

Audit Committee Mandate

Ratified as of March 18, 2024

1. Introduction

The Audit Committee (the “Committee” or the “Audit Committee”) of International Petroleum Corporation (the “Corporation”) is a committee of the board of directors (the “Board”). The Committee shall oversee the accounting and financial reporting practices of the Corporation and the audits of the Corporation’s financial statements and exercise the responsibilities and duties set out in this Mandate.

2. Membership

Number of Members

The Committee shall be composed of three or more members of the Board.

Independence of Members

Each member of the Committee must be independent. “Independent” shall have the meaning, as the context requires, given to it in National Instrument 52-110 Audit Committees, as may be amended from time to time.

Chair

The members of the Committee shall elect a Chair of the Committee from among their number by majority vote of the full Committee membership. The Chair shall preside over all Audit Committee meetings, coordinate the Audit Committee’s compliance with this Mandate, work with management to develop the Audit Committee’s annual work-plan and provide reports of the Audit Committee to the Board.

Financial Literacy of Members

At the time of his or her appointment to the Committee, each member of the Committee shall have, or shall acquire within a reasonable time following appointment to the Committee, the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.

Term of Members

The members of the Committee shall be appointed annually by the Board. Each member of the Committee shall serve at the pleasure of the Board until the member resigns, is removed, or ceases to be a member of the Board.

3. Meetings

Number of Meetings

The Committee may meet as many times per year as necessary to carry out its responsibilities.

Quorum

No business may be transacted by the Committee at a meeting unless a quorum of the Committee is present. A majority of members of the Committee shall constitute a quorum.

Calling of Meetings

The Chair, any member of the Audit Committee, the external auditor, the Chair of the Board, the Lead Director (if appointed), the Chief Executive Officer or the Chief Financial Officer may call a meeting of the Audit Committee by notifying the Corporation's Corporate Secretary, who will notify the members of the Audit Committee. The Chair shall chair all Audit Committee meetings that he or she attends, and in the absence of the Chair, the members of the Audit Committee present may appoint a chair from their number for a meeting.

Minutes; Reporting to the Board

The Committee shall maintain minutes or other records of meetings and activities of the Committee in sufficient detail to convey the substance of all discussions held. Upon approval of the minutes by the Committee, the minutes shall be circulated to the members of the Board. However, the Chair may report orally to the Board on any matter in his or her view requiring the immediate attention of the Board.

Attendance of Non-Members

The external auditor is entitled to attend and be heard at, and shall be given reasonable notice of, each Audit Committee meeting. In addition, the Committee may invite to a meeting any officers or employees of the Corporation, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out its responsibilities. At least once per year, the Committee shall meet with the internal auditor and management in separate sessions to discuss any matters that the Committee or such individuals consider appropriate.

Meetings without Management

The Committee shall hold unscheduled or regularly scheduled meetings, or portions of meetings, at which management is not present.

Procedure

The procedures for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those applicable to meetings of the Board.

Access to Management

In discharging its duties and responsibilities, the Committee shall have unrestricted access to the Corporation's management and employees and to the relevant books, records and systems of the Corporation as it considers appropriate.

4. Duties and Responsibilities

The Committee shall have the functions and responsibilities set out below as well as any other functions that are specifically delegated to the Committee by the Board and that the Board is authorized to delegate by applicable laws and regulations. In addition to these functions and responsibilities, the Committee shall perform the duties required of an audit committee by any exchange upon which securities of the Corporation are traded, or any governmental or regulatory body exercising authority over the Corporation, as are in effect from time to time (collectively, the "Applicable Requirements").

Financial Reports

(a) General

The Audit Committee is responsible for overseeing the Corporation's financial statements and financial disclosures. Management is responsible for the preparation, presentation and integrity of the Corporation's financial statements and financial disclosures and for the appropriateness of the accounting principles and the reporting policies used by the Corporation. The external auditor is responsible for auditing the Corporation's annual consolidated financial statements and for reviewing the Corporation's unaudited interim financial statements.

(b) Review of Annual Financial Reports

The Audit Committee shall review the annual consolidated audited financial statements of the Corporation, the external auditor's report thereon and the related management's discussion and analysis of the Corporation's financial condition and results of operation ("MD&A"). After completing its review, if advisable, the Audit Committee shall approve and recommend for Board approval the annual financial statements and the related MD&A.

(c) Review of Interim Financial Reports

The Audit Committee shall review the interim consolidated financial statements of the Corporation, the external auditor's review report thereon, if any, and the related MD&A. After completing its review, if advisable, the Audit Committee shall either:

- (i) formally approve (such approval to include the authorization for public release) or
- (ii) recommend for Board approval,

the interim financial statements and the related MD&A. Unless determined otherwise by the Audit Committee in consultation with the Chair of the Board, the Audit Committee will formally approve for release the interim financial statements and related MD&A for the first and third quarters of each fiscal year, and will recommend for Board approval the interim financial statements and related MD&A for the second quarter of each financial year.

(d) Review Considerations

In conducting its review of the annual financial statements or the interim financial statements, the Audit Committee shall:

- (i) meet with management and the external auditor to discuss the financial statements and MD&A;
- (ii) review the disclosure in the financial statements;
- (iii) review the audit report or review report prepared by the external auditor;
- (iv) discuss with management, the external auditor and internal legal counsel, as requested, any litigation claim or other contingency that could have a material effect on the financial statements;
- (v) review the accounting policies followed and critical accounting and other significant estimates and judgements underlying the financial statements as presented by management;
- (vi) review any material effects of regulatory accounting initiatives or off-balance sheet structures on the financial statements as presented by management, including requirements relating to complex or unusual transactions, significant changes to accounting principles and alternative treatments under Canadian generally accepted accounting principles applicable to publicly accountable enterprises;

(vii) review any material changes in accounting policies and any significant changes in accounting practices and their impact on the financial statements as presented by management;

(viii) review management's report on the effectiveness of internal controls over financial reporting;

(ix) review the factors identified by management as factors that may affect future financial results;

(x) review results of the Corporation's whistleblowing program; and

(xi) review any other matters related to the financial statements that are brought forward by the external auditor or management or that are required to be communicated to the Audit Committee under accounting policies, auditing standards or Applicable Requirements.

(e) Review of Other Financial Disclosures

The Audit Committee shall review and, if advisable, recommend for Board approval financial disclosure in a prospectus or other securities offering document of the Corporation, press releases disclosing, or based upon, financial results of the Corporation, financial guidance provided to analysts or rating agencies or otherwise publicly disseminated and any other material financial disclosure.

(f) Review of Future-Oriented Financial Information or Financial Outlook

The Committee shall review and, if advisable, recommend for Board approval any material future oriented financial information or financial outlook and endeavour to ensure that there is a reasonable basis for drawing any conclusions or making any forecasts and projections set out in such disclosures.

Auditors

(a) General

The Audit Committee shall be responsible for oversight of the work of the external auditor, including the external auditor's work in preparing or issuing an audit report, performing other audit, review or attest services or any other related work. The external auditor will report directly to the Committee.

(b) Nomination and Compensation

The Audit Committee shall review and, if advisable, select and recommend for Board approval the external auditor to be nominated and the compensation of such external auditor. The Audit Committee shall have ultimate authority to approve all audit engagement terms and fees, including the external auditor's audit plan.

(c) Resolution of Disagreements

The Audit Committee shall resolve any disagreements between management and the external auditor as to financial reporting matters brought to its attention.

(d) Discussions with External Auditor

At least annually, the Audit Committee shall discuss with the external auditor such matters as are required by applicable auditing standards to be discussed by the external auditor with the Audit Committee.

(e) Audit Plan

At least annually, the Audit Committee shall review a summary of the external auditor's annual audit plan. The Audit Committee shall consider and review with the external auditor any material changes to the scope of the plan.

(f) Quarterly Review Report

The Audit Committee shall review a report prepared by the external auditor in respect of each of the interim financial statements of the Corporation.

(g) Independence of Auditors

At least annually, and before the external auditor issues its report on the annual financial statements, the Audit Committee shall: obtain from the external auditor a formal written statement describing all relationships between the external auditor and the Corporation; discuss with the external auditor any disclosed relationships or services that may affect the objectivity and independence of the external auditor; and obtain written confirmation from the external auditor that it is objective and independent within the meaning of the applicable Rules of Professional Conduct/Code of Ethics adopted by the provincial institute or order of chartered accountants to which the external auditor belongs and other Applicable Requirements. The Audit Committee shall take appropriate action to oversee the independence of the external auditor.

(h) Evaluation and Rotation of Lead Partner

At least annually, the Audit Committee shall review the qualifications and performance of the lead partner(s) of the external auditor and determine whether it is appropriate to adopt or continue a policy of rotating lead partners of the external auditor.

(i) Requirement for Pre-Approval of Non-Audit Services

The Audit Committee shall approve in advance any retainer of the external auditor to provide any non-audit service to the Corporation (together with all non-audit service fees) that it deems advisable in accordance with Applicable Requirements and Board-approved policies and procedures. The Audit Committee shall consider the impact of such service and fees on the independence of the external auditor. The Audit Committee may delegate pre-approval authority to a member of the Audit Committee. The decisions of any member of the Audit Committee to whom this authority has been delegated must be presented to the full Audit Committee at its next scheduled Audit Committee meeting.

(j) Approval of Hiring Policies

The Audit Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation and the Committee shall be responsible for any specified reporting and pre-approval functions thereunder.

(k) Communication with Internal Auditor

The internal auditor shall report regularly to the Committee. The Committee shall review with the internal auditor any problem or difficulty the internal auditor may have encountered including, without limitation, any restrictions on the scope of activities or access to required information, and any significant reports to management prepared by the internal auditing department and management's responses thereto. The Committee shall periodically review and approve the mandate, plan, budget and staffing of the internal audit department. The Committee shall direct management to make changes it deems advisable in respect of the internal audit function.

The Committee shall review the appointment, performance and replacement of the senior internal auditing executive and the activities, organization structure and qualifications of the persons responsible for the internal audit function.

(l) Financial Executives

The Committee shall review and discuss with management the appointment of key financial executives and recommend qualified candidates to the Board, as appropriate.

Internal Controls

(a) General

The Audit Committee shall review the Corporation's system of internal controls.

(b) Establishment, Review and Approval

The Audit Committee shall require management to implement and maintain appropriate systems of internal controls in accordance with Applicable Requirements, including internal controls over financial reporting and disclosure and to review, evaluate and approve these procedures. At least annually, the Audit Committee shall consider and review with management and the external auditor:

- (i) the effectiveness of, or weaknesses or deficiencies in: the design or operation of the Corporation's internal controls (including computerized information system controls and security); the overall control environment for managing business risks; and accounting, financial and disclosure controls (including, without limitation, controls over financial reporting), non-financial controls, and legal and regulatory controls and the impact of any identified weaknesses in internal controls on management's conclusions;
- (ii) any significant changes in internal controls over financial reporting that are disclosed, or considered for disclosure, including those in the Corporation's periodic regulatory filings;
- (iii) any material issues raised by any inquiry or investigation by regulators;
- (iv) the Corporation's fraud prevention and detection program, including deficiencies in internal controls that may impact the integrity of financial information, or may expose the Corporation to other significant internal or external fraud losses and the extent of those losses and any disciplinary action in respect of fraud taken against management or other employees who have a significant role in financial reporting; and
- (v) any related significant issues and recommendations of the external auditor together with management's responses thereto, including the timetable for implementation of recommendations to correct weaknesses in internal controls over financial reporting and disclosure controls.

Risk Management

The Audit Committee shall coordinate with the Reserves and Sustainability Committee (as it relates to ESG (environmental, social and governance), sustainability and climate-related risks) and with the Compensation Committee (as it relates to compensation-related risks) and review with management:

- (i) the effectiveness of the Corporation's procedures with respect to risk identification, assessment and management;
- (ii) the Corporation's major risk exposures;
- (iii) the steps management has taken to monitor and control such exposures; and
- (iv) the effect of relevant regulatory initiatives and trends.

The Audit Committee, with the assistance of management, shall periodically report to the Board on these matters in support of the Board's responsibility for the management of the principal risks associated with the Corporation's business and operations.

Hedging Strategy

The Audit Committee shall be responsible, on behalf of the Board, for approving the hedging strategy of the Corporation from time to time, including with respect to commodity price, foreign exchange and interest rate hedging, financial or physical, intended to manage, mitigate or eliminate risks in relation to commodity price, foreign exchange and interest rate fluctuations. The Corporation shall report to the Audit Committee at each Audit Committee meeting regarding

hedges placed under the approved hedging strategy. The Audit Committee shall regularly report to the Board on the approved hedging strategy and on hedges placed under such strategy.

Compliance with Legal and Regulatory Requirements

The Audit Committee shall review reports from the Corporation's Corporate Secretary and other management members on: legal or compliance matters that may have a material impact on the Corporation; the effectiveness of the Corporation's compliance policies; and any material communications received from regulators. The Audit Committee shall review management's evaluation of and representations relating to compliance with specific applicable law and guidance, and management's plans to remediate any deficiencies identified.

Whistleblowing Procedures

The Audit Committee shall establish procedures for (a) the receipt, retention, and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters. Any such complaints or concerns that are received shall be reviewed by the Audit Committee and, if the Audit Committee determines that the matter requires further investigation, it will direct the Chair of the Audit Committee to engage outside advisors, as necessary or appropriate, to investigate the matter and will work with management and the general counsel to reach a satisfactory conclusion.

Audit Committee Disclosure

The Audit Committee shall prepare, review and approve any audit committee disclosures required by Applicable Requirements in the Corporation's disclosure documents.

Delegation

The Audit Committee may, to the extent permitted by Applicable Requirements, designate a sub-committee to review any matter within this mandate as the Audit Committee deems appropriate.

5. Outside Advisors

The Committee shall have the authority to retain external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective compensation for these advisors. The Corporation shall provide appropriate funding, as determined by the Committee, for the services of these advisors.

6. No Rights Created

This Mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the Audit Committee functions. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Corporation's articles, it is not intended to establish any legally binding obligations.

7. Mandate Review

The Committee shall review and update this Mandate annually and present it to the Board for approval.