



**FRONTERA ENERGY CORPORATION**

**CORPORATE GOVERNANCE, NOMINATING  
AND SUSTAINABILITY COMMITTEE CHARTER**

---

**I. PURPOSE**

The Corporate Governance, Nominating and Sustainability Committee (the “**Committee**”) is a standing committee appointed by the board of directors (the “**Board**”) of Frontera Energy Corporation (the “**Corporation**”). The Committee is responsible for overseeing and assessing the functioning of the Board and the committees of the Board and for the development, implementation and assessment of effective corporate governance principles. In addition, the Committee is also responsible for assisting the Board in reviewing and implementing the Corporation’s corporate sustainability policies, including environmental, social, health and safety matters, and is responsible for advising the Board on such matters.

The Committee’s responsibilities also include identifying candidates for nomination as a director and recommending that the Board select qualified director candidates for election at each annual meeting of shareholders (“**Annual Meeting**”).

**II. PROCEDURES, POWERS, COMPOSITION AND MEETINGS**

The Committee shall have the following procedures, powers, composition and meetings:

1. The Committee shall be composed of at least three directors as shall be designated by the Board from time-to-time, the majority of which shall be independent directors<sup>1</sup>, and one of whom shall be designated by the Board to serve as chairperson (the “**Chair**”). The members of the Committee shall be selected by the Board taking into account prior experience in matters to be considered by the Committee, probable availability at times required for consideration of these matters, and their individual objectivity. All members shall have the skills and/or experience which are relevant to the mandate of the Committee, as determined by the Board. The members of the Committee shall serve until the earliest to occur of the date on which the appointed member shall be replaced by the Board, resign from the Committee, or leave the Board.
2. If and whenever a vacancy shall exist, the remaining members of the Committee may exercise all of its powers and responsibilities so long as a quorum remains in office.
3. Meetings of the Committee shall be held from time-to-time as the Committee or the Chair thereof shall determine as necessary to perform the duties described herein upon 48 hours’ notice to each of its members; provided that the Committee shall meet at least once per year. The notice period may be waived by a quorum of the Committee

---

<sup>1</sup> A director is “independent” if he or she would be independent for the purposes of Sections 1.4 and 1.5 of *National Instrument 52-110 – Audit Committees*.

4. A minimum of two and at least 50% of the members of the Committee present either in person or by telephone shall constitute a quorum.
5. Any member of the Committee may participate in a meeting of the Committee by means of telephone conference or other communication equipment, and the member participating in a meeting pursuant to this paragraph shall be deemed, for purposes hereof, to be present in person at the meeting.
6. The Committee shall keep minutes of its meetings which, if requested, shall be submitted to the Board. The Committee may, from time-to-time, appoint any person who need not be a member, to act as a secretary at any meeting. Supporting schedules and information reviewed by the Committee shall be available for examination by any director of the Board.
7. The Committee shall investigate any activity of the Corporation, including all of its subsidiaries (as such term is defined in the Code of Business Conduct and Ethics) and Fundación Frontera, relating to environmental and social matters. The Committee has been, and shall be, granted unrestricted access to any information it considers to be necessary or desirable in order to perform its duties and responsibilities.
8. The Committee may engage, set and pay the compensation, at the Corporation's expense, for persons having specialized competencies (including, without limitation, legal or other consultants and experts) and/or other advisors as it determines necessary to assist in fulfilling its duties and responsibilities.
9. The Committee may invite any officers, directors, employees or advisors of the Corporation, any of its subsidiaries, Fundación Frontera, or such other persons as it may see fit, from time to time, to attend its meetings and to take part in discussion and consideration of the affairs of the Committee.
10. Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose. Actions of the Committee may be taken by an instrument or instruments in writing signed by all members of the Committee in as many counterparts as may be necessary, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose.
11. Following meetings of the Committee, the Committee, through its Chair, will report to the Board on matters considered by the Committee.

### **III. RESPONSIBILITIES AND DUTIES**

#### **Board Composition and Director Nominations**

12. The Committee shall identify and recommend to the Board qualified director nominees for election at the Annual Meeting.
13. The Committee shall:
  - a) review from time to time the size, composition, operation, practice and tenure policies of the Board;
  - b) develop and review periodically the standards to be applied in making determinations as to the presence or absence of material relationships between a director and the Corporation;

- c) review annually the competencies, skills and personal qualities required of directors in order to add value to the Corporation, in light of:
    - i. the opportunities and risks facing the Corporation and the Corporation's proposed strategy;
    - ii. the need to ensure that a majority of the Board is comprised of "independent" directors; and
    - iii. the Corporation's corporate governance guidelines and Board policies with respect to, among other things, director tenure, retirement and succession and the number of boards on which directors may sit;
  - d) review periodically the competencies, skills and personal qualities of each existing director, and the contributions made by the director to the effective operation of the Board and review any significant change in the primary occupation of the director; and
  - e) in light of (a), (b), (c) and (d) above, make recommendations for changes to the composition of the Board.
14. The Committee shall recruit and consider candidates for nomination as a director, including any candidates recommended by shareholders, having regard to the background, employment and qualifications of possible candidates. The Committee shall:
- a) consider whether the candidate's competencies, skills and personal qualities are aligned with the Corporation's needs and any criteria for selecting new directors established by the Board;
  - b) consider the commitment of time and resources that the candidate is able to devote to the Corporation as a member of the Board in light of what the Corporation expects from the candidate;
  - c) consider the recommendations of the Chairman of the Board, if any; and
  - d) ensure the candidate understands the demands and expectations of being a director of the Corporation.

#### **Director Compensation and Protection**

- 15. The Committee shall recommend to the Compensation and Human Resources Committee the terms upon which directors shall be compensated.
- 16. The Committee shall receive a report from management with respect to the directors and officers insurance policy of the Corporation and make recommendations for its renewal or amendment or the replacement of the insurer.

#### **Chief Executive Officer and Other Executive Officers**

- 17. The Committee shall make recommendations to the Board on the selection and evaluation of the Chief Executive Officer and other executive officers, including in respect of the integrity of the Chief Executive Officer and other executive officers, after considering the recommendations of the Chairman of the Board, if any on such matters.

### **Corporate Governance**

18. The Committee is responsible for reviewing at least annually the Corporation's approach to governance issues and shall make recommendations to the Board in respect of revisions to the Corporation's corporate governance guidelines to ensure compliance with applicable securities laws and industry standards. The Committee shall make recommendations to the Board respecting the number of boards on which directors may sit and Board policies with respect to director tenure, retirement and succession.
19. The Committee shall approve, in appropriate circumstances, the engagement of an outside advisor by an individual director at the expense of the Corporation.

### **Insider Trading and Public Disclosure**

20. The Committee shall review any changes recommended by management regarding the Corporation's Public Disclosure Policy, and revise as necessary the Corporation's Insider Trading Policy.
21. The Committee shall periodically review management's systems and practices for ensuring that all directors and officers of the Corporation who are required to do so file insider reports in connection with any trade of securities of the Corporation or any derivative transaction which results in the effective disposition of the individual's economic interest in a security of the Corporation within the time period in which such reports are required to be filed.

### **Director Orientation and Continuing Education**

22. The Committee shall provide such information to new members of the Board so as to ensure that such directors are familiar with the Corporation's business and procedures of the Board. Information may include the Corporation's corporate and organizational structure, recent filings and financial information, governance documents and important policies and procedures. The Committee shall ensure that every director possesses the capabilities, expertise, availability and knowledge required to fill his or her position adequately. From time to time, the Committee shall arrange on-site tours of the Corporation's operations.
23. The Committee shall ensure that all new directors receive a comprehensive orientation seminar or package so that they fully understand the role of the Board and its committees, as well as the contribution individual directors are expected to make.
24. The Committee shall provide continuing educational opportunities for all directors, so that individuals may maintain or enhance their skills and abilities as directors, as well as to ensure their knowledge and understanding of the Corporation's business remains current.

### **Board Evaluations**

25. The Committee shall annually review and make recommendations to the Board for changes to the mandate of the Board and the position description of the chair of the Board.
26. The Committee shall conduct annual surveys of directors with respect to their views on the effectiveness of the Board, the chair of the Board, each committee of the Board and its chair and the contribution of individual directors.

27. The Committee shall evaluate the performance of the chair of the Board, having regard for the position description for the chair of the Board and his or her attendance at Board and Board committee meetings and overall contribution.
28. The Committee shall also annually assess the effectiveness of the Board as a whole and each committee of the Board, including the Committee, and make recommendations to the Board.

### **Operations of the Board**

29. The Committee shall assess the needs of the Board and make recommendations with respect to rules and guidelines governing and regulating the affairs of the Board, including:
  - a) the frequency and location of Board and committee meetings;
  - b) procedures for establishing meeting agendas and the conduct of meetings;
  - c) the adequacy and quality of the information provided to the Board prior to and during its meetings; and
  - d) the availability, relevance and timeliness of discussion papers, reports and other information required by the Board.

### **Board Committees**

30. At the first meeting of the Board following each Annual Meeting, the Committee shall recommend to the Board the allocation of directors to each of the Board committees. Thereafter, when a vacancy occurs at any time in the membership of any Board committee, the Committee shall recommend a particular director to the Board to fill such vacancy.

### **Board Independence**

31. The Committee shall monitor and assess the relationship between the Board and management, defining the limits to management's responsibilities and making such recommendations as it may deem necessary with a view to ensuring that the Board is able to function independently of management.

### **Reporting and Disclosure Requirements**

32. The Committee shall annually prepare, review and approve the corporate governance report to be given in either the annual report to shareholders or the proxy circular prepared in connection with the Annual Meeting. The corporate governance report shall describe the corporate governance practices of the Corporation with reference to the reporting requirements of any stock exchange on which the common shares of the Corporation are listed, National Instrument 58-101 *Disclosure of Corporate Governance Practices* and any other applicable securities laws.

### **Stakeholder Engagement**

33. Implement and oversee procedures by which shareholders may provide feedback directly to any individual director, including the independent directors as a group, the Board or any Board committee and by which any interested party may communicate directly with the Chairman of the Board and the independent directors.

### **Environmental, Social, Sustainability, Health and Safety Matters**

The Committee Shall:

34. Review the Corporation's internal control systems in the areas of environmental, health and safety.
35. Delegate to management the responsibility of drafting policies and programs related to corporate sustainability matters, which policies and programs shall be submitted to the Committee for review and subsequently, to the Board for approval.
36. Establish and recommend to the Board for approval, goals, policies and programs related to environmental, social, sustainability, health and safety issues.
37. Review and recommend to the Board for approval, changes in or additions to the Corporation's goals, strategies, policies and programs related to environmental, social, sustainability, health and safety issues.
38. Review with management the Corporation's goals, policies and programs related to environmental, social, sustainability, health and safety issues.
39. Review the Corporation's annual sustainability report.
40. As the Committee determines appropriate, make inquiries of management concerning compliance with applicable laws, rules, regulations and standards of corporate conduct in accordance with the Corporation's environmental, social, sustainability, health and safety policies and programs.
41. Receive reports on the nature and extent of compliance or any non-compliance with environmental, health and safety policies, programs and applicable legislation and establish plans to correct deficiencies, if any, and to report to the Board on the status of such matters.
42. Review with management the following items as they relate to environmental, social, sustainability, health and safety matters:
  - a) the Corporation's policies with respect to risk assessment and risk management;
  - b) the Corporation's major financial risk exposures;
  - c) the steps management has taken to monitor and control such exposures;
  - d) the effect of relevant regulatory initiatives and emerging trends; and
  - e) all material claims, demands and legal proceedings against the Corporation.
43. Review with management, the Corporation's record of performance on environmental, social, sustainability, health and safety matters, along with any proposed actions based on the record of performance.
44. Apprise the Board regularly of significant developments in the course of performing the above duties, including reviewing with the Board any issues that arise with respect to (i) the Corporation's compliance with legal or regulatory requirements and (ii) the implications of major corporate undertakings such as the acquisition or expansion of facilities or the decommissioning of facilities.

45. Apprise the audit committee of the Board of significant changes in financial risk exposures or potential disclosure issues relating to environmental, social, sustainability, health and safety matters.
46. Review and reassess the adequacy of this Charter on an annual basis and submit any proposed revisions to the Board for consideration and approval.
47. Perform any other activities consistent with this Charter as the Committee or the Board deems necessary or appropriate.

#### **IV. GENERAL**

48. The Committee shall undertake on behalf of the Board such other corporate governance initiatives as may be necessary or desirable to enable the Board to provide effective corporate governance for the Corporation and contribute to the success of the Corporation and enhance shareholder value.
49. Notwithstanding the foregoing and subject to applicable laws, nothing contained in this Charter is intended to require the Committee to ensure the Corporation's compliance with applicable laws or regulations.
50. Notwithstanding the foregoing and subject to applicable laws, the Committee may delegate authority to one or more members or subcommittees when deemed appropriate, provided that the actions of any such members or subcommittees must be reported to the full Committee no later than at its next scheduled meeting.
51. The Committee is a committee of the Board and it is not and shall not be deemed to be an agent of the Corporation's shareholders for any purpose whatsoever. The Board may, from time to time, permit departures from the terms hereof, either prospectively or retrospectively. No provision contained herein is intended to give rise to civil liability to security holders of the Corporation or any other liability whatsoever.

#### **V. THIS CHARTER**

The Committee shall review and reassess the adequacy of this Charter at least annually and otherwise as it deems appropriate and recommend changes to the Board. Each year the Committee shall review its performance with reference to this Charter.

The Committee shall ensure that this Charter or a summary of it which has been approved by the Committee is disclosed in accordance with all applicable securities laws or regulatory requirements in the proxy circular prepared in connection with the Annual Meeting or annual report of the Corporation.

#### **VI. CURRENCY OF THIS CHARTER**

A charter of the Committee was initially adopted by the Board on November 16, 2007. The charter of the Sustainability Committee, now forming part of this Charter, was initially adopted by the Board on May 30, 2013. This Charter incorporated the duties, roles and obligations of the Sustainability Committee of the Board on March 14, 2017 and was last revised and approved by the Board on December 6, 2017.