) The Board has the oversight responsibility for meeting the Company’s legal requirements and for approving and maintaining the Company’s documents and records;
- (b) The Board has the statutory responsibility to:
 - (i) manage or supervise the management of the business and affairs of the Company;
 - (ii) act honestly and in good faith with a view to the best interests of the Company;
 - (iii) exercise the care, diligence and skill that responsible, prudent people would exercise in comparable circumstances; and
 - (iv) act in accordance with its obligations contained the Company’s constating documents and Applicable Laws.
- (c) The Board has the statutory responsibility for considering the following matters as a full Board which in law may not be delegated to management or to a committee of the Board:
 - (i) any submission to the shareholders of a question or matter requiring the approval of the shareholders;

- (ii) the filling of a vacancy among the Directors;
- (iii) the issuance of securities;
- (iv) the declaration of dividends;
- (v) the purchase, redemption or any other form of acquisition of shares issued by the Company;
- (vi) the payment of a commission to any person in consideration of his/her purchasing or agreeing to purchase shares of the Company from the Company or from any other person, or procuring or agreeing to procure purchasers for any such shares;
- (vii) the approval of management proxy circulars;
- (viii) the approval of any take-over bid circular or directors' circular; and
- (ix) the approval of financial statements of the Company.

(2) *Strategy Determination*

The Board has the responsibility to adopt a strategic planning process for the Company and to participate with management directly or through its committees in approving goals and the strategic plan for the Company by which the Company proposes to achieve its goals. The strategic plan shall be approved annually, and shall take into account, among other things, the opportunities and risks of the Company's business and affairs as identified by management. The Board shall monitor the implementation and execution of the tasks constituent to the corporate strategy.

To be effective, the strategy will result in creation of value over the long term while always preserving the Company's license to conduct its business among its various stakeholders. For the purpose of this clause, "stakeholder" will mean any party, group or institution whose reasonable approval is required for the Company to execute its Board-approved strategy.

(3) *Managing Risk*

The Board has the responsibility to identify and understand the principal risks of the business in which the Company is engaged, to achieve a proper balance between risks incurred and the potential return to shareholders, and to establish systems to monitor and manage those risks with a view to the long-term viability of the Company. It is the responsibility of management to ensure that the Board and its committees are kept well informed of changing risks. The principle mechanisms through which the Board reviews risks are through the execution of the duties of the Audit Committee, the Compensation and Corporate Governance Committee and the Health, Safety and Environment Committee and through the strategic planning process. It is important that the Board understands and supports the key risk decisions of management.

(4) *Appointment, Training and Monitoring Senior Management*

The Board has the responsibility:

- (a) to appoint the CEO and establish a description of the CEO's responsibilities and other senior management's responsibilities, to monitor and assess the CEO's performance, to determine the CEO's compensation, and to provide advice and counsel in the execution of the CEO's duties;
- (b) to approve the appointment and remuneration of the Company's senior management;
- (c) to take steps to satisfy itself as to the integrity of the executive officers and senior management, and that the executive officers and senior management foster a culture of integrity throughout the Company; and
- (d) succession planning (including appointing, training and monitoring senior management).

(5) Reporting and Communication

The Board has the responsibility:

- (a) to ensure compliance with the reporting obligations of the Company, including that the financial performance of the Company is properly reported to shareholders, other security holders and regulators on a timely and regular basis;
- (b) to recommend to shareholders of the Company a firm of certified professional accountants to be appointed as the Company's auditors;
- (c) to ensure that the financial results of the Company are reported fairly and in accordance with generally accepted accounting principles;
- (d) to ensure the timely reporting of any change in the business, operations or capital of the Company that would reasonably be expected to have a significant effect on the market price or value of the common shares of the Company;
- (e) to establish and oversee policies and processes that enable the Company to communicate effectively with its stakeholders, and stakeholders to communicate effectively with the Company; and
- (f) to report annually to shareholders on its stewardship of the affairs of the Company for the preceding year.

(6) Monitoring and Acting

The Board has the responsibility:

- (a) to establish policies and processes for the Company to operate at all times within Applicable Laws to the highest ethical and moral standards (advancing the interests of the Company, including the pursuit of differentiating performance in meeting the reasonable needs of all stakeholders of the Company);
- (b) to ensure that management has and implements procedures to comply with, and to monitor compliance with, significant policies and procedures by which the Company is operated;
- (c) to promote, and to ensure that management promotes, high environmental standards in the Company's operations in compliance with environmental laws and legislation;
- (d) to ensure that management establishes appropriate programs and policies for the health and safety of the Company's employees in the workplace;
- (e) to monitor the Company's progress towards its goals and objectives and to revise and alter its direction through management in response to changing circumstances;
- (f) to take action when performance falls short of its goals and objectives or when other special circumstances warrant or when changing circumstances in the business environment create risks or opportunities for the Company;
- (g) to approve annual (or more frequent as the Board feels to be prudent from time to time) operating and capital budgets and review and consider amendments or departures proposed by management from established strategy, capital and operating budgets or matters of policy which diverge from the ordinary course of business that may significantly impact the value of or opportunities available to the Company; and
- (h) to implement internal control and information systems and to monitor the effectiveness of same so as to allow the Board to conclude that management is discharging its responsibilities with a high degree of integrity and effectiveness. The confidence of the Board in the ability and integrity of management is the paramount control mechanism.

(7) Governance

The Board has the responsibility:

- (a) to develop a position description for the Chair and the chair of each committee of the Board;
- (b) to facilitate the continuity, effectiveness and independence of the Board by, among other things:
 - (i) appointing from amongst the Directors an Audit Committee, a Compensation and Corporate Governance Committee, and a Health, Safety and Environment Committee and such other committees of the Board as the Board deems appropriate;
 - (ii) defining the mandate, including both responsibilities and delegated authorities, of each committee of the Board;
 - (iii) establishing a system to enable any Director to engage an outside adviser at the expense of the Company;
 - (iv) ensuring that processes are in place and are utilized to assess the effectiveness of the Chair, the Board as a whole, each Director, each committee of the Board and each committee's chair;
 - (v) reviewing annually the composition of the Board and its committees and assess Directors' performance on an ongoing basis, and propose new members to the Board; and
 - (vi) reviewing annually the adequacy and form of the compensation of the Directors;
- (c) to periodically review and approve the Company's Code of Business Conduct and Ethics (the "**Code**") with the purpose of promoting integrity, deterring wrongdoing and building a culture of honesty and accountability throughout the Company, and review the recommendations of the Compensation and Corporate Governance Committee and make determinations regarding changes to the Code;
- (d) to review the recommendations of the Compensation and Corporate Governance Committee and to make determinations regarding violations of the Code, waivers granted in respect thereof, and disclosure required in connection therewith under Applicable Laws (or as otherwise deemed appropriate by the Board); and
- (e) to periodically review and approve the Company's Disclosure, Trading and Confidentiality Policy (the "**Disclosure Policy**") with the purpose of establishing proper disclosure, trading and confidentiality process and practices, review the recommendations of the Audit Committee and make determinations regarding changes to the Disclosure Policy, and ensure the Disclosure Policy is widely distributed to officers and employees.

Section 5 New Director Orientation

New Directors shall be provided with an orientation which will include written information about the duties and obligations of Directors and the business and operations of the Company, documents from recent Board meetings and opportunities for meetings and discussion with senior management and other Directors. Continuing Directors shall be provided with continuing education opportunities to ensure that they can maintain and enhance their abilities and ensure that their knowledge of the business of the Company remains current. In consultation with the Compensation and Corporate Governance Committee, the Board shall monitor and review, as appropriate, the Company's orientation and continuing education program for Directors.

Section 6 Conflicts of Interest

- (a) Directors have a duty to act honestly and in good faith with a view to the best interests of the Company and to exercise the care, diligence and skill a reasonably prudent person would exercise in comparable circumstances.

Each Director serves in his or her personal capacity and not as an employee, agent or representative of any other company, organization or institution, even if the Director is employed by a shareholder or any other entity which does business with the Company. In providing direction to the Company, Directors acknowledge that the wellbeing of the Company is their sole concern. Any Director must not be affected in his or her deliberations and decision making by any relationship with any outside person or party including any specific shareholder no matter which one and no matter what the relationship between the Director and that Shareholder. Directors shall not allow personal interests to conflict with their duties to the Company and shall avoid and refrain from involvement in situations of conflict of interest.

- (b) A Director shall disclose promptly any circumstances such as an office, property, a duty or an interest, which might create a conflict or perceived conflict with that Director's duty to the Company.
- (c) A Director shall disclose promptly any interest that Director may have in an existing or proposed contract or transaction of or with the Company.
- (d) The disclosures contemplated in paragraphs (b) and (c) above shall be immediate if the perception of a possible conflict of interest arises during a meeting of the Board or any committee of the Board, or if the perception of a possible conflict arises at another time then the disclosure shall occur by e-mail to the other Directors immediately upon realization of the conflicting situation and then confirmed at the first Board and/or committee meeting after the Director becomes aware of the potential conflict of interest that is attended by the conflicted Director.
- (e) Each Director will on an annual basis disclose all entities to which it is related, affiliated or in which it holds a, direct or indirect, interest that may do business with the Company or operate in the same industry.
- (f) A Director's disclosure to the Board or a committee of the Board shall disclose the full nature and extent of that Director's interest either in writing or by having the interest entered in the minutes of the meeting of the Board or such committee of the Board.
- (g) A Director with a conflict of interest or who may be perceived as being in a conflict of interest with respect to the Company shall abstain from discussion and voting by the Board or any committee of the Board on any motion to recommend or approve the subject matter of such conflict unless the matter relates primarily to the Director's remuneration or benefits or as otherwise permitted by Applicable Laws. If the conflict of interest is obvious and direct, the Director shall withdraw while the item is being considered.
- (h) Without limiting the generality of "conflict of interest", it shall be deemed a conflict of interest if a Director, a Director's relative, a member of the Director's household in which any relative or member of the household is involved has a direct or indirect financial interest in, or obligation to, or a party to a proposed or existing contract or transaction with the Company.
- (i) Directors shall not use information obtained as a result of acting as a Director for personal benefit or for the benefit of others.
- (j) Any Director shall not use or provide to the Company any information known by the Director that through a relationship with a third party the Director is not legally able to use or provide.
- (k) Directors shall maintain the confidentiality of all information and records obtained as a result of acting as a Director.

Section 7 Mandate Review

This Mandate shall be reviewed and approved by the Board each year after the annual general shareholder meeting of the Company.

Section 8 General

The Board may perform any other activities consistent with this Mandate, the Company's constating documents and Applicable Laws as the Board deems necessary or appropriate.

Approved by the Board on February 10, 2017, as amended and restated on November 4, 2021.