No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

*This prospectus supplement (the "**Prospectus Supplement**") together with the short form base shelf prospectus dated March 28, 2024 (the "**Shelf Prospectus**") to which it relates, as amended and supplemented, and each document incorporated by reference or deemed to be incorporated by reference in the Shelf Prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.*

*These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"), or any state securities laws, and, accordingly, may not be offered or sold within the United States or to a U.S. person (as such term is defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws or in certain transactions exempt from the registration requirements of the 1933 Act and applicable state securities laws. This Prospectus Supplement does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States or its territories or possessions. See "Plan of Distribution".*

Information has been incorporated by reference in this Prospectus Supplement from documents filed with the securities commissions or similar authorities in Canada. *Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Cardinal Energy Ltd., at Suite 600, 400 – 3rd Avenue S.W., Calgary, Alberta, T2P 4H2, phone number (403) 234-8681, and are also available electronically on SEDAR+ at www.sedarplus.ca.*

PROSPECTUS SUPPLEMENT

To a Short Form Base Shelf Prospectus Dated March 28, 2024

New Issue February 27, 2025

CARDINAL ENERGY LTD.

$40,000,000

8.25% Senior Subordinated Unsecured Debentures

Price: $1,000 per Debenture

This Prospectus Supplement, together with the Shelf Prospectus, qualifies for distribution (the "**Offering**") $40,000,000 aggregate principal amount of 8.25% senior subordinated unsecured debentures (the "**Debentures**") of Cardinal Energy Ltd. (the "**Corporation**" or "**Cardinal**") at a price of $1,000 per Debenture. The Debentures will bear interest at an annual rate of 8.25%, payable semi-annually in arrears on the last business day of March and September of each year commencing September 30, 2025, with the initial interest payment representing accrued interest for the period from and including the date of issue to, but excluding, September 30, 2025. The Debentures have a maturity date of September 30, 2030 (the "**Maturity Date**"). See "*Description of the Debentures — General*".

The Debentures are not redeemable by the Corporation prior to September 30, 2028, except upon the satisfaction of certain conditions after a Change of Control (as defined herein) has occurred. On and after September 30, 2028 and prior to September 30, 2029, the Debentures may be redeemed by the Corporation, in whole or in part, at a redemption price equal to 104.125% of the principal amount thereof plus accrued and unpaid interest, if any, up to but excluding the date of redemption. On and after September 30, 2029, and prior to the Maturity Date, the Debentures may be redeemed by the Corporation, in whole or in part, at a redemption price equal to the principal amount thereof plus accrued and unpaid interest, if any, up to but excluding the date of redemption. The Corporation shall provide not more than 60 days' nor less than 30 days' prior notice of redemption. See "*Description of the Debentures — Redemption*".

The Corporation may, at its option, subject to applicable regulatory approval (including the approval of the Toronto Stock Exchange (the "**TSX**")) and provided that no Event of Default (as defined herein) has occurred and is continuing, elect to satisfy its obligation to pay, in whole or in part, the principal amount of and premium (if any) on the Debentures that are to be redeemed or that have matured, upon not less than 40 days' and not more than 60 days' prior notice, by issuing to the holders thereof that number of freely tradeable Common Shares determined by dividing the principal amount of the Debentures being repaid by 95% of the Current Market Price (as defined herein) on the date of redemption or the Maturity Date, as applicable. In addition, subject to applicable regulatory approval (including the approval of the TSX) and provided that no Event of Default has occurred, freely tradeable Common Shares may be issued to the Debenture Trustee (as defined herein) and sold, with the proceeds used to satisfy the obligation to pay interest on the Debentures. See "*Description of the Debentures — Method of Payment*".

There is currently no market through which the Debentures may be sold and purchasers may not be able to resell the Debentures purchased under this Prospectus Supplement. This may affect the pricing of the Debentures in the secondary market, the transparency and availability of trading prices, the liquidity of the Debentures, and the extent of issuer regulation. An investment in the Debentures and the Common Shares that may be issued thereunder is subject to a number of risks and investment considerations that should be considered by a prospective purchaser. See "*Advisories – Forward-Looking Statements*" and "*Risks and Uncertainties*" in this Prospectus Supplement and "*Risk Factors*" in the AIF (as defined herein), which is incorporated by reference herein and available electronically on SEDAR+ at www.sedarplus.ca.

The Common Shares are listed and posted for trading on the TSX under the symbol "CJ". The TSX has conditionally approved the listing of the Debentures issuable pursuant to the Offering. Listing will be subject to the Corporation fulfilling all of the listing requirements of the TSX on or before May 28, 2025. On February 24, 2025, the last full trading day prior to the public announcement of the Offering, the closing price of the Common Shares on the TSX was $6.58 per Common Share. On February 26, 2025, the full last trading day prior to the date of this Prospectus Supplement, the closing price of the Common Shares on the TSX was $6.51 per Common Share.

	Price: $1,000 per Debenture		
	Price to the Public[(1)]	**Underwriters' Fee[(2)]**	**Net Proceeds to Cardinal[(3)(4)]**
Per Debenture	$1,000	$40.00	$960.00
Total	$40,000,000	$1,600,000	$38,400,000

Notes:

(1) The terms of the Offering and the price of the Debentures were determined by negotiation between the Corporation and the Joint Bookrunners (as defined herein), on behalf of the Underwriters (as defined herein).

(2) The Underwriters' fee represents 4.00% of the offering price of the Debentures (the "**Underwriters' Fee**"). For the purposes of this Prospectus Supplement, the Underwriters' Fee has been calculated on the basis of 4.00% for all sales, provided that up to $5,000,000 aggregate principal amount of Debentures may be sold to current executives, directors and employees of the Corporation at a reduced underwriting commission equal to 2.00% of the offering price of the Debentures (the "**President's List Purchases**").

(3) Before deducting the expenses of the Offering, which are estimated to be approximately $400,000.

(4) Cardinal has granted to the Underwriters an option (the "**Underwriters' Option**"), exercisable in whole or in part, to purchase up to an additional $5,000,000 aggregate principal amount of Debentures on the same terms and conditions as the Offering, at any time up until two business days prior to the Closing Date. If the Underwriters' Option is exercised in full, the "Price to the Public", "Underwriters' Fee" and "Net Proceeds to Cardinal" (before deducting expenses of the Offering) will be $45,000,000, $1,800,000 and $43,200,000, respectively. This Prospectus Supplement also qualifies the grant of the Underwriters' Option and the distribution of the Debentures issued upon the exercise of the Underwriters' Option. See "*Plan of Distribution*".

The following table sets out the aggregate principal amount of Debentures that may be sold by the Corporation to the Underwriters pursuant to the Underwriters' Option:

Underwriters' Position	Maximum Size	Exercise Period	Exercise Price
Underwriters' Option	$5,000,000 aggregate principal amount of Debentures	Up until two (2) Business Days prior to the Closing Date	$1,000 per Debenture

Unless the context otherwise requires, when used herein, all references to "Offering" and "Debentures" include the additional Debentures issuable upon exercise of the Underwriters' Option.

CIBC World Markets Inc. and RBC Dominion Securities Inc. (collectively, the "**Joint Bookrunners**") together with ATB Securities Inc. (collectively with the Joint Bookrunners, the "**Co-Lead Underwriters**"), BMO Nesbitt Burns Inc., Peters & Co. Limited, Canaccord Genuity Corp. and Raymond James Ltd. (collectively with the Co-Lead Underwriters, the "**Underwriters**"), as principals, conditionally offer the Debentures qualified under this Prospectus Supplement, subject to prior sale, if, as and when issued, sold and delivered by Cardinal and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement (as defined herein) between Cardinal and the Underwriters referred to under "*Plan of Distribution*", and subject to the approval of certain legal matters with respect to matters of Canadian law on behalf of the Corporation by Burnet, Duckworth & Palmer LLP and on behalf of the Underwriters by Blake, Cassels & Graydon LLP.

After the Underwriters have made a reasonable effort to sell all of the Debentures offered under this Prospectus Supplement at the offering price specified above, the Underwriters may reduce the offering price of any Debentures not sold or otherwise change the selling terms of such Debentures from time to time. Any such reduction will not affect the proceeds to be received by Cardinal. See "*Plan of Distribution*".

Subscriptions for Debentures offered under this Prospectus Supplement will be received subject to rejection or allotment in whole or in part, and the right is reserved to close the subscription books at any time without notice. It is expected that the Offering will close on March 4, 2025, or such other date as may be agreed upon by the Corporation and the Underwriters, but in any event, not later than March 31, 2025 (the "**Closing Date**").

Except in certain limited circumstances: (i) the Debentures will be issued and deposited in electronic form with CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee pursuant to the book-based system administered by CDS; (ii) certificates evidencing the Debentures will not be issued to subscribers; and (iii) subscribers will receive only a customer confirmation from an Underwriter or other registered dealer who is a CDS participant (a "**Participant**") and from or through whom a beneficial interest in the Debentures are purchased. See "*Description of the Debentures — Book-Based System for Debentures*".

Investors should be aware that the acquisition, holding and disposition of the securities described in this Prospectus Supplement may have tax consequences in Canada or elsewhere depending on each particular investor's specific circumstances. Investors should consult their own tax advisors with respect to such tax considerations. See "*Certain Canadian Federal Income Tax Consideration*s". Investors who are not residents of Canada for tax purposes should consult their own tax advisors concerning the consequences to them of acquiring Debentures under the Offering.

An investment in Debentures and Common Shares that may be issued thereunder is subject to a number of risks, uncertainties and investment considerations that should be carefully considered by a prospective investor. Prospective investors should carefully review this Prospectus Supplement, the Shelf Prospectus and specifically the documents incorporated by reference herein or therein, and the risk factors set out in each such document and herein before purchasing Debentures. The risk factors identified under the headings "*Advisories – Forward-Looking Statements*" and "*Risks and Uncertainti*es" in this Prospectus Supplement and "*Risk Factors*" in the AIF should be carefully reviewed and evaluated by prospective investors before making an investment decision. It is important for investors to consider the particular risk factors that may affect the industry in which they are investing, and therefore the stability of interest payments and the dividends paid by Cardinal. An investment in Debentures and/or Common Shares is suitable for only those investors who are willing to risk a loss of their entire investment.

Each of the Co-Lead Underwriters are, directly or indirectly, a subsidiary or an affiliate of a bank or financial institution that is a lender to Cardinal. Accordingly, pursuant to applicable securities legislation, Cardinal may

be considered a "connected issuer" of such Underwriters. See "*Relationship Between Cardinal and Certain of the Underwriters*" and "*Use of Proceeds*".

Cardinal's head office is located at Suite 600, 400 – 3rd Avenue SW, Calgary, Alberta, T2P 4H2 and its registered office is located at Suite 2400, 525 – 8th Avenue S.W., Calgary, Alberta, Canada, T2P 1G1.

TABLE OF CONTENTS

ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this Prospectus Supplement, which describes the terms of the Offering and adds to and updates information contained in the accompanying Shelf Prospectus and the documents incorporated by reference therein. The second part is the Shelf Prospectus, which gives more general information, some of which may not apply to the Offering. This Prospectus Supplement is deemed to be incorporated by reference into the Shelf Prospectus solely for the purpose of the Offering. If information in this Prospectus Supplement is inconsistent with the accompanying Shelf Prospectus or the information incorporated by reference, you should rely on this Prospectus Supplement. You should read both this Prospectus Supplement and the accompanying Shelf Prospectus together.

Prospective investors should rely only on the information contained in this Prospectus Supplement and accompanying Shelf Prospectus (including the documents incorporated by reference herein and therein). Neither Cardinal nor the Underwriters have authorized any other person to provide prospective investors with different information. If a prospective investor is provided with different or inconsistent information, the prospective investor should not rely on such information. The information contained in this Prospectus Supplement and accompanying Shelf Prospectus (including the documents incorporated by reference herein and therein) is accurate only as of the date of this Prospectus Supplement or the Shelf Prospectus, as applicable (or the date of the document incorporated by reference herein and therein, as applicable), regardless of the time of delivery of this Prospectus Supplement or any sale of any of the Debentures. The information contained on Cardinal's website is not included or incorporated by reference in this Prospectus Supplement and accompanying Shelf Prospectus and prospective investors should not rely on such information when deciding whether or not to invest in the Debentures. Neither Cardinal nor the Underwriters are making an offer to sell in any jurisdiction where an offer or sale is not permitted by applicable law.

Unless indicated otherwise, the financial information in this Prospectus Supplement, including the documents incorporated by reference herein, has been prepared in accordance with IFRS.

GLOSSARY OF TERMS

The following terms used in this Prospectus Supplement have the meanings set out below:

"**1933 Act**" has the meaning attributed thereto on the cover page;

"**2024 Reserve Report**" means collectively, the report prepared by GLJ evaluating the crude oil, natural gas and natural gas liquids reserves attributable to all of the Corporation's total proved plus probable reserves as at December 31, 2024, other than the crude oil reserves attributable to the Corporation's Reford Project and the report of McDaniel evaluating the Corporation's crude oil reserves attributable to the Reford Project as at December 31, 2024;

"**AIF**" means the annual information form of Cardinal dated March 27, 2024 for the year ended December 31, 2023;

"**allowable capital loss**" has the meaning attributed thereto under the heading "*Certain Canadian Federal Income Tax Considerations*";

"**Annual Financial Statements**" means the audited financial statements of Cardinal as at and for the years ended December 31, 2023 and 2022, together with the notes thereto and the auditor's reports thereon;

"**Annual MD&A**" means the management's discussion and analysis of the financial condition and results of operations of Cardinal for the year ended December 31, 2023;

"**Board**" means the board of directors of Cardinal;

"**Business Day**" means any day other than a Saturday, Sunday or any other day that the Debenture Trustee in Calgary, Alberta is not generally open for business;

"**Canadian Holder**" has the meaning attributed thereto under the heading "*Certain Canadian Federal Income Tax Considerations*";

"**CDS**" has the meaning attributed thereto on the cover page;

"**Change of Control**" has the meaning attributed under thereto under the heading "*Description of the Debentures – Change of Control*";

"**Closing Date**" has the meaning attributed thereto on the cover page;

"**COGEH**" means the Canadian Oil and Gas Evaluation Handbook;

"**Common Share**" has the meaning attributed thereto on the cover page;

"**Common Share Interest Payment Election**" has the meaning set forth under the heading "*Description of the Debentures – Method of Payment – Interest Payment Election*";

"**Common Share Payment Right**" has the meaning set forth under the heading "*Description of the Debentures – Method of Payment – Payment of Principal on Redemption or at Maturity*";

"**Co-Lead Underwriters**" has the meaning attributed thereto on the cover page;

"**Controlling Individual**" has the meaning attributed thereto under the heading "*Eligibility for Investment*";

"**Corporation**" or "**Cardinal**" has the meanings attributed thereto on the cover page;

"**CRA**" means the Canada Revenue Agency;

"**Credit Facilities**" has the meaning attributed thereto under the heading "*Consolidated Capitalization*";

"**Current Market Price**" means the arithmetic average of the volume-weighted average trading price per Common Share for the 20 consecutive trading days ending on the fifth trading day preceding the date of determination on the TSX (or, if the Common Shares are not listed on the TSX, on such stock exchange on which the Common Shares are listed as may be selected for such purpose by the Board and approved by the Debenture Trustee, or if the Common Shares are not listed on any stock exchange, then on the over-the-counter market). The volume weighted average trading price shall be determined by dividing the aggregate sale price of all Common Shares sold on the said exchange or market, as the case may be, during the said 20 consecutive trading days by the total number of Common Shares so sold;

"**Debenture Certificates**" has the meaning set forth under the heading "*Description of the Debentures – Book-Based System for Debentures*";

"**Debenture Indenture**" means the trust indenture dated January 3, 2025, between Cardinal and the Debenture Trustee, as supplemented by a supplemental indenture creating and setting forth the terms of the Debentures to be entered into between Cardinal and the Debenture Trustee;

"**Debenture Offer**" has the meaning set forth under the heading "*Description of the Debentures – Change of Control*";

"**Debenture Offer Price**" has the meaning set forth under the heading "*Description of the Debentures – Change of Control*";

"**Debenture Trustee**" means Odyssey Trust Company or its successor or successors in their capacity as debenture trustee of the Debentures pursuant to the Debenture Indenture;

"**Debentureholders**" means holders of Debentures;

"**Debentures**" has the meaning attributed thereto on the cover page;

"**Event of Default**" has the meaning set forth under the heading "*Description of the Debentures – Events of Default*";

"**FHSA**" has the meaning attributed thereto under the heading "*Eligibility for Investment*";

"**forward-looking statements**" has the meaning attributed thereto under the heading "*Advisories – Forward-Looking Statements*";

"**GLJ**" means GLJ Ltd.;

"**Holder**" has the meaning attributed thereto under the heading "*Certain Canadian Federal Income Tax Considerations*";

"**IFRS**" means the International Financial Reporting Standards, as adopted by the International Accounting Standards Board;

"**Initial Debentures**" means the $60,000,000 aggregate principal amount of 7.75% senior subordinated unsecured debentures of Cardinal issued on January 3, 2025 and due March 31, 2030;

"**Interest Obligation**" has the meaning set forth under "*Description of the Debentures – Method of Payment – Interest Payment Election*";

"**Interest Payment Date**" has the meaning set forth under "*Description of the Debentures – Method of Payment – Interest Payment Election*";

"**Interim Financial Statements**" means the unaudited condensed interim financial statements of Cardinal as at September 30, 2024 and for the three and nine-month periods ended September 30, 2024 and 2023, together with the notes thereto;

"**Interim MD&A**" means the management's discussion and analysis of the financial condition and results of operations of Cardinal as at September 30 2024 and for the three and nine-month periods ended September 30, 2024;

"**January 2025 Offering**" means the offering of $60 million of units of Cardinal on January 3, 2025, each unit consisting of one Initial Debenture with a par value of $1,000 and 65 January 2025 Warrants;

"**January 2025 Warrants**" means the warrants issued in the January 2025 Offering, each warrant entitling the holder to acquire one Common Share at a price of $7.00 per Common Share for a period of three years following the date of issuance;

"**Joint Bookrunners**" has the meaning attributed thereto on the cover page;

"**Maturity Date**" has the meaning attributed thereto on the cover page;

"**McDaniel**" means McDaniel & Associates Consultants Ltd.;

"**MD&A**" means, collectively, the Annual MD&A and the Interim MD&A;

"**Non-Canadian Holder**" has the meaning attributed thereto under the heading "*Certain Canadian Federal Income Tax Considerations*";

"**Offering**" has the meaning attributed thereto on the cover page;

"**Offering Term Sheet**" has the meaning attributed thereto under the heading "*Marketing Materials*";

"**Participant**" has the meaning attributed thereto on the cover page;

"**Plan**" has the meaning attributed thereto under the heading "*Eligibility for Investment*";

"**President's List Purchases**" has the meaning attributed thereto on the cover page;

"**Proposed Amendments**" has the meaning attributed thereto under the heading "*Certain Canadian Federal Income Tax Considerations*";

"**RDSP**" has the meaning attributed thereto under the heading "*Eligibility for Investment*";

"**Reford Project**" means the Corporation's steam-assisted gravity drainage project in Reford, Saskatchewan;

"**Registered Plan**" has the meaning attributed thereto under the heading "*Eligibility for Investment*";

"**RESP**" has the meaning attributed thereto under the heading "*Eligibility for Investment*";

"**RRIF**" has the meaning attributed thereto under the heading "*Eligibility for Investment*";

"**RRSP**" has the meaning attributed thereto under the heading "*Eligibility for Investment*";

"**SEDAR+**" means the System for Electronic Document Analysis and Retrieval + at www.sedarplus.ca;

"**Senior Creditor**" means a holder or holders of Senior Secured Indebtedness and includes any representative or representatives or trustee or trustees of any such holder or holders;

"**Senior Secured Indebtedness**" has the meaning set forth under the heading "*Description of the Debentures – Subordination and Ranking*";

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations thereunder;

"**taxable capital gain**" has the meaning attributed thereto under the heading "*Certain Canadian Federal Income Tax Considerations*";

"**TFSA**" has the meaning attributed thereto under the heading "*Eligibility for Investment*";

"**TSX**" has the meaning attributed thereto on the cover page;

"**Underwriters**" has the meaning attributed thereto on the cover page;

"**Underwriters' Fee**" has the meaning attributed thereto on the cover page;

"**Underwriters' Option**" has the meaning attributed thereto on the cover page;

"**Underwriting Agreement**" has the meaning attributed thereto under the heading "*Plan of Distribution — General*"; and

"**United States**" or "**U.S.**" means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia.

In this Prospectus Supplement, references to "dollars" or "$" are to Canadian dollars.

Unless otherwise indicated, the disclosure in this Prospectus Supplement assumes that the Underwriters' Option will not be exercised.

ADVISORIES

Forward-Looking Statements

Certain statements contained in the Shelf Prospectus and this Prospectus Supplement (including the documents incorporated by reference herein and therein), constitute forward-looking statements or information (collectively, "**forward- looking statements**") within the meaning of applicable securities legislation. All forward-looking statements are based on Cardinal's current expectations, estimates, projections, beliefs and assumptions based on information available at the time the statement was made and in light of the Corporation's experience and its perception of historical trends. Forward-looking statements are typically identified by words such as "anticipate", "contemplate", "continue", "estimate", "expect", "might", "may", "will", "shall", "project", "should", "could", "capable", "would", "believe", "plan", "intend", "design", "target", "undertake", "view", "indicate", "maintain", "explore", "entail", "projection", "schedule", "objective", "strategy", "likely", "potential", "aim", "outlook", "forecast", "propose", "goal", "envision", "seek" and similar expressions suggesting future events or future performance.

In addition, information and statements relating to reserves are deemed to be forward-looking statements, as they involve implied assessment, based on certain estimates and assumptions, that the reserves described exist in quantities predicted or estimated, and that the reserves can be profitably produced in the future.

By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Cardinal believes the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in, or incorporated by reference into, the Shelf Prospectus and included in this Prospectus Supplement should not be unduly relied upon. These statements speak only as of the date of this Prospectus Supplement, the date of the Shelf Prospectus or as of the date specified in the documents incorporated by reference into this Prospectus Supplement and the Shelf Prospectus, as the case may be.

In particular, this Prospectus Supplement contains forward-looking statements pertaining to, among other things, the following:

- anticipated amount to be raised, expenses and use of proceeds from the Offering;
- anticipated timing of Closing of the Offering;
- pro-forma earnings coverage ratios;
- debt amounts after giving effect to the Offering;
- schedules for and timing of the Reford Project;
- current development plans and other future expenditures, including the planned allocation of capital expenditures among the Corporation's properties and the sources of funding for such expenditures; and
- future dividends that may be paid by the Corporation.

Various factors or assumptions are typically applied by Cardinal in drawing conclusions or making the forecasts, projections, predictions or estimations set out in forward-looking statements based on information currently available to Cardinal. These factors and assumptions include, but are not limited to, those set forth below and those listed under the headings "*Forward Looking Statements*" in the MD&A and "*Forward-Looking Information and Statement*s" in the AIF including the following:

- the Corporation's production estimates for the Reford Project (upon full operation thereof) will be accurate;
- the Corporation will complete the construction and development of the Reford Project on the timelines presently contemplated and for the costs currently expected;
- the Corporation's current commodity price and other cost assumptions will generally be accurate;
- the Corporation will have sufficient cash flow, debt or equity sources or other financial resources required to fund its expenditures, dividends and other requirements as needed;
- the Corporation's conduct and results of operations will be consistent with its expectations;

- the Corporation and its industry partners will have the ability to develop the Corporation's oil and gas properties in the manner currently contemplated;
- a lack of infrastructure does not result in the Corporation or a third party curtailing its production and/or receiving reductions to its realized prices;
- current or, where applicable, proposed assumed industry conditions, laws and regulations will continue in effect or as anticipated as described herein; and
- the estimates of the Corporation's reserves volumes and the assumptions related thereto (including commodity prices and development costs) are accurate in all material respects.

The actual results of Cardinal could differ materially from those anticipated in these forward-looking statements as a result of the material risk factors set forth below:

- the inability of Cardinal to commence commercial productions from the Reford Project on the timelines set forth herein (or at all);
- the ability of all third party contractors retained by the Corporation to deliver their products and services in a timely and good workmanlike manner;
- unexpected costs and/or liabilities;
- adverse general economic and market conditions in Canada, North America and elsewhere, including changes or continued weakness, as applicable, in interest rates, foreign currency exchange rates, commodity prices and overall industry activity levels;
- the impact of competitive entities and pricing;
- labour and material shortages;
- reliance on key relationships and agreements and the outcome of stakeholder engagement;
- actions by governmental or regulatory authorities including changes in tax laws and treatment, changes in royalty rates or increased environmental regulation;
- fluctuations in operating results;
- ability to access various sources of debt and equity capital;
- ability to service debt;
- constraints on, or the unavailability of adequate infrastructure;
- technology and security risks;
- changes in the political environment and public opinion; and
- other risk factors discussed under "*Risk Factors*" in this Prospectus Supplement and in the Shelf Prospectus and in the documents incorporated by reference into this Prospectus Supplement and the Shelf Prospectus, including the AIF.

These factors should not be construed as exhaustive. Unless required by law, Cardinal does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Any forward-looking statements contained herein, in the Shelf Prospectus or in the documents incorporated by reference into this Prospectus Supplement and the Shelf Prospectus are expressly qualified by this cautionary statement.

The information contained in this Prospectus Supplement, including documents incorporated by reference herein, identifies additional factors that could affect the operating results and performance of Cardinal. Investors should carefully consider those factors. Management has set out the above summary of assumptions and risks related to forward-looking statements included in this Prospectus Supplement and the documents incorporated by reference herein in order to provide potential purchasers of Debentures with a more complete perspective on Cardinal's future operations. Readers are cautioned that this information may not be appropriate for other purposes.

Investors are further cautioned that the preparation of financial statements in accordance with IFRS requires management to make certain judgments and estimates that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. These estimates may change, having either a negative or positive effect on profit, as further information becomes available and as the economic environment changes.

The forward-looking statements contained herein is expressly qualified in its entirety by this cautionary statement. The forward-looking statements included in this Prospectus Supplement is made as of the date of this Prospectus Supplement and Cardinal undertakes no obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless so required by applicable securities laws.

Conventions

Certain terms incorporated by reference herein but not defined herein are defined in National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities* ("**NI 51-101**") and, unless the context otherwise requires, shall have the same meanings herein as in NI 51-101.

Barrel of Oil Equivalency

To provide a single unit of production for analytical purposes, natural gas production and reserves volumes are converted mathematically to equivalent barrels of oil ("**BOE**"). We use the industry-accepted standard conversion of six thousand cubic feet of natural gas to one barrel of oil (6 Mcf = 1 barrel). The 6:1 BOE ratio is based on an energy equivalency conversion method primarily applicable at the burner tip. It does not represent a value equivalency at the wellhead and is not based on either energy content or current prices. While the BOE ratio is useful for comparative measures, it does not accurately reflect individual product values and might be misleading, particularly if used in isolation. As well, given that the value ratio, based on the current price of crude oil to natural gas, is significantly different from the 6:1 energy equivalency ratio, using a 6:1 conversion ratio may be misleading as an indication of value.

Abbreviations

Oil and Natural Gas Liquids		Natural Gas	
Bbl	barrel	Mcf	thousand cubic feet
Mbbl	thousand barrels	MMcf	million cubic feet
MMbbl	million barrels	MMbtu	million British Thermal Units
		Bcf	billion cubic feet

Other

AECO	the natural gas storage facility located at Suffield, Alberta, connected to TransCanada's Alberta System
API	American Petroleum Institute
°API	an indication of the specific gravity of crude oil measured on the API gravity scale
BOE or Boe	barrel or barrels of oil equivalent, using the conversion factor of 6 Mcf of natural gas being equivalent to one barrel of oil
km	kilometer
MBoe	thousand barrels of oil equivalent
MMBoe	million barrels of oil equivalent
SAGD	steam assisted gravity drainage
WTI	West Texas Intermediate, the reference price paid in U.S. dollars at Cushing, Oklahoma for the crude oil standard grade
$000s or M$	thousands of dollars
$MM	millions of dollars

Reserve Definitions

"**Proved**" reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

"**Probable**" reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

"**Developed**" reserves are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (e.g. when compared to the cost of drilling a well) to put the reserves on production.

"**Developed Producing**" reserves are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.

"**Developed Non-Producing**" reserves are those reserves that either have not been on production, or have previously been on production, but are shut in, and the date of resumption of production is unknown.

"**Undeveloped**" reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (for example, when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserve's classification (proved, probable, possible) to which they are assigned.

Reserves Advisories

In the 2024 Reserve Report described herein, Cardinal has included all abandonment, decommissioning and reclamation ("**ADR**") costs for active and inactive wells and facilities. The ADR costs for the active assets are considered in the proved developed producing reserves category. Full inclusion of all ADR costs is recommended by the COGEH. Cardinal's full inclusion of costs exceeds the NI 51-101 minimum requirement of ADR for only those assets assigned reserves.

Consistent with prior years and in accordance with the COGEH recommendations, Cardinal has included all operating costs for active and inactive assets. The Corporation also includes the consideration of future maintenance costs which is included as part of the operating costs or as future development capital.

Unless otherwise indicated, all reserves reported in this Prospectus Supplement are Corporation share gross reserves which represent Cardinal's total working interest reserves prior to the deduction of royalties payable.

Future net revenue is a forecast of revenue, estimated using forecast prices and costs arising from the anticipated development and production of resources, net of associated royalties, operating costs, development costs and all corporate abandonment and reclamation costs for all active and inactive wells, pipelines and facilities. It should not be assumed that the future net revenues undiscounted and discounted at 10% included in this Prospectus Supplement represent the fair market value of the reserves.

Market and Industry Data

This Prospectus Supplement and accompanying Shelf Prospectus, including the documents incorporated by reference herein and therein, includes market information, industry data and forecasts obtained from independent industry publications, market research and analyst reports, surveys and other publicly available sources. Although the Corporation believes these sources to be generally reliable, market and industry data is subject to interpretation and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey. Accordingly, the accuracy and completeness of this data is not guaranteed. Actual outcomes may vary materially from those forecast in such reports, surveys or publications. The Corporation has not independently verified any of the data from third party sources referred to herein nor ascertained the underlying assumptions relied on by such sources.

ELIGIBILITY FOR INVESTMENT

In the opinion of Burnet, Duckworth & Palmer LLP, counsel to Cardinal, and Blake, Cassels & Graydon LLP, counsel to the Underwriters, based on the provisions of the Tax Act in force on the date hereof the Debentures and the Common Shares issuable on redemption or maturity pursuant to the terms of the Debentures, if issued on the date hereof, will be "qualified investments" under the Tax Act for a trust governed by a registered retirement savings plan ("**RRSP**"), registered retirement income fund ("**RRIF**"), deferred profit sharing plan ("**DPSP**") (other than a DPSP to which contributions are made by the Corporation or by an employer with which the Corporation does not deal at arm's length for the purposes of the Tax Act), registered education savings plan ("**RESP**"), registered disability savings plan ("**RDSP**"), tax-free savings account ("**TFSA**"), or a first home savings account ("**FHSA**"), each as defined in the Tax Act (each a "**Plan**") provided that, at the time of the acquisition by the Plan, the Common Shares are listed on a designated stock exchange in Canada (which currently includes the TSX).

Notwithstanding that the Debentures and/or Common Shares, as the case may be, may be "qualified investments" for a trust governed by a RRSP, RRIF, TFSA, RESP, FHSA, or RDSP (each referred to as a "**Registered Plan**"), a holder, subscriber or annuitant of a Registered Plan (the "**Controlling Individual**"), as the case may be, will be subject to a penalty tax if the Debentures or Common Shares, as the case may be, are a "prohibited investment" within the meaning of the Tax Act. The Debentures and Common Shares will generally not be a prohibited investment for a Registered Plan provided the Controlling Individual: (i) deals at arm's length with Cardinal, for purposes of the Tax Act, and (ii) does not have a "significant interest" (as defined in the Tax Act) in Cardinal.

Prospective investors who intend to hold Debentures in a Registered Plan are advised to consult their personal tax advisors as to whether the Debentures or the Common Shares issuable on the redemption or maturity of the Debentures would constitute a prohibited investment for their Registered Plan.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus Supplement from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated by reference herein may be obtained on request without charge from the Corporate Secretary of Cardinal at Suite 600, 400 – 3rd Avenue S.W., Calgary, Alberta, T2P 4H2, phone number (403) 234-8681, and are also available electronically on SEDAR+ at www.sedarplus.ca.

This Prospectus Supplement is deemed to be incorporated by reference into the Shelf Prospectus solely for the purposes of the Offering. Other documents are also incorporated or deemed to be incorporated by reference into the Shelf Prospectus and reference should be made to the Shelf Prospectus for full particulars thereof.

The following documents filed by Cardinal, with the securities commissions or similar authorities in each of the provinces of Canada, are also specifically incorporated by reference in, and form an integral part of, this Prospectus Supplement, provided that such documents are not incorporated by reference to the extent that their contents are modified or superseded by a statement contained in this Prospectus Supplement or the accompanying Shelf Prospectus or in any other subsequently filed document that is also incorporated by reference in this Prospectus Supplement or the accompanying Shelf Prospectus, as further described below:

(a) the AIF;

(b) the Annual Financial Statements;

(c) the Annual MD&A;

(d) the Interim Financial Statements;

(e) the Interim MD&A;

(f) the Information Circular – Proxy Statement of Cardinal dated March 27, 2024 relating to the annual general meeting of shareholders held on May 10, 2024;

(g) the material change report of Cardinal dated December 27, 2024 related to the January 2025 Offering; and

(h) the "template version" (as such term is defined in National Instrument 41-101 – *General Prospectus Requirements* ("**NI 41-101**")) of the term sheet for the Offering dated February 25, 2025 (the "**Offering Term Sheet**").

Any documents of the type referred to above or required by National Instrument 44-101 – *Short Form Prospectus Distributions* to be incorporated by reference into a short form prospectus, including any interim financial statements and related management's discussion and analysis, any material change reports (except confidential material change reports) and business acquisition reports, filed by the Corporation with the various securities commissions or similar authorities in Canada (other than Québec) after the date of this Prospectus Supplement and prior to the completion or termination of the Offering shall be deemed to be incorporated by reference into this Prospectus Supplement for purposes of the Offering. These documents will be available electronically on SEDAR+ at www.sedarplus.ca.

Any statement contained in the Shelf Prospectus, in this Prospectus Supplement or in any other document (or part thereof) incorporated or deemed to be incorporated by reference into the Shelf Prospectus shall be deemed to be modified or superseded for the purposes of this Prospectus Supplement, to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference in the Shelf Prospectus modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus Supplement or the Shelf Prospectus.

MARKETING MATERIALS

The Offering Term Sheet, describing the terms of the Offering, is incorporated by reference into this Prospectus Supplement and any template version of any other marketing materials relating to the Offering filed on SEDAR + before the termination of the distribution under the Offering (including any amendments to, or an amended version of, any template version of any marketing materials) is deemed to be incorporated by reference into this Prospectus Supplement.

Any "template version" of any "marketing materials" (as such terms are defined in NI 41-101) that are utilized by the Underwriters in connection with the Offering are not part of this Prospectus Supplement to the extent that the contents of the template version of the marketing materials have been modified or superseded by a statement contained in this Prospectus Supplement.

CARDINAL

Cardinal is a low decline, oil focused company that produces in four core areas in Western Canada. Cardinal has a balanced portfolio and deep development drilling inventory. Additional information on Cardinal's business is contained in the AIF under the headings "*Cardinal Energy Ltd*." and "*General Development of our Business*".

RECENT DEVELOPMENTS

On February 24, 2025, Cardinal announced the results of its independent reserve reports effective December 31, 2024 and provided an operational update, including in respect of the Reford Project. Cardinal's year-end 2024 non-thermal reserves were evaluated by GLJ. The thermal reserves were independently evaluated by McDaniel.

The following tables summarize certain information contained in the 2024 Reserve Report. Reserves included below are the Corporation's estimated gross reserves as at December 31, 2024, as evaluated in the 2024 Reserve Report.

The 2024 Reserve Report was prepared in accordance with definitions, standards and procedures contained in the COGEH and NI 51-101. See also "*Reserves Advisories*" and "*Reserve Definitions*". The 2024 Reserve Report uses the average price forecast of GLJ, McDaniel and Sproule Associates Ltd. (collectively, the "**Consultants**").

Reserves Category	Light and Medium Oil (MMbbl)	Heavy Crude Oil (MMbbl)	Natural Gas Liquids (MMbbl)	Conventional Natural Gas(2) (Bcf)	Total BOE (MMboe)
Proved Developed Producing	44.1	24.3	2.7	40.1	77.8
Proved Developed Non-Producing	0.8	0.3	-	2.3	1.5
Proved Undeveloped	5.7	1.6	0.2	6.4	8.7
Total Proved	**50.6**	**26.2**	**2.9**	**48.8**	**87.9**
Probable	16.4	46.5	0.9	14.7	66.3
Total Proved Plus Probable	**67.0**	**72.7**	**3.8**	**63.6**	**154.2**

Notes:

(1) Total values may not add due to rounding.
(2) Includes non-associated gas, associated gas and solution gas.
(3) In addition to the gross reserves indicated in the above table, the Corporation has 181 Mboe total proved plus probable royalty interest reserves comprised of 146 Mbbl light and medium crude oil, 17 Mbbl of heavy crude oil, 3 Mbbl of natural gas liquids and 91 MMcf of conventional natural gas.

Summary of Net Present Values of Future Net Revenue (Before Tax)
(Based on forecast price and costs)
As at December 31, 2024(1)(2)(3)

	Discounted at:				
Reserves Category	**0.0% (MM\$)**	**8.0% (MM\$)**	**10.0% (MM\$)**	**15.0% (MM\$)**	**20.0% (MM\$)**
Proved Developed Producing	2,516	1,550	1,405	1,146	975
Proved Developed Non-Producing(4)	(163)	(45)	(36)	(23)	(17)
Proved Undeveloped	327	187	166	127	100
Total Proved	**2,679**	**1,692**	**1,535**	**1,250**	**1,059**
Probable	2,525	982	824	564	411
Total Proved Plus Probable	**5,205**	**2,674**	**2,359**	**1,814**	**1,470**

Notes:

(1) Total values may not add due to rounding.
(2) Based on the Consultants' average December 31, 2024 forecast prices and costs. See below for "*Price Forecast*".
(3) Future net revenue has been reduced for future abandonment costs and estimated capital for future development associated with the reserves.
(4) Includes all ADR costs, including active (costs included in Proved Developed Producing category) and inactive (included in the Proved Developed Non-Producing category). The net present value of Proved Developed Non-Producing reserves excluding ADR would be $27.8 million.

Reconciliation of Changes in Reserves[1][4]

The following table sets out a reconciliation of the changes in the Corporation's gross reserves as at December 31, 2024 against such reserves at December 31, 2023 based on forecast prices and cost assumptions in effect at the applicable reserve evaluation date.

	Total Proved				
	Light and Medium Crude Oil (MMbbl)	**Heavy Crude Oil (MMbbl)**	**Conventional Natural Gas (Bcf)**	**Natural Gas Liquids (MMbbl)**	**MBOE (MMboe)**
December 31, 2023	51.2	25.8	51.3	2.9	88.5
Discoveries	-	-	-	-	-
Extensions and Infill Drilling	0.6	1.3	1.5	-	2.2
Technical Revisions [2]	2.6	2.1	1.1	0.3	5.1
Economic Factors [3]	-	-	-	-	-
Production	(3.8)	(3.0)	(5.0)	(0.3)	(8.0)
December 31, 2024	**50.6**	**26.2**	**48.8**	**2.9**	**87.9**

	Total Proved Plus Probable				
	Light and Medium Crude Oil (MMbbl)	**Heavy Crude Oil (MMbbl)**	**Conventional Natural Gas (Bcf)**	**Natural Gas Liquids (MMbbl)**	**MBOE (MMboe)**
December 31, 2023	68.2	34.6	70.6	4.1	118.6
Discoveries	-	38.2	-	-	38.2
Extensions and Infill Drilling	0.9	1.3	1.5	-	2.4
Technical Revisions [2]	1.8	1.7	(3.5)	-	3.0
Economic Factors [3]	-	-	-	-	-
Production	(3.8)	(3.0)	(5.0)	(0.3)	(8.0)
December 31, 2024	**67.0**	**72.7**	**63.5**	**3.8**	**154.2**

Notes:

(1) Total values may not add due to rounding.
(2) Positive or negative revisions are due to variations in performance versus previous forecasts.
(3) Economic factors have been calculated as the difference in reserves using the 2024 Reserve Report price forecast with the 2023 reserve report price forecasts. There is no consideration of changes in operating costs or price offset changes that occurred in 2024.
(4) There were no acquisitions or dispositions of reserves that occurred in 2024.

Price Forecast

The following table summarizes the Consultants' average commodity price forecast and foreign exchange rate assumptions as at December 31, 2024, as applied in the 2024 Reserve Report, for the next five years.

Consultants Average Price Forecast(1)

Year	Exchange Rate ($C/$US)	WTI @ Cushing ($US/bbl)	Canadian Light Sweet 40° API ($C/bbl)	Western Canada Select 20.9° API ($C/bbl)	Medium at Cromer 29° API ($C/bbl)	Natural gas AECO – C spot ($C/MMbtu)
2025	0.712	71.58	94.79	82.69	91.30	2.36
2026	0.728	74.48	97.04	84.27	93.48	3.33
2027	0.743	75.81	97.37	83.81	93.79	3.48
2028	0.743	77.66	99.80	85.70	96.14	3.69
2029	0.743	79.22	101.79	87.46	98.05	3.76

Note:

(1) Inflation is accounted for at nil for 2025, and 2% thereafter.

As noted in Cardinal's press release dated February 24, 2025, Cardinal announced that its operations in the first quarter of 2025 are progressing as expected with the underpinning conventional business tracking 2025 guidance projections, while elevated activity on the Reford Project remains on budget and on schedule. Entering the busiest phase of construction, fabrication and installation in respect of the Reford Project, numerous concurrent activities are ongoing, both at Propak Systems Ltd.'s fabrication facility (north of Calgary) and on site at the Reford Project including:

- Two of three steam generators have been delivered to the Reford Project facility site.
- 50% of the required facility tankage is now on lease.
- Drilling of the six initial SAGD well pairs is more than halfway to completion.
- Construction of the 18 km water source pipeline and 10 km fuel gas supply line are now well underway and adhering to budgeted timelines.
- As of January 31, 2025, Cardinal had deployed more than 50% of the total project budget at the Reford Project.

In the fourth quarter of 2024, Cardinal was ahead of schedule on certain aspects of the Reford Project and accelerated its spend by approximately $5 million. Cardinal also continued to de-risk and advance additional thermal projects, spending approximately $5 million on land, seismic and other future development costs. In 2024, Cardinal incurred approximately $74 million of costs directly related to the Reford Project.

USE OF PROCEEDS

The estimated net proceeds to be received by Cardinal from the Offering will be $38,000,000 ($42,800,000 if the Underwriters' Option is exercised in full), after deducting the Underwriters' Fee (in each case assuming no President's List Purchases) and the estimated expenses of the Offering.

Cardinal intends to use the net proceeds of the Offering (including to the extent the Underwriters' Option is exercised) to first repay and reduce outstanding indebtedness under the Credit Facilities, then to de-risk the completion of the Reford Project and accelerate the de-risking of the Corporation's thermal project at Kelfield, Saskatchewan. In addition, the Corporation may use some of the proceeds for land and seismic acquisitions to delineate other thermal oil opportunities available to the Corporation. See "*Recent Developments*", "*Consolidated Capitalization" and "Relationship Between Cardinal and Certain of the Underwriters*".

Cardinal's current indebtedness under the Credit Facilities has been incurred in the normal course of its undertaking, including in connection with, among other things, the funding of exploration and evaluation costs related to the Reford Project, working capital requirements and general corporate purposes.

Cardinal expects that the use of proceeds from the Offering will advance its overall objectives described herein and as described in the AIF incorporated by reference herein. No significant event needs to occur in order for Cardinal to achieve such objectives, which remain subject to the normal risks and uncertainties that prevail in the undertaking in which Cardinal is engaged. See "*Advisories – Forward-Looking Statements*" and "*Risks and Uncertainties*" in this Prospectus Supplement and "*Risk Factors*" in the AIF and the "*Risks*" in the Annual MD&A. While Cardinal currently intends to use the net proceeds of the Offering as stated above, management in its discretion may determine it advisable to reallocate all or a portion of the net proceeds for other reasons, including, among others, due to results of operations or as a result of other opportunities that may become available to Cardinal. Consequently, there can be no assurance as of the date of this Prospectus Supplement if or how the net proceeds of the Offering may be reallocated. See "*Risks and Uncertainties – Use of Proceeds*".

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Corporation: (i) as at September 30, 2024 before giving effect to the Offering and the January 2025 Offering; (ii) as at September 30, 2024 after giving effect to the January 2025 Offering and the Offering (but before giving effect to the Underwriters' Option); and (iii) as at September 30, 2024 after giving effect to the January 2025 Offering, the Offering and the Underwriters' Option in full.

Designation	**As at September 30, 2024 (unaudited) ($ thousands)**	**As at September 30, 2024 after giving effect to the January 2025 Offering and the Offering but prior to giving effect to the Underwriters' Option (unaudited) ($ thousands)** [(1)]	**As at September 30, 2024 after giving effect to the January 2025 Offering, the Offering and the exercise of the Underwriters' Option in full (unaudited)** [(2)] **($ thousands)**
Credit Facilities[(3)(4)]	$69,134	-	-
Initial Debentures	-	$60,000	$60,000
Debentures	-	$40,000	$45,000
Shareholders' Equity [(5)(6)]	$918,402 (159,186,650 Common Shares)	$918,402 (159,186,650 Common Shares)	$918,402 (159,186,650 Common Shares)
January 2025 Warrants	-	3,900,000	3,900,000

Notes:

(1) Based on the issuance of $40,000,000 principal amount of Debentures pursuant to the Offering, less the Underwriters' Fee of $1,600,000 and after deducting expenses of the Offering estimated to be $400,000. For the purposes of this Prospectus Supplement, the Underwriters' Fee has been calculated on the basis of 4.00% for all sales, provided that up to $5,000,000 aggregate principal amount of Debentures may be sold in connection with President's List Purchases at a reduced underwriting commission equal to 2.00% of the offering price of such Debentures.

(2) Based on the issuance of $5,000,000 additional principal amount of Debentures pursuant to the exercise of the Underwriters' Option, less the additional Underwriters' Fee of $200,000. For the purposes of this Prospectus Supplement, the Underwriters' Fee has been calculated on the basis of 4.00% for all sales, provided that up to $5,000,000 aggregate principal amount of Debentures may be sold in connection with President's List Purchases at a reduced underwriting commission equal to 2.00% of the offering price of such Debentures.

(3) As at February 27, 2025, bank debt consisted of borrowings under the Corporation's reserve-based revolving credit facility, comprised of a $250.0 million syndicated term credit facility and a $25.0 million ($175 million and $25.0 million, respectively, as at September 30, 2024) non-syndicated operating line credit facility (the "**Credit Facilities**"). The Credit Facilities are available on a revolving basis until May 31, 2025 and may be extended for a further 364 day period, subject to approval by the syndicate. If not extended, the Credit Facilities will cease to revolve, the applicable margins will increase by 0.5% and all outstanding advances will be repayable on May 31, 2026. The available lending limits of the Credit Facilities are reviewed semi-annually based on the syndicate's interpretation of the Corporation's reserves, future commodity prices and costs, therefore, there can be no assurance that the amount of the Credit Facilities will not decrease at the next scheduled review. On a redetermination date, lenders could reduce the borrowing base to below amounts drawn,

in which case, any shortfall would have to be repaid within 60 days. The next scheduled review date will be on or before May 31, 2025. Advances under the Credit Facilities are available by way of prime rate loans, which bear interest at the banks' prime lending rate plus 2.00% to 6.75%, and CORRA and/or SOFR loans, which are subject to fees and margins ranging from 3.00% to 7.75%. Interest and standby fees on the undrawn amounts of the Credit Facilities depend upon certain ratios. The Credit Facilities are secured by a demand debenture pursuant to which a security interest is granted over all of the Corporation's assets. There are no financial covenants related to the Credit Facilities, provided that Cardinal is not in default of the terms of the Credit Facilities. Cardinal was in compliance with the terms of the Credit Facilities at September 30, 2024 and as of the date hereof. In December 2024 the Credit Facilities were increased from $200 million to $275 million, comprised of a $250.0 million syndicated term credit facility and a $25.0 million non-syndicated operating line credit facility. As of February 27, 2025 approximately $40.4 million was drawn under the Credit Facilities.

(4) The Corporation intends to use the net proceeds from the Offering to initially repay approximately $38 million of the Credit Facilities outstanding as at the Closing Date (approximately $41.8 million if the Underwriters' Option is exercised in full) with the balance of the net proceeds held as cash, following which, it intends to use the proceeds as described under "*Use of Proceeds*".

(5) As at February 27, 2025, an aggregate of 1,719,765 restricted share awards and 931,301 performance share awards were issued and outstanding. Awards are adjusted for dividends declared, either with a cash payment or incremental Common Shares, and may be settled in cash, Common Shares issued from treasury or Common Shares acquired and held by an independent trustee in the open market for such purposes and designated as "treasury shares" as described in the Interim MD&A. An aggregate of 605,818 Common Shares (being the "treasury shares") are currently held by a third party independent trustee, in trust, to settle any entitlements on vesting and settlement.

(6) The number and dollar value of Common Shares in the table above does not reflect 535,518 Common Shares that are designated as "treasury shares" as at September 30, 2024 (as set forth in the Interim MD&A) and were held by a third party independent trustee for settlement of outstanding restricted share awards and/or performance share awards.

EARNINGS COVERAGE RATIOS

The following earnings coverage ratios are calculated on a combined basis for the twelve-month periods ended December 31, 2023 and September 30, 2024 and are derived from audited financial information in the case of the twelve-month period ended December 31, 2023, and unaudited interim financial information in the case of the twelve-month period ended September 30, 2024.

Cardinal's *pro forma* borrowing cost requirements after giving effect to: (i) the issuance of the Debentures (before any exercise of the Underwriters' Option); (ii) the issuance of the Initial Debentures; and (iii) the partial repayment of the Credit Facilities in the amount of $38.0 million with the net proceeds of the Offering (see "*Use of Proceeds*"), would have been approximately $7.8 million for the twelve-month period ended December 31, 2023 and $7.9 million for the twelve-month period ended September 30, 2024.

Cardinal's *pro forma* earnings before borrowing costs and income tax expense but after giving effect to: (i) the issuance of the Debentures (before the exercise of the Underwriters' Option); (ii) the issuance of the Initial Debentures; and (iii) the partial repayment of the Credit Facilities in the amount of $38.0 million with the net proceeds of the Offering (see "*Use of Proceeds*"), for the twelve-month period ended December 31, 2023 and the twelve-month period ended September 30, 2024, would have been approximately $140.9 million and $142.1 million, respectively, which is approximately 18.1 times and 18.0 times Cardinal's *pro forma* borrowing cost requirement, in each case.

Details regarding the foregoing are set forth below.

($000s, except Earnings Coverage Ratio)	For the 12 months ended December 31, 2023		For the 12 months ended September 30, 2024	
	Actual	*Pro Forma*(4)	Actual	*Pro Forma*(4)
Borrowing costs	5,177	7,785	7,169	7,890
Denominator for Earnings Coverage Ratio	5,177	7,785	7,169	7,890
Earnings	103,598	100,990	102,926	102,205
Borrowing costs	5,177	7,785	7,169	7,890
Income tax expense	32,168	32,168	31,981	31,981
Numerator for Earnings Coverage Ratio	140,943	140,943	142,076	142,076
Earnings Coverage Ratio(2)	27.2	18.1	19.8	18.0

Notes:

(1) Borrowing costs include borrowing costs in respect of the Debentures, Initial Debentures and that portion of the Credit Facilities not being repaid with the net proceeds of the Offering (see "*Use of Proceeds*").

(2) The earnings coverage ratios set forth above (i) give effect to the issuance of the Initial Debentures and the Debentures under this Prospectus Supplement as of the beginning of the applicable period; (ii) assume there are no additional earnings derived from the use of the net proceeds of the Offering; and (iii) do not purport to be indicative of earnings coverage ratios for any future periods.

(3) Under IFRS, the Debentures will be classified on Cardinal's statement of financial position as a liability. Initially, the liability recorded in respect of the Debentures will be equal to their principal amount less the amount of the transaction costs related to the issuance of the Debentures. Interest is charged to expense using the effective interest rate method such that at maturity the initial liability in respect of the Debentures will accrete to their principal amount.

(4) Pro forma borrowing costs include borrowing costs in respect of the Debentures and the Initial Debentures.

DESCRIPTION OF THE DEBENTURES

The following is a summary of the material attributes and characteristics of the Debentures. This summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the terms of the Debenture Indenture, which will be filed with the applicable Canadian securities regulatory authorities and available on SEDAR+ at www.sedarplus.ca.

General

The Debentures will be issued under the Debenture Indenture. The Debenture Trustee is the trustee under the Debenture Indenture and the Corporation's transfer agent.

The Debentures to be issued will be in the aggregate principal amount of $40,000,000 ($45,000,000 assuming the Underwriters' Option is exercised in full). The Corporation may, from time to time, without the consent of the Debentureholders, issue additional debentures of a different series under the Debenture Indenture, in addition to the Debentures offered hereby.

The Debentures will be dated as of the Closing Date and will have a maturity date of September 30, 2030. The Debentures will be issuable only in denominations of $1,000 and integral multiples thereof and will bear interest from and including the date of issue at 8.25% per annum, which will be payable semi-annually in arrears on the last Business Day in March and September of each year, commencing on September 30, 2025. The first interest payment will include accrued and unpaid interest from the Closing Date to, but excluding, September 30, 2025. Assuming the Closing Date occurs on March 4, 2025, the first interest payment payable on September 30, 2025 will be approximately $47.47 per $1,000 principal amount of Debentures.

The principal amount of the Debentures is payable in lawful money of Canada or, at the option of the Corporation, subject to the receipt of applicable regulatory approvals (including the approval of the TSX) and provided that no Event of Default has occurred and is continuing, by delivery of fully paid, non-assessable and freely tradeable Common Shares as further described under "— *Method of Payment — Payment of Principal on Redemption or at Maturity*". The interest on the Debentures is payable in lawful money of Canada, including, at the option of the Corporation, in accordance with the Common Share Interest Payment Election as described under "— *Method of Payment — Interest Payment Election*". The Credit Facilities may restrict payment or repayment, as applicable, under, pursuant or relating to the Debentures, including without limitation, any interest payments thereon. See "*Risk Factors – Risks Related to the Debentures and the Offering – Credit Risk and Earnings Coverage Ratios*".

The Debentures are direct senior unsecured obligations of the Corporation and will not be secured by any mortgage, pledge, hypothec or other charge and will be subordinated to certain other liabilities of the Corporation as described under "*Subordination and Ranking"*. The Debenture Indenture does not restrict the Corporation from incurring additional indebtedness for borrowed money, including indebtedness that ranks senior to the Debentures, or otherwise or from mortgaging, pledging or charging the Corporation's properties to secure any indebtedness.

Subordination and Ranking

The Debentures will be direct senior unsecured obligations of Cardinal and will rank (i) subordinate to all existing and future Senior Secured Indebtedness (as defined herein) of Cardinal (including the Credit Facilities); (ii) subordinate to all existing and future secured indebtedness of Cardinal that is not Senior Secured Indebtedness, but only to the extent of the value of the assets securing such other secured indebtedness, or other indebtedness of Cardinal that ranks senior to the Debentures by operation of law; (iii) *pari passu* with each debenture issued under the Debenture Indenture (including the Initial Debentures) and with all other present and future unsecured unsubordinated indebtedness of the Corporation that is not Senior Secured Indebtedness or indebtedness that is described in (ii) above, including trade creditors; (iv) senior in right of payment to indebtedness of Cardinal that by its terms is subordinated in right of payment to the Debentures, and (v) structurally subordinated to all existing and future obligations, including indebtedness (including indebtedness under or in relation to Senior Secured Indebtedness) and trade payables, of Cardinal's subsidiaries (if any). The payment of principal and premium, if any, of, and interest on, the Debentures will be subordinated in right of payment to all Senior Secured Indebtedness of Cardinal and the indebtedness contemplated in (ii) above, as will be set forth in the Debenture Indenture. The Debenture Indenture under which the Debentures will be issued will not restrict the Corporation or its subsidiaries from incurring additional indebtedness (senior, unsubordinated or otherwise) or from mortgaging, pledging or charging its properties to secure any indebtedness or liabilities. None of the Corporation's subsidiaries (if any) will guarantee the Debentures.

"**Senior Secured Indebtedness**" will be defined in the Debenture Indenture to mean any indebtedness (including without limitation, under guarantees, indemnities and similar instruments) of the Corporation and its subsidiaries (including, without limitation, principal, interest, fees, premiums, make whole amounts and any other amounts owing in respect of such indebtedness) that is secured by a first priority lien on a material portion of the assets of the Corporation and its subsidiaries, which for certainty shall include all indebtedness under the agreement in respect of the Credit Facilities and derivative, swap, hedging or cash management arrangements with any lender or affiliate of any lender under the Credit Facilities, and any replacement, amendment or restatement of the Credit Facilities.

The Debenture Indenture will provide that in the event of any insolvency or bankruptcy proceedings, or any receivership, liquidation, reorganization or other similar proceedings relative to Cardinal, or to its property or assets, or in the event of any proceedings for voluntary liquidation, dissolution or voluntary winding-up of Cardinal, whether or not involving insolvency or bankruptcy, or any marshalling of the assets and liabilities of Cardinal, then holders of Senior Secured Indebtedness will receive payment in full before the holders of Debentures will be entitled to receive any payment or distribution of any kind or character, whether in cash, property or securities, which may be payable or deliverable in any such event in respect of any of the Debentures or any unpaid interest accrued thereon.

The Debenture Indenture will also provide that no payment on account of the indebtedness, liabilities and obligations of the Corporation under the Debenture Indenture or the Debentures, whether on account of principal, premium, interest or otherwise, shall be made by Cardinal: (i) during any default with respect to any Senior Secured Indebtedness permitting the holders thereof to accelerate the maturity thereof or any borrowing base shortfall; or (ii) if such payment would result in a default with respect to any Senior Secured Indebtedness permitting the holders thereof to accelerate the maturity thereof or a borrowing base shortfall; unless and until such default or borrowing base shortfall shall have been cured or waived or shall have ceased to exist, and neither the Debenture Trustee nor the holders of Debentures shall be entitled to demand, institute proceedings for the collection of, or receive any payment or benefit on account of the Debentures after the happening of such a default or borrowing base shortfall, and unless and until such default or borrowing base shortfall shall have been cured or waived or shall have ceased to exist, such payments shall be held in trust for the benefit of, and, if and when such Senior Secured Indebtedness shall have become due and payable, shall be paid over to, the Senior Creditors until all such Senior Secured Indebtedness shall have been paid in full, after giving effect to any concurrent payment or distribution to the Senior Creditors. Furthermore, upon the maturity of any Senior Secured Indebtedness by lapse of time, acceleration (unless acceleration is rescinded) or otherwise, then all such matured Senior Secured Indebtedness shall first be paid in full, or shall first have been duly provided for, before any payment is made on account of the Debentures. In addition to the foregoing, Cardinal's ability to make payments on the Debentures may be limited by the terms of any Senior Secured Indebtedness, including the Credit Facilities, including if it would or would reasonably be expected to result in a default thereunder or during the continuance of a default, or borrowing base shortfall or event of default thereunder.

The Debenture Trustee will be authorized to take such action as necessary or appropriate to effect the subordination of the Debentures to Senior Secured Indebtedness. Upon request of Cardinal, the Debenture Trustee will enter into a subordination agreement with Cardinal and the holder of the Senior Secured Indebtedness.

Redemption

The Debentures are not redeemable prior to September 30, 2028, except upon the satisfaction of certain conditions after a Change of Control has occurred. On and after September 30, 2028 and prior to September 30, 2029, the Debentures may be redeemed by the Corporation, in whole or in part, at a redemption price equal to 104.125% of the principal amount thereof plus accrued and unpaid interest, if any, up to but excluding the date of redemption. On and after September 30, 2029 and prior to maturity, the Debentures may be redeemed by the Corporation, in whole or in part, at a redemption price equal to the principal amount thereof plus accrued and unpaid interest, if any, up to but excluding the date of redemption. Cardinal shall provide not more than 60 days' nor less than 30 days' prior notice of redemption.

In the case of redemption of less than all of the Debentures, the Debentures to be redeemed will be selected by the Debenture Trustee on a pro rata basis or in such other manner as the Debenture Trustee deems equitable, subject to the consent of the TSX, if applicable. The Corporation will have the right to purchase Debentures in the market, by tender or by private contract at any time subject to regulatory requirements.

Any redemption of the Debentures will be subject to compliance with the Credit Facilities and the terms of any other future Senior Secured Indebtedness.

Change of Control

Within 30 days following the occurrence of a Change of Control, the Corporation will be required to make an offer in writing to purchase within the time period more specifically set out in the Debenture Indenture, all the Debentures then outstanding (the "**Debenture Offer**"), at a price equal to 100% of the principal amount thereof plus accrued and unpaid interest earned thereon up to, but excluding, the date of acquisition (the "**Debenture Offer Price**").

Under the Debenture Indenture, a "**Change of Control**" will be deemed to have occurred at such time after the original issuance of the Debentures upon: (a) the acquisition by any person, or group of persons acting jointly or in concert (within the meaning of National Instrument 62-104 — *Take-Over Bids and Issuer Bids*), of voting control or direction over more than 50% of the voting rights attached to the outstanding Common Shares; or (b) the sale, transfer or other disposition, directly or indirectly, of all or substantially all of the assets and property of Cardinal and its subsidiaries, taken as a whole, but shall not include a sale, merger, reorganization, arrangement, combination or other similar transaction if the previous holders of Common Shares hold more than 50% of the voting control or direction in such merged, reorganized, arranged, combined or other continuing entity (and in the case of a sale of all or substantially all of the assets, in the entity which has acquired such assets) immediately following the completion of such transaction.

The Debenture Indenture will contain notification and repurchase provisions requiring the Corporation to give written notice to the Debenture Trustee of the occurrence of a Change of Control within 30 days of such event together with the Debenture Offer. The Debenture Trustee will thereafter promptly deliver to each holder of Debentures a notice of the Change of Control together with a copy of the Debenture Offer to repurchase all the outstanding Debentures.

If 90% or more of the aggregate principal amount of the Debentures outstanding on the date of the giving of notice of the Change of Control have been tendered to the Corporation pursuant to the Debenture Offer, the Corporation will have the right to redeem all of the remaining Debentures at the Debenture Offer Price. Notice of such redemption must be given by the Corporation to the Debenture Trustee within 10 days following the expiry of the Debenture Offer, and as soon as possible thereafter, by the Debenture Trustee to the holders of the Debentures not tendered pursuant to the Debenture Offer.

In addition, in the event of a Change of Control, Cardinal may redeem the Debentures, at its option and for cash only, prior to September 30, 2028, at a cash redemption price equal to 104.125% of the principal amount of the Debentures plus an aggregate amount equal to the interest that (i) has accrued and is unpaid to such date of redemption; and (ii) would have accrued and been payable up to and including September 30, 2028 had the Debentures not been redeemed.

Method of Payment

Payment of Principal on Redemption or at Maturity

On redemption or at maturity of the Debentures, the Corporation will repay the indebtedness represented by the Debentures by paying to the Debenture Trustee in lawful money of Canada an amount equal to the principal amount of the outstanding Debentures, together with any accrued and unpaid interest thereon. The Corporation may, at its option, on not more than 60 days' and not less than 40 days' prior notice, subject to applicable regulatory approval (including the approval of the TSX) and provided no Event of Default has occurred and is continuing, elect to satisfy its obligation to repay all or any portion of the principal amount of and premium (if any) on the Debentures that are to be redeemed or that are to mature, by issuing and delivering to the holders thereof that number of freely tradeable Common Shares determined by dividing the principal amount of the Debentures being repaid by 95% of the Current Market Price on the date of redemption or maturity, as applicable (the "**Common Share Payment Right**"). In such circumstances, any accrued and unpaid interest will be payable in cash (subject to the Common Share Interest Payment Election described below). No fractional Common Shares will be issued on redemption or at maturity but in lieu thereof the Corporation will satisfy fractional interests by a cash payment equal to the Current Market Price of the fractional interest less any taxes required to be deducted or withheld.

Cardinal shall not, directly or indirectly (through a subsidiary or otherwise) undertake or announce any rights offering, issuance of securities, subdivision of the Common Shares, dividend or other distribution on the Common Shares or any other securities, capital reorganization, reclassification or any similar type of transaction in which:

(a) the number of securities to be issued;

(b) the price at which securities are to be issued, converted or exchanged; or

(c) any property or cash that is to be distributed or allocated,

is in whole or in part based upon, determined in reference to, related to or a function of, directly or indirectly, (i) the exercise or potential exercise of the Common Share Payment Right on redemption or maturity of the Debentures, or (ii) the Current Market Price determined in connection with the exercise or potential exercise of the Common Share Payment Right on redemption or maturity of the Debentures.

The Debentures will not be convertible into Common Shares at the option of the holders of the Debentures at any time.

Interest Payment Election

The Corporation may elect, subject to regulatory approval (including the approval of the TSX) and provided that no Event of Default has occurred and is continuing, from time to time to satisfy its obligation to pay all or any part of the interest on the Debentures (the "**Interest Obligation**"), on the date it is payable under the Debenture Indenture (an "**Interest Payment Date**"), by issuing and delivering a sufficient number of freely tradable Common Shares to the Debenture Trustee for sale to satisfy all or any part, as the case may be, of the Interest Obligation in accordance with the Debenture Indenture (the "**Common Share Interest Payment Election**"). The Debenture Indenture will provide that, upon such election, the Debenture Trustee shall have the power to (a) accept delivery of the Common Shares from the Corporation and process the Common Shares in accordance with the Common Share Interest Payment Election notice, delivered in accordance with the Debenture Indenture; (b) deliver such Common Shares on behalf of the Corporation, as the Corporation shall direct in its absolute discretion through the investment banks, brokers or dealers identified by the Corporation in the Common Share Interest Payment Election Notice at the price identified therein (which may be the market price from time to time or based thereon); (c) invest the proceeds of such sales on the direction of the Corporation in securities issued or guaranteed by the Government of Canada or any province thereof which mature prior to an applicable Interest Payment Date; (d) use such proceeds, together with proceeds from the sale of Common Shares not invested as aforesaid, to pay the Interest Obligation in respect of which the Common Share Interest Payment Election was made; (e) deliver proceeds to holders of Debentures to satisfy all or a portion of the Corporation's Interest Obligations, as directed by the Corporation in the Common Share Interest Payment Election Notice; and (f) perform any other action necessarily incidental thereto as directed by the Corporation in its absolute discretion with the consent of the Debenture Trustee.

The Debenture Indenture will set forth the procedures to be followed by the Corporation and the Debenture Trustee in order to effect the Common Share Interest Payment Election. Neither the Corporation's making of the Common Share Interest Payment Election nor the consummation of sales of Common Shares will (a) result in the holders of the Debentures not being entitled to receive on the applicable Interest Payment Date cash in an aggregate amount equal to the interest payable on such Interest Payment Date, or (b) entitle such holders to receive any Common Shares in satisfaction of the Interest Obligation.

Events of Default

The Debenture Indenture will provide that an event of default ("**Event of Default**") in respect of the Debentures will occur if any one or more of the following described events has occurred and is continuing with respect to such Debentures: (a) failure for 15 days to pay interest on the Debentures when due; (b) failure to pay principal or premium, if any, on the Debentures when due whether at maturity, upon redemption, by declaration or otherwise; (c) default in the observance of the covenant of the Corporation relating to maintaining listing of the Common Shares and Debentures on the TSX, and to maintaining the Corporation's status as a "reporting issuer", which defaults continue for 10 business days; (d) a default in performing or observing any of the covenants, agreements or obligations of the Corporation described in the Debenture Indenture and the continuance of such default for 30 days after written notice to the Corporation by the Debenture Trustee or by the holders of not less than 25% in principal amount of outstanding Debentures requiring the same to be remedied; (e) the failure of the Corporation to (i) make a Debenture Offer within 30 days of the occurrence of a Change of Control, or (ii) take up and pay for, within the time period set out in the Debenture Indenture, any Debentures then outstanding and tendered by any Debentureholders in acceptance of the Debenture Offer; (f) if a decree or order of a Court having jurisdiction is entered adjudging the Corporation or any of its material subsidiaries bankrupt or insolvent under the *Bankruptcy and Insolvency Act* (Canada) or any other bankruptcy, insolvency or analogous laws, or issuing sequestration or process of execution against, or against any substantial part of, the property of the Corporation or any of its material subsidiaries, or appointing a receiver of, or of any substantial part of, the property of the Corporation or any of its material subsidiaries or ordering the winding-up or liquidation of its or their affairs, and any such decree or order continues unstayed and in effect for a period of 60 days; (g) if any of the Corporation or its material subsidiaries institutes proceedings to be adjudicated bankrupt or insolvent, or consents to the institution of bankruptcy or insolvency proceedings against it under the *Bankruptcy and Insolvency Act* (Canada) or any other bankruptcy, insolvency or analogous laws, or consents to the filing of any such petition or to the appointment of a receiver of, or of any substantial part of, the property of the Corporation or any of its material subsidiaries or makes a general assignment for the benefit of creditors, or admits in writing its inability to pay its debts generally as they become due; (h) any substantial part of the property of the Corporation or any of its material subsidiaries shall be sequestered or attached and shall not be returned to the possession of the Corporation or such material subsidiary or released from such attachment, as the case may be, whether by filing of a bond, or stay or otherwise, within 60 consecutive days thereafter; (i) if a resolution is passed for the winding-up or liquidation of the Corporation or any of its material subsidiaries except in the course of carrying out or pursuant to a transaction in respect of which the conditions set out in the terms of the Debentures are duly observed and performed; (j) if, after the date of the Offering, any proceedings with respect to the Corporation or any of its material subsidiaries are taken with respect to a compromise or arrangement, with respect to creditors of the Corporation generally, under the applicable legislation of any jurisdiction; (k) default in the delivery, when due, of any Common Shares, which default continues for 15 days; and (l) cross acceleration to indebtedness subordinated or *pari passu* to the Debentures, subject to a $25 million threshold.

If an Event of Default has occurred and is continuing, the Debenture Trustee may, in its discretion (subject to waiver thereof by the Debentureholders), and will upon request of holders of not less than 25% of the principal amount of the Debentures then outstanding, declare the principal of and interest on all outstanding Debentures to be immediately due and payable. In certain cases, the holders of more than 50% of the principal amount of such Debentures then outstanding may, on behalf of the holders of all such Debentures, waive any Event of Default and/or cancel any such declaration upon such terms and conditions as such holders may prescribe.

Consolidation, Mergers or Sales of Assets

The Debenture Indenture will provide that Cardinal may not, without the consent of the holders of the Debentures, consolidate or amalgamate with or merge into any person (other than a direct or indirect wholly-owned subsidiary of Cardinal) or sell, convey, transfer or lease (excluding any form of sale and leaseback transaction that provides for the sale or transfer of real property that is then rented or leased back to Cardinal or a subsidiary) all or substantially all of Cardinal's properties and assets to another person (other than a direct or indirect wholly-owned subsidiary of Cardinal) unless: (a) the successor (if other than Cardinal) assumes all the obligations of Cardinal under the Debenture Indenture in respect of the Debentures; (b) no condition or event shall exist as to Cardinal (at the time of such transaction) or the successor (immediately after such transaction) and after giving full effect thereto or immediately after the successor shall become liable to pay the principal monies, premium, if any, interest and other monies due or which may become due under the Debenture Indenture, which constitutes or would constitute an Event of Default under the Debenture Indenture; and (c) other conditions described in the Debenture Indenture are met.

Upon the assumption of Cardinal's obligations by such entity in such circumstances, subject to certain exceptions, Cardinal shall be discharged from all obligations under the Debentures and the Debenture Indenture. Although such transactions are permitted under the Debenture Indenture, certain of the foregoing transactions occurring could constitute a Change of Control of Cardinal, which would require Cardinal to offer to purchase the Debentures as described above. An assumption of Cardinal's obligations under the Debentures and the Debenture Indenture by such entity might be deemed for Canadian federal income tax purposes to be an exchange of the Debentures for new debentures by the holders thereof, resulting in recognition of gain or loss for such purposes and possibly other adverse tax consequences to the holders. Holders should consult their own tax advisors regarding the tax consequences of such an assumption.

Non-Financial Covenants

The Debenture Indenture will contain covenants of Cardinal to: (a) pay principal, premium (if any) and interest; (b) pay the Debenture Trustee's remuneration; (c) notify the Debenture Trustee immediately upon obtaining knowledge of any Event of Default that is continuing; (d) subject to the express provisions of the Debenture Indenture, carry on and conduct its activities, and cause its subsidiaries to carry on and conduct their businesses, in a business-like manner and in accordance with good business practices, and, subject to the provisions of the Debenture Indenture, do or cause to be done all things necessary to preserve and keep in full force and effect its existence and rights; (e) keep proper books of record and account; (f) deliver to the Debenture Trustee, within 120 days of each year end, an officer's certificate as to Cardinal's compliance with all conditions and covenants in the Debenture Indenture; (g) if Cardinal fails to perform any of its covenants contained in the Debenture Indenture, the Debenture Trustee may notify the holders of Debentures of such failure on the part of Cardinal or may itself perform any of the covenants capable of being performed by it; (h) use reasonable commercial efforts to maintain the listing of the Common Shares and the Debentures on the TSX, and to maintain Cardinal's status as a "reporting issuer" not in default of the requirements of applicable securities legislation (provided that the foregoing shall not prevent or restrict Cardinal from carrying out a transaction described above under "– *Consolidation, Mergers or Sales of Assets*" so long as such transaction is carried out in accordance with the Debenture Indenture, including in connection with a Change of Control as further described under "— *Change of Control*", even if as a result of such transaction Cardinal ceases to be a "reporting issuer" in or the Common Shares or Debentures cease to be listed on the TSX or any other stock exchange); and (i) not declare or pay any distributions to the holders of its issued and outstanding Common Shares after the occurrence of an Event of Default unless and until such Event of Default shall have been cured or waived or shall have ceased to exist.

Purchase for Cancellation

Cardinal may at any time purchase the Debentures in the open market, by tender, by private contract or otherwise, subject to regulatory requirements and compliance with the Credit Facilities or other Senior Secured Indebtedness. Any Debenture purchased by Cardinal will be surrendered to the Debenture Trustee for cancellation. Any Debentures surrendered to the Debenture Trustee may not be reissued or resold and will be cancelled promptly.

Modification

The rights of the holders of the Debentures, as well as any other series of debentures that may be issued under the Debenture Indenture, may be modified in accordance with the terms of the Debenture Indenture. For that purpose, among others, the Debenture Indenture will contain certain provisions which will make binding on all Debentureholders resolutions passed at meetings of the holders of Debentures by votes cast thereat by holders of not less than 66⅔% of the principal amount of the Debentures present at the meeting or represented by proxy, or rendered by instruments in writing signed by the holders of not less than 66⅔% of the principal amount of the Debentures then outstanding. In certain cases, the modification will, instead or in addition, require assent by the holders of the required percentage of Debentures of each particularly affected series.

The Corporation and the Debenture Trustee may, without the consent or concurrence of the holders of debentures under the Debenture Indenture, by supplemental indenture or otherwise, make any changes or corrections in the Debenture Indenture which they have been advised by counsel are required for the purpose of curing or correcting any ambiguity or defective or inconsistent provisions or clerical omissions or mistakes or manifest errors contained therein or in any indenture supplemental thereto.

Book-Based System for Debentures

On the Closing Date (i) the Debentures will be issued and deposited in electronic form with CDS or its nominee pursuant to the book-based system administered by CDS; (ii) except in certain limited circumstances, certificates evidencing the Debentures will not be issued to purchasers; and (iii) purchasers will receive only a customer confirmation from the Underwriter or other registered dealer who is a Participant and from or through whom a beneficial interest in the Debentures are purchased.

Neither the Corporation, the Underwriters nor the Debenture Trustee will assume any liability for: (a) any aspect of the records relating to the beneficial ownership of the Debentures held by CDS or the payments relating thereto; (b) maintaining, supervising or reviewing any records relating to the Debentures; or (c) any advice or representation made by or with respect to CDS and those contained in this Prospectus Supplement and relating to the rules governing CDS or any action to be taken by CDS or at the direction of its Participants. The rules governing CDS provide that it acts as the agent and depository for the Participants. As a result, Participants must look solely to CDS and persons, other than Participants, having an interest in the Debentures must look solely to Participants for the payment of the principal and interest on the Debentures paid by or on behalf of Cardinal to CDS.

As indirect holders of Debentures, investors should be aware that they (subject to the situations described below): (a) may not be able to sell the Debentures to institutions required by law to hold physical certificates for securities they own; and (b) may be unable to pledge Debentures as security.

The Debentures will be issued in fully registered and certificate form (the "**Debenture Certificates**") only if: (a) required to do so by applicable law; (b) the book-based system ceases to exist; (c) the Corporation or CDS advises the Debenture Trustee that CDS is no longer willing or able to continue as depository with respect to the Debentures and the Corporation has not appointed a successor depository; (d) the Corporation, at its option, decides to terminate the book-based system; or (e) after the occurrence of an Event of Default, Participants acting on behalf of beneficial owners representing, in the aggregate, more than 25% of the aggregate principal amount of the Debentures then outstanding advise CDS in writing that the continuation of a book-based system through CDS is no longer in their best interest, and provided that the Debenture Trustee has not waived the Event of Default in accordance with the terms of the Debenture Indenture.

Upon the termination of the book-based system on the occurrence of any of the events described in the immediately preceding paragraph, the Debenture Trustee must notify the beneficial owners of the Debentures, through CDS, of the availability through CDS of Debenture Certificates. Upon surrender by CDS of the Debentures and receipt of instructions from CDS for the new registrations, the Debenture Trustee will deliver the Debentures in the form of Debenture Certificates and thereafter the Corporation will recognize the holders of such Debenture Certificates as Debentureholders under the Debenture Indenture.

Interest on the Debentures will be paid directly to CDS while the book-based system is in effect. If Debenture Certificates are issued, interest will be paid by cheque drawn on the Corporation and sent by prepaid mail to the registered holder by the Debenture Trustee or by such other means as may become customary for the payment of interest. Payment of principal, including payment in the form of Common Shares if applicable, and the interest due, at maturity or on a redemption date, will be paid directly to CDS by the Debenture Trustee while the book-based system is in effect. If Debenture Certificates are issued, payment of principal, including payment in the form of Common Shares, if applicable, and interest due, at maturity or on a redemption date, will be paid upon surrender thereof at any office of the Debenture Trustee or as otherwise specified in the Debenture Indenture.

Transfers of beneficial ownership in Debentures will be effected through records maintained by CDS or its nominees for such Debentures (with respect to interests of Participants) and on the records of Participants (with respect to interests of persons other than Participants). Unless Cardinal elects, in its sole discretion, to prepare and deliver Debenture Certificates, beneficial owners who are not Participants in CDS' book-based system, but who desire to purchase, sell or otherwise transfer ownership of or other interests in Debentures, may do so only through Participants in CDS' book-based system.

Governing Law

Each of the Debenture Indenture and the Debentures will be governed by, and will be construed in accordance with, the laws of the Province of Alberta.

Stability Rating

The Corporation has not asked for or received a stability rating, and the Corporation is not aware that it has received any other kind of rating, including a provisional rating, from one or more approved rating organizations for the Debentures.

DESCRIPTION OF THE COMMON SHARES

As at the date hereof, the Corporation has a total of 159,155,094 Common Shares outstanding (not including the treasury shares as described under "*Consolidated Capitalization*"). See "*Description of our Capital Structure – Common Shares*" in the AIF for a description of the Common Shares.

DIVIDENDS TO SHAREHOLDERS

The Corporation's current monthly dividend rate is $0.06 per Common Share and dividends are generally paid on or about the 15th day of the month following the month of declaration. For further information on the Corporation's dividend policy and historical information, see discussion under "*Dividend Policy*" in the AIF incorporated by reference in this Prospectus Supplement.

PLAN OF DISTRIBUTION

General

Pursuant to an underwriting agreement dated effective February 25, 2025 between Cardinal and the Underwriters (the "**Underwriting Agreement**"), Cardinal has agreed to issue and sell and the Underwriters have severally agreed to purchase, as principals, on the Closing Date, subject to the conditions stipulated in the Underwriting Agreement, an aggregate of 40,000 Debentures offered hereby at a price of $1,000 per Debenture for total gross consideration of $40,000,000. The Debentures are being offered to the public in all of the provinces of Canada, other than Québec. The offering price and terms of the Debentures were determined by negotiation between Cardinal and the Joint Bookrunners, on behalf of the Underwriters.

Cardinal has granted to the Underwriters the Underwriters' Option, exercisable in whole or in part and from time to time, not later than the second Business Day prior to the Closing Date, to purchase up to an additional $5,000,000 aggregate principal amount of Debentures on the same terms and conditions as the Offering. This Prospectus Supplement also qualifies the grant of the Underwriters' Option and the Debentures issuable upon the exercise thereof.

The Underwriting Agreement provides that Cardinal will pay the Underwriters at the time of closing of the Offering the Underwriters' Fee equal to $40.00 (4.00%) per Debenture sold pursuant to the Offering (including any Debentures sold pursuant to the exercise of the Underwriters' Option) in consideration for their services in connection with the Offering, provided that up to $5,000,000 aggregate principal amount of Debentures may be sold in connection with President's List Purchases to current executives, directors and employees of the Corporation at a reduced underwriting commission of $20.00 (2.00%) for each such Debenture.

The obligations of the Underwriters under the Underwriting Agreement are several and not joint nor joint and several and may be terminated at their discretion upon the occurrence of certain stated events as set forth in the Underwriting Agreement, including, but not limited to, customary "regulatory proceedings out", "material change or change in material fact out" and "disaster out" clauses to this effect. In certain circumstances, if an Underwriter fails to purchase the Debentures which it has agreed to purchase, the other Underwriters may, but are not obligated to, purchase such Debentures. The Underwriters are, however, obligated to take up and pay for all of the Debentures if any of the Debentures are purchased under the Underwriting Agreement. Subject to the terms of the Underwriting Agreement, Cardinal has also agreed to indemnify the Underwriters and their respective directors, officers, employees and agents against certain liabilities, including civil liabilities under Canadian provincial securities legislation, or to contribute to any payments the Underwriters may be required to make in respect thereof. Closing of the Offering is also subject to a number of conditions, including the approval of the TSX.

Cardinal has also agreed with the Underwriters that it will not, for the period commencing on the Closing Date and ending on the date that is 90 days after the Closing Date, directly or indirectly, without the prior written consent of the Joint Bookrunners, on behalf of the Underwriters, such consent not to be unreasonably withheld or delayed, issue or sell, or grant any option, warrant or other right to purchase, in a public offering or by way of private placement or otherwise, any Common Shares or other equity securities of the Corporation or other securities convertible into, exchangeable for, or otherwise exercisable into Common Shares or other equity securities of the Corporation, or offer or agree to do any of the foregoing or publicly announce any intention to do any of the foregoing, other than: (i) issuances of any Common Shares underlying the Debentures; (ii) issuances of any Common Shares underlying the Initial Debentures and the January 2025 Warrants; (iii) restricted and performance awards granted under the bonus award plan of the Corporation and in compliance with the requirements of the TSX; (iv) issuance of Common Shares pursuant to the Corporation's stock dividend plan; or (v) Common Shares that may be issued upon the settlement of share awards granted under the Corporation's bonus award plan prior to or subsequent to the Closing Date.

The TSX has conditionally approved the listing of the Debentures issuable pursuant to the Offering. Listing will be subject to the Corporation fulfilling all of the listing requirements of the TSX on or before May 28, 2025. **There is currently no market through which any of the Debentures may be sold and purchasers may not be able to resell any of the Debentures purchased under this Prospectus Supplement. This may affect the pricing of the Debentures in the secondary market, the transparency and availability of trading prices, the liquidity of the Debentures, and the extent of issuer regulation. See "*Risks and Uncertainties*".**

The Underwriters propose to offer the Debentures initially at the offering price set forth herein. After the Underwriters have made a reasonable effort to sell all of the Debentures at such price, such offering price may be decreased and may be further changed from time to time to an amount not greater than the offering price set forth herein, and the compensation realized by the Underwriters pursuant to the Offering will effectively be decreased by the amount that the price paid by purchasers for the Debentures is less than the original offering price. Any such reduction will not affect the proceeds received by Cardinal.

Pursuant to applicable securities laws, the Underwriters may not, throughout the period of distribution under the Prospectus Supplement, bid for or purchase Debentures and/or Common Shares. The foregoing restriction is subject to certain exceptions, as long as the bid or purchase is not engaged in for the purpose of creating actual or apparent active trading in or raising the price of such securities. These exceptions include a bid or purchase permitted under the by-laws and rules of applicable regulatory authorities and the TSX including the Universal Market Integrity Rules for Canadian Marketplaces administered by the Canadian Investment Regulatory Organization of Canada relating to market stabilization and passive market-making activities and a bid or purchase made on behalf of a client where the client's order was not solicited during the period of distribution. Under the first-mentioned exception, in connection with the offering of the Debentures, the Underwriters may over-allocate or effect transactions which stabilize or maintain the market price of the Debentures or Common Shares at levels above those which might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time.

The Debentures and Common Shares underlying the Debentures have not been and will not be registered under the 1933 Act or any state securities laws and may not be offered or sold in the United States except in transactions exempt from registration under the 1933 Act and applicable state securities laws. Except as permitted in the Underwriting Agreement and applicable laws of the United States, the Underwriters have agreed that they will not sell the Debentures within the United States except in accordance with Rule 144A under the 1933 Act and in compliance with applicable state securities laws. The Underwriting Agreement permits the Underwriters to resell the Debentures to "qualified institutional buyers" (as defined in Rule 144A under the 1933 Act) in the United States, provided such resales are made in accordance with Rule 144A under the 1933 Act and applicable state securities laws. Additionally, the Underwriting Agreement provides that the Underwriters will sell Debentures outside the United Sates only in accordance with Regulation S under the 1933 Act.

Additionally, until 40 days after the commencement of the Offering, any offer or sale of the Debentures within the United States, by any dealer (whether or not participating in the Offering) may violate the registration requirement of the 1933 Act unless made in compliance with an exemption from the registration requirement of the 1933 Act.

RELATIONSHIP BETWEEN CARDINAL AND CERTAIN OF THE UNDERWRITERS

Each of the Co-Lead Underwriters are, directly or indirectly, a subsidiary or an affiliate of a bank or financial institution that is a lender to the Corporation. See Note 3 to the table under "*Consolidated Capitalization*" for a description of the Credit Facilities.

As at February 27, 2025, Cardinal had approximately $40.4 million of indebtedness outstanding under the Credit Facilities. Cardinal is in compliance with all terms of the Credit Facilities and none of the lenders under the Credit Facilities have waived any breach by Cardinal thereunder since its execution. Neither the financial position of Cardinal nor the value of the security under the Credit Facilities, has changed substantially since the indebtedness of Cardinal under the Credit Facilities was incurred, other than in the ordinary course of Cardinal's business.

The decision to offer the Debentures under the Offering and the determination of the terms of the Offering were made through negotiations between Cardinal and the Joint Bookrunners, on behalf of itself and on behalf of the other Underwriters. The lenders under the Credit Facilities did not have any involvement in such decision or determination; however, such lenders have been advised of the Offering and the terms thereof. As a consequence of the Offering, each of the Underwriters will receive its share of the Underwriters' Fee payable by Cardinal to the Underwriters and it is expected that their affiliated lenders will receive a portion of the proceeds from the Offering from Cardinal as a partial repayment of outstanding indebtedness under the Credit Facilities. See "*Use of Proceeds"* and "*Plan of Distribution*".

MARKET FOR SECURITIES

The Common Shares are listed and traded on the TSX. The trading symbol on the TSX for the Common Shares is "CJ". The following sets forth the price range and trading volume of the Common Shares (as reported by the TSX) on the TSX for the periods indicated.

Period	High ($)	Low ($)	Volume
2024			
January	6.52	6.15	11,220,364
February	6.91	6.01	11,239,558
March	7.14	6.57	8,670,455
April	7.38	6.81	15,702,972
May	7.11	6.74	14,769,681
June	7.05	6.45	12,588,916
July	7.12	6.57	12,999,756
August	7.19	6.35	18,465,556
September	6.78	6.18	15,239,359
October	6.70	6.32	14,243,241
November	6.77	6.16	14,108,879
December	6.57	5.98	14,199,687
2025			
January	6.97	6.32	15,794,228
February (1 to 26)	6.64	6.10	9,747,514

The Initial Debentures are listed and traded on the TSX. The trading symbol on the TSX for the Initial Debentures is "CJ.DB". The following sets forth the price range and trading volume of the Initial Debentures (as reported by the TSX) on the TSX for the periods indicated.

Period	High ($)	Low ($)	Volume
2025			
January (3 to 31)	100.1	97.51	85,740
February (1 to 26)	100.5	98.00	25,520

The January 2025 Warrants are listed and traded on the TSX. The trading symbol on the TSX for the January 2025 Warrants is "CJ.WT". The following sets forth the price range and trading volume of the January 2025 Warrants (as reported by the TSX) on the TSX for the periods indicated.

Period	High ($)	Low ($)	Volume
2025			
January (3 to 31)	0.85	0.30	463,090
February (1 to 26)	0.64	0.46	95,831

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Burnet, Duckworth & Palmer LLP, counsel to the Corporation, and Blake, Cassels & Graydon LLP, counsel to the Underwriters (together, "**Counsel**") the following summary describes, as of the date hereof, the principal Canadian federal income tax considerations pursuant to the Tax Act generally applicable to a holder (i) who acquires beneficial ownership of Debentures pursuant to this Offering, or Common Shares pursuant to redemption or maturity of the Debentures, (ii) who, for purposes of the Tax Act and at all relevant times, holds the Debentures and Common Shares (the " **Securities**") as capital property, and (iii) who deals at arm's length with the Corporation and the Underwriters and is not affiliated with the Corporation or the Underwriters (a "**Holder**"). Generally, Securities will be considered to be capital property to a Holder provided the Holder does not acquire or hold the Securities in the course of carrying on a business of trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is not applicable to a Holder (i) that is a "financial institution" (as defined in the Tax Act for the purposes of the mark-to-market rules), (ii) where an interest in such Holder would be a "tax shelter" or would constitute a "tax shelter investment" (each as defined in the Tax Act), (iii) that is a "specified financial institution" (as defined in the Tax Act), (iv) whose functional currency for purposes of the Tax Act is the currency of a country other than Canada, (v) that is exempt from tax under Part I of the Tax Act, (vi) who enters into a "synthetic disposition arrangement" or a "derivative forward agreement" (each as defined in the Tax Act) with respect to the Securities, (vii) that is a corporation resident in Canada (or a corporation that does not deal at arm's length with a corporation resident in Canada), and that is (or becomes as a part of a transaction or event or series of transactions or events that includes the acquisition of the Common Shares controlled by a non-resident person or group of non-resident persons not dealing with each other at arm's length for purposes of the foreign affiliate dumping rules (all for purposes of the Tax Act), or (viii) that receives dividends on the Common Shares under or as part of a "dividend rental arrangement" as defined in the Tax Act. **Any such Holder should consult its own tax advisor with respect to an investment in the Securities to determine the tax consequences to them of the acquisition, holding and disposition of the Securities. In addition, this summary does not address the deductibility of interest by a Holder who has borrowed money or otherwise incurred debt in connection with the acquisition of the Securities.**

This summary is based upon the provisions of the Tax Act in force as of the date hereof, all specific proposals to amend the Tax Act that have been publicly announced by or on behalf of the Minister of Finance prior to the date hereof (the "**Proposed Amendments**") and Counsels' understanding of the current administrative and assessing policies and practices of the CRA published in writing by it prior to the date hereof. This summary assumes the Proposed Amendments, including the Capital Gains Proposals (discussed below), will be enacted in the form proposed, however, no assurance can be given that the Proposed Amendments will be enacted in the form proposed, if at all. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Proposed Amendments, does not take into account any changes in the law, whether by legislative, governmental or judicial decision or action, nor does it take into account other federal or any provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder or prospective Holder of Securities, and no representations with respect to the income tax consequences to any Holder or prospective Holder are made. Consequently, Holders and prospective Holders of Debentures and Common Shares should consult their own tax advisors for advice having regard to their particular circumstances.

Taxation of Holders and Shareholders who are Resident in Canada

The following discussion applies to a Holder who, at all relevant times, for purposes of the Tax Act, is or is deemed to be resident in Canada (a "Canadian Holder"). Certain Canadian Holders who might not otherwise be considered to hold their Common Shares or Debentures as capital property may, in certain circumstances, be entitled to have the Common Shares and Debentures, and every other "Canadian security" (as defined in the Tax Act) owned by such Canadian Holder, treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act for the taxation year in which the election is made and in subsequent taxation years. Canadian

Holders of Debentures or Common Shares should consult their own tax advisors regarding their particular circumstances.

Interest on Debentures

A Canadian Holder of Debentures that is a corporation, partnership, unit trust or any trust of which a corporation or a partnership is a beneficiary will be required to include in computing its income for a taxation year any interest on the Debentures that accrues (or is deemed to accrue) to it to the end of the particular taxation year (or if the Canadian Holder disposes of the Debentures in the year, that accrues or is deemed to accrue to it from the date of the last interest payment until the time of disposition) or that has become receivable by or is received by the Canadian Holder before the end of that taxation year, including on a redemption or repayment on maturity, except to the extent that such interest was included in computing the Canadian Holder's income for a preceding taxation year.

Any other Canadian Holder of Debentures, including an individual (other than a trust described in the preceding paragraph) will be required to include in computing income for a taxation year all interest on the Debentures that is received or receivable by such Canadian Holder in that taxation year (depending upon the method regularly followed by the Canadian Holder of Debentures in computing income), including on a redemption or repayment on maturity, except to the extent that the interest was included in the Canadian Holder's income for a preceding taxation year. In addition, if at any time a Debenture should become an "investment contract" (as defined in the Tax Act) in relation to a Canadian Holder, such Canadian Holder will be required to include in computing income for a taxation year any interest that accrues to the Canadian Holder on the Debenture up to the end of any "anniversary day" (as defined in the Tax Act) in that year to the extent such interest was not otherwise included in the Canadian Holder's income for that year or a preceding year.

As described above under the heading "*Description of the Debentures – Method of Payment – Interest Payment Election*", the Corporation may elect to pay interest by issuing Common Shares to the Debenture Trustee for sale, in which event a Canadian Holder would be entitled to a cash payment from the proceeds of sale of such Common Shares by the Debenture Trustee. If the Corporation was to satisfy an Interest Obligation in this manner, the Canadian federal income tax consequences to a Canadian Holder will not differ from those described above.

Dispositions of Debentures

A disposition or deemed disposition of a Debenture by a Canadian Holder, including a redemption, payment on maturity or purchase for cancellation by the Corporation, will generally result in the Canadian Holder realizing a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition (adjusted as described below) are greater (or less) than the aggregate of the Canadian Holder's adjusted cost base thereof and any reasonable costs of disposition. Such capital gain (or capital loss) will be subject to the tax treatment described below under "*Taxation of Capital Gains and Capital Losses*".

If the Corporation pays any amount upon the redemption, purchase or maturity of a Debenture by issuing Common Shares to the Canadian Holder, the Canadian Holder's proceeds of disposition of the Debenture will be equal to the fair market value, at the time of disposition of the Debenture, of the Common Shares and any other consideration so received, but not including amounts in respect of interest, as described below. The Canadian Holder's adjusted cost base of the Common Shares so received will be equal to the fair market value of such Common Shares. For the purposes of determining the adjusted cost base to a Canadian Holder of Common Shares so received at any time, the cost of such Common Shares will be determined by averaging the cost of such Common Shares with the adjusted cost base of any other Common Shares owned by the Canadian Holder as capital property at that time.

Any amount paid by the Corporation to a Canadian Holder as a penalty or bonus because of the redemption of or repurchase by it of a Debenture before the maturity thereof (for example, where the redemption price or purchase price is in excess of the principal amount) generally will be deemed to be interest (which will be excluded in computing the Canadian Holder's proceeds of disposition of the Debenture) received on the Debenture by the Canadian Holder at the time of payment to the extent that such amount can reasonably be considered to relate to, and does not exceed the value at the time of redemption or repurchase of, the interest that would have been paid or payable by the Corporation on the Debenture for a taxation year of the Corporation ending after the redemption or repurchase. Such interest will be required to be included in computing the Holder's income in the manner described above under "*Interest on Debentures*".

Upon a disposition or deemed disposition of a Debenture, interest accrued thereon to the date of disposition will be included in computing the income of the Canadian Holder as described above under "*Interest on Debentures*", except to the extent that such amount was included in the Canadian Holder's income for the taxation year or a preceding taxation year, and will be excluded in computing the Canadian Holder's proceeds of disposition of the Debenture.

Any Canadian Holder that disposes of its Debentures for consideration equal to fair market value will generally be entitled to deduct in computing income for the year of disposition an amount equal to any interest included in income for that or any preceding year to the extent that no amount was received or became receivable by the Canadian Holder in respect of such interest.

Dividends on Common Shares

Dividends (including deemed dividends) received on the Common Shares by a Canadian Holder who is an individual (other than certain trusts) will be included in the individual's income and will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received by individuals from "taxable Canadian corporations", as defined in the Tax Act, including the enhanced dividend tax credit rules applicable to any dividends designated by the Corporation as "eligible dividends" in accordance with the Tax Act. Dividends received by individuals (other than certain trusts) may give rise to minimum tax under the Tax Act, depending on the individual's circumstances.

Dividends (including deemed dividends) received on the Common Shares by a Canadian Holder that is a corporation will be included in computing the corporation's income and will generally be deductible in computing its taxable income. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Canadian Holder that is a corporation as proceeds of disposition or a capital gain. Canadian Holders that are corporations are urged to consult their own tax advisors having regard to their particular circumstances.

A Canadian Holder that is a "private corporation" or a "subject corporation", each as defined in the Tax Act, may be liable to pay a tax (refundable in certain circumstances) under Part IV of the Tax Act on dividends received (or deemed to be received) on the Common Shares to the extent that such dividends are deductible in computing the Canadian Holder's taxable income. A "subject corporation" is generally a corporation (other than a private corporation) resident in Canada and controlled directly or indirectly by or for the benefit of an individual (other than trusts) or a related group of individuals (other than trusts).

A Canadian Holder that is throughout its taxation year a "Canadian-controlled private corporation", or that is a "substantive CCPC" at any time in the year, as those terms are defined in the Tax Act, may be liable for an additional tax (refundable in certain circumstances) on its "aggregate investment income", which is defined in the Tax Act to include dividends received or deemed to be received in respect of Common Shares, but not dividends or deemed dividends that are deductible in computing the dividend recipient's taxable income.

Dispositions of Common Shares

Subject to the Capital Gains Proposals discussed below, generally on the disposition or a deemed disposition of a Common Share by a Canadian Holder, (other than to the Corporation that is otherwise than a purchase by the Corporation of Common Shares in the open market in a manner in which such shares would normally be purchased by any member of the public) the Canadian Holder will generally realize a capital gain (or capital loss) equal to the amount by which the proceeds of disposition exceed (or are less than) the aggregate of the adjusted cost base of the Common Share to the Canadian Holder thereof and any reasonable costs of disposition. Proceeds of disposition will not include an amount payable by the Corporation that is otherwise required to be included in the Canadian Holder's income. Such capital gain (or capital loss) will be subject to the tax treatment described below under "*Taxation of Capital Gains and Capital Losses*".

Taxation of Capital Gains and Capital Losses

Generally, one-half of any capital gain (a "**taxable capital gain**") realized by a Canadian Holder and the amount of any net taxable capital gains designated by the Corporation in respect of the Canadian Holder in a taxation year must be included in the Canadian Holder's income for the year. One-half of any capital loss (an "**allowable capital loss**") realized by a Canadian Holder on the disposition of a Common Share in a taxation year generally must be deducted from taxable capital gains realized by the Canadian Holder in the year of disposition. Allowable capital losses in excess of taxable capital gains realized by the Canadian Holder in a taxation year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year, to the extent and under the circumstances described in the Tax Act. Capital gains realized by an individual (other than certain trusts) may give rise to alternative minimum tax.

The amount of any capital loss realized by a Canadian Holder that is a corporation on the disposition (or deemed disposition) of a Common Share may be reduced by the amount of any dividends received (or deemed to be received) by the Canadian Holder on such Common Share (or a share substituted for such Common Share) to the extent and under the circumstances described in the Tax Act. Similar rules may apply where a Common Share is owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary.

A Canadian Holder that is throughout its taxation year a "Canadian-controlled private corporation", or that is a "substantive CCPC" at any time in the year, as those terms are defined in the Tax Act, may be liable for an additional tax (refundable in certain circumstances) on its "aggregate investment income", which is defined to include an amount in respect of taxable capital gains.

Capital Gains Proposals

Pursuant to Proposed Amendments that would amend certain parts of the capital gains regime (the "**Capital Gains Proposals**"), the capital gains inclusion rate generally applicable for the purposes of determining a taxpayer's taxable capital gains and allowable capital losses for a particular taxation year is proposed to be increased from one-half to two thirds. Where allowable capital losses in excess of taxable capital gains realized in a taxation year are applied against taxable capital gains realized in another taxation year for which a different inclusion rate applies, the amount of the net capital loss that can be applied against the taxable capital gains in that year will be adjusted to match the inclusion rate used to compute those taxable capital gains.

The income of a Canadian Holder that is an individual (other than certain trusts) for a particular taxation year in which the increased rate applies will be subject to certain adjustments which are intended to effectively reduce such a Canadian Holder's net inclusion rate to the original one-half for up to $250,000 of net capital gains realized (or deemed to be realized) by such Canadian Holder in the year that are not offset by an amount in respect of capital losses carried back or forward from another taxation year. On January 31, 2025, the Department of Finance announced that the federal government is deferring the date on which the capital gains inclusion rate would increase from one-half to two-thirds pursuant to the Capital Gains Proposals from June 25, 2024 (as initially proposed) to January 1, 2026.

This summary is not an exhaustive summary of the considerations that could arise in respect of the Capital Gains Proposals. Canadian Holders should consult their own tax advisors with respect to the Capital Gains Proposals.

Taxation of Holders Not Resident in Canada

The following discussion applies to a Holder who, at all relevant times, for the purposes of the Tax Act and any applicable income tax treaty or convention (i) is neither resident nor deemed to be resident in Canada, (ii) does not, and is not deemed to, use or hold the Securities, in carrying on a business in Canada, (iii) is entitled to receive all payments (including interest and principal) in respect of a Debenture, and (iv) deals at arm's length with any transferee that is resident in Canada and to whom the Holder disposes of a Debenture (a "**Non-Canadian Holder**"). In addition, this discussion does not apply to an insurer who carries on an insurance business in Canada and elsewhere or an "authorized foreign bank" (as defined in the Tax Act). This summary assumes that no interest paid on the Debentures will be in respect of a debt or other obligation to pay an amount to a person with whom the Corporation does not deal at arm's length within the meaning of the Tax Act.

The following portion of this summary is also not applicable to a Non-Canadian Holder that is at any time a "specified shareholder" (as defined in subsection 18(5) of the Tax Act) of the Corporation or that does not at any time deal at arm's length for purposes of the Tax Act with a "specified shareholder" of the Corporation. Such Non-Canadian Holders should consult their own tax advisors.

Generally, for purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of the Securities must be determined in Canadian dollars in accordance with the Tax Act. Any such amount that is expressed or denominated in a currency other than Canadian dollars must be converted into Canadian dollars using the relevant exchange rate determined in accordance with the Tax Act on the relevant day or such other rate of exchange acceptable to the Minister of National Revenue (Canada).

Interest on Debentures

A Non-Canadian Holder will generally not be subject to Canadian withholding tax in respect of amounts paid or credited or deemed to have been paid or credited by the Corporation as, on account or in lieu of, or in satisfaction of, interest on the Debentures, provided that such amounts are not "participating debt interest" (as defined in the Tax Act).

Dispositions of Debentures and Common Shares

A Non-Canadian Holder will not be subject to tax under the Tax Act in respect of any capital gain realized by such Non-Canadian Holder in respect of the acquisition, holding, redemption, or disposition or deemed disposition of a Debenture.

A Non-Canadian Holder will not be subject to tax under the Tax Act in respect of any capital gain realized by such Non-Canadian Holder in respect of the acquisition, holding, or disposition (including a deemed disposition) of a Common Share unless the Non-Canadian Holder's Common Shares are, or are deemed to be, "taxable Canadian property" (as defined in the Tax Act) to the Non-Canadian Holder at the time of disposition and the Non-Canadian Holder is not entitled to relief under an applicable tax treaty or convention between Canada and the country of residence of the Non-Canadian Holder.

Generally, the Common Shares will not be "taxable Canadian property" to a Non-Canadian Holder at a particular time so long as Common Shares are listed on a "designated stock exchange" (as defined in the Tax Act, which currently includes the TSX), and are not otherwise deemed under the Tax Act to be "taxable Canadian property", unless at any time during the 60-month period that ends at that time: (a) any combination of (i) the Non-Canadian Holder, (ii) persons with whom the Non-Canadian Holder did not deal at arm's length, (iii) partnerships in which the Non-Canadian Holder or a person described in (ii) holds an interest directly or indirectly through one or more partnerships, owned 25% or more of the issued Common Shares of the Corporation; and (b) more than 50% of the fair market value of the Common Shares was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource property", "timber resource property", or any option in respect of, or any interest in, such properties, whether or not the property or properties exist (all as defined in the Tax Act).

If a Non-Canadian Holder's Common Share is considered to be taxable Canadian property, on the disposition or deemed disposition thereof, the capital gain (or capital loss) generally will be treated in the manner described above under "*Taxation of Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*". However, an applicable income tax convention may provide relief from Canadian tax on any such capital gain realized by the holder. Non-Canadian Holders whose Common Shares are taxable Canadian property should consult their own tax advisors for advice having regard to their particular circumstances, including whether their Common Shares constitute "treaty-protected property" (as defined in the Tax Act).

Notwithstanding the foregoing, in certain circumstances set out in the Tax Act, Common Shares which are not otherwise taxable Canadian property could be deemed to be taxable Canadian property. A Non-Canadian Holder whose Common Shares are taxable Canadian property should consult their own tax advisors with respect to the consequences of disposing of a Warrant or Common Share.

Dividends

Dividends paid or credited or deemed to be paid or credited to a Non-Canadian Holder by the Corporation will be subject to Canadian withholding tax at the rate of 25% on the gross amount of the dividend unless such rate is reduced by the terms of an applicable tax treaty. Under the *Canada-United States Tax Convention (1980)*, as amended (the "**Treaty**"), the rate of withholding tax on dividends paid or credited to a Non-Canadian Holder who is resident in the United States for purposes of the Treaty and fully entitled to benefits under the Treaty is generally limited to 15% of the gross amount of the dividend.

RISKS AND UNCERTAINTIES

An investment in the Debentures is subject to certain risks. Prior to making an investment decision investors should carefully consider the risks described below, the risks described under the heading "Advisories – Forward-Looking Statements" (which are more fully described under the heading "Risk Factors" in the AIF) and the other risk factors described in the AIF and the Annual MD&A, as well as the other information in this Prospectus Supplement and the documents incorporated by reference herein. Such information is not purported to be exhaustive. Additional risks and uncertainties not presently known to Cardinal, or which Cardinal currently deems immaterial, may also have an adverse effect upon Cardinal. If any of such or other risks occur, Cardinal's business, prospects, financial condition, results of operations and cash flows could be materially adversely affected. In that case, the trading price of the Common Shares and/or Debentures could decline and investors could lose all or part of their investment. There is no assurance that risk management steps taken will avoid future loss due to the occurrence of the risks described in this Prospectus Supplement and the documents incorporated by reference herein or other unforeseen risks.

Risks Related to the Debentures and the Offering

No Prior Public Market for the Debentures

There is currently no market through which the Debentures may be sold and purchasers may not be able to resell the Debentures purchased under this Prospectus Supplement. Listing of the Debentures will be subject to the Corporation fulfilling all of the listing requirements of the TSX. There can be no assurance that the Debentures will be listed on the TSX. In addition, the Corporation will be required to obtain TSX approval prior to issuing any Common Shares on the Maturity Date or on the redemption of, or payment of interest on, the Debentures, as applicable. No assurance can be given that an active or liquid trading market for the Debentures will develop or be sustained. If an active or liquid market for the Debentures fails to develop or be sustained, the price at which the Debentures trade may be adversely affected.

The market price of the Debentures may be volatile and subject to wide fluctuations and will be based on a number of factors, including: (i) in the case of the Debentures, the prevailing interest rates being paid by companies similar to the Corporation; (ii) the overall condition of the financial and credit markets; (iii) interest rate volatility; (iv) the markets for similar securities; (v) actual or anticipated fluctuations in the financial condition, results of operations and prospects of the Corporation; (vi) the publication of earnings estimates or other research reports and speculation in the press or investment community; (vii) the market price and volatility of the Common Shares; (viii) changes in the industry in which the Corporation operates and competition affecting the Corporation; and (ix) general market and economic conditions in North America.

The condition of the financial and credit markets and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future. Fluctuations in these factors could have an adverse effect on the market price of the Debentures.

Completion of Offering

Although the Corporation has entered into the Underwriting Agreement with the Underwriters, there is no guarantee that all of the conditions to the completion of the Offering will be satisfied.

Prior Ranking Indebtedness

The Debentures will be subordinate to all existing and future Senior Secured Indebtedness of the Corporation. The Debentures will also be effectively subordinate to other secured indebtedness that is not Senior Secured Indebtedness to the extent of the value of the assets securing such secured indebtedness. Therefore, if the Corporation becomes bankrupt, liquidates its assets, reorganizes or enters into certain other transactions, the Corporation's assets will be available to pay its obligations with respect to the Debentures only after it has paid all of its Senior Secured Indebtedness and other secured indebtedness in full. There may be insufficient assets remaining following such payments to pay amounts due on any or all of the Debentures then outstanding.

The Debentures are not guaranteed by the Corporation's subsidiaries and are therefore effectively structurally subordinated to all of the debt of these subsidiaries and claims of creditors of such subsidiaries except to the extent the Corporation is a creditor of such subsidiaries ranking at least *pari passu* with such other creditors. Accordingly, in the event of insolvency, liquidation, reorganization, dissolution or other winding-up of any such subsidiary, all of that subsidiary's creditors (including trade creditors) would be entitled to payment in full out of that subsidiary's assets before the Corporation would be entitled to any payment. There may be insufficient assets remaining following such payments to pay amounts due on any or all of the Debentures then outstanding.

Absence of Covenant Protection

The Debenture Indenture will not limit the ability of the Corporation to incur additional indebtedness for borrowed money or other obligations, including Senior Secured Indebtedness or other secured indebtedness (which would rank senior to the Debentures to the extent of the collateral securing such indebtedness), unsecured and unsubordinated indebtedness (which would rank *pari passu* with the Debentures), and liabilities or obligations that do not constitute indebtedness. Further, the Debenture Indenture will not limit the ability of the Corporation to mortgage, pledge or charge its properties to secure any indebtedness or liabilities. Nor will the Debenture Indenture prohibit or limit the ability of the Corporation to pay distributions, except where an Event of Default has occurred and such default has not been cured or waived, which, if paid, will reduce Cardinal's available cash flow and assets available to holders of the Debentures upon redemption or maturity of the Debentures. The Debenture Indenture will not contain any provision specifically intended to protect holders of the Debentures in the event of a future leveraged transaction involving the Corporation. If new debt is added to Cardinal's current debt levels, the related risks that Cardinal now faces could intensify.

If Cardinal incurs additional indebtedness for borrowed money or other obligations or liabilities, it may have the effect of reducing the amount of proceeds distributed to holders of Debentures in connection with any insolvency, liquidation, reorganization, dissolution or other winding-up of or such proceedings involving Cardinal. If Cardinal incurs any additional obligations that rank equally with the Debentures, subject to collateral arrangements, the holders of such obligations will be entitled to share ratably with holders of the Debentures in any proceeds distributed in connection with any insolvency, liquidation, reorganization, dissolution or other winding-up of Cardinal.

Prevailing Yields on Similar Securities

Prevailing yields on similar securities will affect the market value of the Debentures. Assuming all other factors remain unchanged, the market value of the Debentures will decline as prevailing yields for similar securities rise and will increase as prevailing yields for similar securities decline.

Possible Dilutive Effects on Holders of Common Shares

The Corporation may determine to redeem outstanding Debentures for Common Shares or repay outstanding principal amounts of the Debentures at maturity by issuing additional Common Shares. Accordingly, holders of Common Shares may suffer dilution. There is no guarantee that the Corporation will be able to repay the outstanding principal amount in cash upon maturity of the Debentures.

Credit Risk and Earnings Coverage Ratios

The ability of the Corporation to make scheduled payments on or to refinance its debt obligations, including the Debentures, depends on the Corporation's financial condition and operating performance, which are subject to a number of factors beyond the Corporation's control.

The Corporation may be unable to maintain a level of cash flow from operating activities sufficient to permit the Corporation to pay the principal, premium, if any, and interest on its indebtedness, including the Debentures. The Credit Facilities may restrict payment or repayment, as applicable, of amounts under, pursuant or relating to the Debentures, including without limitation, payments of the principal sum of the Debentures and payments of any interest payments thereon during the continuance of a default, event of default or borrowing base shortfall under or pursuant to the Credit Facilities.

If the Corporation's cash flow and capital resources are insufficient to fund its debt service obligations, the Corporation could face substantial liquidity problems and could be forced to reduce or delay investments and capital expenditures or to dispose of material assets or operations, seek additional debt or equity capital or restructure or refinance its indebtedness, including the Debentures. The Corporation may not be able to effect any such alternative measures on commercially reasonable terms or at all and, even if successful, those alternative actions may not allow the Corporation to meet its scheduled debt service obligations.

The Corporation's inability to generate sufficient cash flow to satisfy its debt obligations, or to refinance its indebtedness on commercially reasonable terms or at all, would materially and adversely affect the Corporation's business, results of operations, financial condition and its ability to satisfy its obligations under the Debentures.

The Debentures are not rated by any designated rating organization and Cardinal has no current plans to apply for a credit rating.

See "*Earnings Coverage Ratios*", which is relevant to an assessment of the risk that the Corporation may be unable to pay interest or principal on the Debentures when due.

No Assurance Future Financing Will be Available

Cardinal may need to refinance certain of its existing debt instruments at or prior to their maturity or obtain additional financing in the future. The ability to obtain such additional financing will depend upon a number of factors, including prevailing market conditions and the operating performance of Cardinal. There can be no assurance that any such financing will be available to Cardinal on favorable terms or at all. If financing is available through the sale of debt, equity or capital properties, the terms of such financing may not be favorable to Cardinal. Failure to raise capital when required could have a material adverse effect on Cardinal's business, financial condition and results of operations.

Redemption Prior to Maturity

The Debentures may be redeemed, at the option of the Corporation, in whole or in part at any time on and after September 30, 2028, subject to certain conditions (including the terms and conditions of the Credit Facilities). Holders of Debentures should understand that this redemption option may be exercised if the Corporation is able to refinance at a lower interest rate or it is otherwise in the interests of the Corporation to redeem the Debentures. See "*Description of the Debentures — Redemption*" and "*— Change of Control*" below.

Change of Control

The Corporation will be required to make an offer to purchase all of the outstanding Debentures for cash in the event of certain transactions that would constitute a Change of Control. The Corporation cannot assure holders of Debentures that, if required, it would have sufficient cash or other financial resources at that time or would be able to arrange financing to pay the purchase price of the Debentures in cash. The Corporation's ability to purchase the Debentures in such an event may be limited by law, by the Debenture Indenture governing the Debentures, by the terms of other present or future agreements relating to the Corporation's and its subsidiaries credit facilities and other indebtedness and agreements that the Corporation or its subsidiaries may enter into in the future which may replace, supplement or amend the Corporation's or its subsidiaries future debt. The Corporation's or its subsidiaries future credit agreements or other agreements may contain provisions that could prohibit the purchase by the Corporation of the Debentures without the consent of the lenders or other parties thereunder. If the Corporation's obligation to offer to purchase the Debentures arises at a time when the Corporation is prohibited from purchasing or redeeming the Debentures, the Corporation could seek the consent of lenders to purchase the Debentures or could attempt to refinance the borrowings that contain this prohibition. If the Corporation does not obtain a consent or refinance these borrowings, the Corporation could remain prohibited from purchasing the Debentures. The Corporation's failure to purchase the Debentures would constitute an Event of Default under the Debenture Indenture, which might constitute a default under the terms of the Corporation's other indebtedness at that time.

In the event that Debentureholders holding 90% or more of the Debentures have tendered their Debentures for purchase pursuant to the Debenture Offer, the Corporation may redeem the remaining Debentures on the same terms. See "*Description of the Debentures — Change of Control*".

In addition, in the event of a Change of Control prior to September 30, 2028, Cardinal may redeem the Debentures, at its option and for cash only, at a cash redemption price equal to 104.125% of the principal amount of the Debentures plus an aggregate amount equal to the interest that (i) has accrued and is unpaid to such date of redemption; and (ii) would have accrued and been payable up to and including September 30, 2028 had the Debentures not been redeemed.

The Debenture Trustee Will Take Instructions From a Majority of Holders Whose Interests May Not Align With Other Holders

Except in certain limited circumstances, the Debentures will be issued and deposited in electronic form with CDS or its nominee pursuant to the book-based system administered by CDS. Beneficial holders of the Debentures will have their rights and interests in the Debentures governed by the terms of the Debenture Indenture and will be represented by the Debenture Trustee appointed thereunder. The Debenture Trustee will take direction from holders of the Debentures in accordance with the terms of the Debenture Indenture, which may require a minimum number of holders of the Debentures to vote on a course of action prior to the implementation thereof. As a result, the Debenture Trustee may take direction from one or more institutional holders of the Debentures to the extent that such holders of the Debentures maintain a significant interest in the Debentures. Such holders of the Debentures may not have the same interests in outcomes as other holders of Debentures.

Alternatively, if the beneficial interest in the Debentures is widely held, the Debenture Trustee may not receive instructions in a timely manner or may not receive instructions at all. In the event the Debenture Trustee is unable to obtain timely instructions from holders of the Debentures, holders of the Debentures may not achieve the outcomes they might have otherwise been able to if the Debenture Trustee had received instructions in a timely manner.

Canadian Bankruptcy and Insolvency Laws May Impair the Debenture Trustee's Ability to Enforce Remedies Under the Debentures

The rights of the Debenture Trustee to enforce remedies could be delayed by the restructuring provisions of applicable Canadian federal bankruptcy, insolvency and other restructuring legislation if the benefit of such legislation is sought with respect to Cardinal. For example, both the *Bankruptcy* and *Insolvency Act* (Canada) and the *Companies' Creditors Arrangement Act* (Canada) contain provisions enabling an insolvent person to obtain a stay of proceedings against its creditors and to file a proposal to be voted on by the various classes of its affected creditors. A restructuring proposal, if accepted by the requisite majorities of each affected class of creditors, and if approved by the relevant Canadian court, would be binding on all creditors within each affected class, including those creditors that did not vote to accept the proposal. Moreover, this legislation, in certain instances, permits the insolvent debtor to retain possession and administration of its property, subject to court oversight, even though it may be in default under the applicable debt instrument, during the period that the stay against proceedings remains in place. The powers of the court under the *Bankruptcy and Insolvency Act* (Canada), and particularly under the *Companies' Creditors Arrangement Act* (Canada), have been interpreted and exercised broadly so as to protect a restructuring entity from actions taken by creditors and other parties. Accordingly, Cardinal cannot predict whether payments under the Debentures would be made during any proceedings in bankruptcy, insolvency or other restructuring, whether or when the Debenture Trustee could exercise its rights under the Debenture Indenture or whether and to what extent holders of the Debentures would be compensated for any delays in payment, if any, of principal, interest and costs, including the fees and disbursements of the respective trustees.

Holders of Debentures Will Only Have the Rights of an Equity Holder in the Event the Corporation Redeems the Debentures or Satisfies the Principal on Maturity by Issuing Common Shares

The Corporation has the right, at its sole discretion, to redeem or repay outstanding principal amounts thereunder at redemption or maturity of the Debentures by issuing Common Shares rather than the payment of cash. If such option is exercised by the Corporation, holders of Debentures will become holders of equity securities of the Corporation and will, consequently, be subject to the general risks and uncertainties affecting shareholders, including the ability to claim an entitlement only in its capacity as a shareholder of the Corporation.

The price paid for each Debenture may bear no relationship to the price at which the equity issuable on redemption or maturity of the Debentures may trade subsequent to the Offering. The Corporation cannot predict at what price the Common Shares may trade and there can be no assurance that an active trading market for the Common Shares will be sustained or what prices may be realized upon the sale of Common Shares.

Volatility of Market Price of Common Shares

The market price of the Common Shares may be volatile. The volatility may affect the ability of holders of Debentures to sell the Debentures at an advantageous price and may result in greater volatility in the market price of the Debentures than would otherwise be expected for debt securities that cannot be repaid with equity. Market price fluctuations in the Common Shares may be due to actual or anticipated fluctuations in the financial condition, results of operations and prospects of the Corporation, the Corporation's operating results failing to meet the expectations of securities analysts or investors in any quarter, downward revision in securities analysts' estimates, governmental regulatory action (including the imposition of tariffs by the United States or Canadian government), adverse change in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Corporation or its competitors, along with a variety of additional factors, including, without limitation, those set forth under "*Advisories – Forward-Looking Statements*". In addition, the market price for securities in the stock markets have at times experienced significant price and trading fluctuations. These fluctuations have resulted in volatility in the market prices of securities that often has been unrelated or disproportionate to changes in operating performance. These broad market fluctuations may adversely affect the market prices of the Debentures and the Common Shares.

Change in Tax Laws

The Debenture Indenture will not contain a requirement that the Corporation increase the amount of interest or other payments to holders of Debentures in the event that the Corporation is required to withhold amounts in respect of income or similar taxes on payment of interest or other amounts on the Debentures. At present, the Corporation will not withhold from such payments to holders of Debentures resident in Canada or in the United States who deal at arm's length with the Corporation, but no assurance can be given that applicable income tax laws or treaties will not be changed in a manner that may require the Corporation to withhold amounts in respect of tax payable on such amounts. Non-residents of Canada should consult their own tax advisors regarding the tax consequences of acquiring and holding Debentures.

Investment Eligibility

The Corporation will endeavor to ensure that the Debentures continue to be qualified investments for trusts governed by RRSPs, RRIFs, DPSPs (except a DPSP to which the Corporation, or an employer that does not deal at arm's length with the Corporation, has made a contribution), RESPs, RDSPs and TFSAs as described under "*Eligibility for Investment*". No assurance can be given in this regard. The Tax Act imposes penalties for the acquisition or holding of non-qualified investments by such plans.

Use of Proceeds

The Corporation currently intends to use the net proceeds of the Offering as stated under "*Use of Proceeds*", however, management will have discretion in the actual application of the proceeds, and may elect to allocate proceeds differently from that described in "*Use of Proceeds*" if it is believed it would be in the best interests of the Corporation to do so as circumstances change. The failure by management to apply these funds effectively could have a material adverse effect on the business of the Corporation.

Payment of Dividends

The amount of future cash dividends, if any, will be subject to the discretion of the board of directors of the Corporation and may vary depending on a variety of factors and conditions existing from time to time, including fluctuations in commodity prices, the amount of taxes payable by the Corporation, production levels, capital expenditure requirements, debt service requirements, operating costs, royalty burdens, foreign exchange rates and the satisfaction of the liquidity and solvency tests imposed by applicable corporate law for the declaration and payment of dividends. Depending on these and various other factors, many of which will be beyond the control of the board of directors and management of the Corporation, the dividend policy of the Corporation could change from time to time and, as a result, future cash dividends could be reduced or suspended entirely. The market value of the Common Shares may deteriorate if cash dividends are reduced or suspended. Furthermore, the future treatment of dividends for tax purposes will be subject to the nature and composition of dividends paid by the Corporation and potential legislative and regulatory changes. Dividends may be reduced during periods of lower funds from operations, which result from lower commodity prices and any decision by the Corporation to finance capital expenditures using funds from operations.

Forward-Looking Statements May Prove to be Inaccurate

Investors are cautioned not to place undue reliance on forward-looking statements. By its nature, forward-looking statements involves numerous assumptions, known and unknown risks and uncertainties, of both general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statements or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. Some of the forward-looking statements presented in this Prospectus Supplement assumes the completion of the Offering and if the Offering is not completed or not completed on the terms or timelines contemplated, this will impact the forward-looking statements provided herein and such impact may be material. Additional information on the risks, assumptions and uncertainties can be found in this Prospectus Supplement under the headings "*Advisories – Forward-Looking Statements*".

EXPERTS

Certain legal matters relating to the Offering will be passed upon by Burnet, Duckworth & Palmer LLP, on behalf of Cardinal, and by Blake, Cassels & Graydon LLP, on behalf of the Underwriters. As at the date of this Prospectus Supplement, the partners and associates of Burnet, Duckworth & Palmer LLP, own, directly or indirectly, less than 3% of the outstanding Common Shares and the partners and associates of Blake, Cassels & Graydon LLP, own, directly or indirectly, less than 1% of the outstanding Common Shares. John Brussa, a director of the Corporation, is a partner of Burnet, Duckworth & Palmer LLP, and currently owns, or has control or direction over, 4,368,771 Common Shares, 45,500 January 2025 Warrants, $700,000 principal amount of Initial Debentures and 41,816 restricted share awards.

KPMG LLP are the auditors of Cardinal and have confirmed with respect to Cardinal that they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

Information relating to Cardinal's reserves incorporated by reference in this Prospectus Supplement and as set forth in the AIF incorporated by reference herein and as set forth in this Prospectus Supplement were prepared by GLJ. As of the date hereof GLJ does not have any registered or beneficial interest, direct or indirect, in any of Cardinal's securities or other property or any of Cardinal's associates or affiliates. For the purposes of this paragraph, GLJ shall be interpreted to include its designated professionals.

Information relating to certain of Cardinal's reserves as set forth in this Prospectus Supplement were prepared by McDaniel. As of the date hereof McDaniel does not have any registered or beneficial interest, direct or indirect, in any of Cardinal's securities or other property or any of Cardinal's associates or affiliates. For the purposes of this paragraph McDaniel shall be interpreted to include its designated professionals.

In addition, none of the aforementioned persons or companies, nor any director, officer or employee of any of the aforementioned persons or companies, is or is expected to be elected, appointed or employed as a director, officer or employee of Cardinal or of any of its associate or affiliate entities, except for John Brussa, a director of the Corporation, is a partner of Burnet, Duckworth & Palmer LLP.

STATUTORY AND CONTRACTUAL RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after the later of: (a) the date that the issuer: (i) filed the prospectus or any amendment on SEDAR+ and a receipt is issued and posted for the document; and (ii) issued and filed a news release on SEDAR+ announcing that the document is accessible through SEDAR+; and (b) the date that the purchaser or subscriber has entered into an agreement to purchase the securities or a contract to purchase or a subscription for the securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

In an offering of convertible securities, such as the Debentures, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial securities legislation, to the price at which the convertible security is offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion, exchange or exercise of the convertible security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

CERTIFICATE OF THE UNDERWRITERS

Date: February 27, 2025

To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces of Canada, other than Québec.

CIBC WORLD MARKETS INC.	**RBC DOMINION SECURITIES INC.**	**ATB SECURITIES INC.**
(Signed) "*Brian MacInnis*"	(Signed) "*Darrell Law*"	(Signed) "*Patrick Stables*"

BMO NESBITT BURNS INC.	**PETERS & CO. LIMITED**
(Signed) "*Greg Stadnyk*"	(Signed) "*Callum Moore*"

CANACCORD GENUITY CORP.	**RAYMOND JAMES LTD.**
(Signed) "*Anthony Petrucci*"	(Signed) "*Kelly Hughes*"

BASE SHELF PROSPECTUS

This short form prospectus is a base shelf prospectus. This short form prospectus has been filed under legislation in each of the provinces of Canada, other than the province of Québec, that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities. This short form base shelf prospectus has been filed in reliance on an exemption from the preliminary base shelf prospectus requirement for a well-known seasoned issuer.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

***This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell these securities**. The securities offered under this short form prospectus have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws, and may not be offered, sold or delivered in the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act) unless exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws are available. This short form prospectus does not constitute an offer to sell or the solicitation of an offer to buy any of the securities offered hereby within the United States. See "Plan of Distribution" in this short form prospectus.*

Information has been incorporated by reference in this prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Cardinal Energy Ltd., at Suite 600, 400 – 3rd Avenue S.W., Calgary, Alberta, T2P 4H2, phone number (403) 234-8681, and are also available electronically on SEDAR+ at www.sedarplus.ca.

New Issue **March 28, 2024**

SHORT FORM BASE SHELF PROSPECTUS

CARDINAL ENERGY LTD.

CARDINAL ENERGY LTD.

Common Shares
Debt Securities
Subscription Receipts
Warrants
Units

Cardinal Energy Ltd. ("**Cardinal**", "**the Corporation**", "**we**", "**us**" or "**our**") may from time to time offer and sell common shares ("**Common Shares**"), debt securities ("**Debt Securities**"), subscription receipts ("**Subscription Receipts**"), warrants ("**Warrants**"), and units ("**Units**") comprised of one or more of the other securities described in this short form base shelf prospectus (the "**Prospectus**") (collectively, the "**Securities**") during the 25 month period that this Prospectus, including any amendments hereto, remains in effect.

This Prospectus has been filed in reliance on an exemption from the preliminary base shelf prospectus requirement for a "well-known seasoned issuer" (as such term is defined under the WKSI Blanket Orders (as defined below)). The Corporation has determined that it qualifies as a well-known seasoned issuer as at the date of this Prospectus. In accordance with applicable securities laws, there is no limit on the aggregate principal amount of Securities that the Corporation may offer pursuant to this Prospectus. See "*Reliance on Exemptions for Well-Known Seasoned Issuers*".

The specific terms of an offering of Securities will be set forth in one or more shelf prospectus supplements (each, a "**Prospectus Supplement**") including, as applicable: (i) in the case of Common Shares, the number of Common Shares offered and the offering price; (ii) in the case of Debt Securities, the specific designation of the Debt Securities, any limit on the aggregate principal amount of the Debt Securities, the currency, maturity and offering price of the Debt Securities, the interest rate or method of determining the interest rate, if any, of the Debt Securities, the terms of any redemption, conversion or exchange rights attached to the Debt Securities, the terms of the subordination and any related provisions and any other specific terms; (iii) in the case of Subscription Receipts, the number of Subscription Receipts offered, the issue price, the terms, conditions and procedures for the conversion or exercise of such Subscription Receipts into or for Common Shares or other securities or pursuant to which the holders thereof will become entitled to receive Common Shares or such other securities, and any other specific terms; (iv) in the case of Warrants, the designation, number and terms of the Common Shares or Debt Securities purchasable upon exercise of the Warrants, any procedures that will result in the adjustment of those numbers, the exercise price, dates and periods of exercise, the currency in which the Warrants are issued and any other specific terms; and (v) in the case of Units, the designation and terms of the Units and of the Securities comprising the Units and any other specific terms. Where required by statute, regulation or policy, and where Securities are offered in currencies other than Canadian dollars, appropriate disclosure of foreign exchange rates applicable to such Securities will be included in the Prospectus Supplement describing such Securities. The Corporation may also include in a Prospectus Supplement specific terms pertaining to the Securities which are not within the options and parameters set forth in this prospectus.

All information permitted under applicable securities legislation to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be delivered to purchasers of the applicable Securities together with this Prospectus. Each Prospectus Supplement will be incorporated by reference into this Prospectus for the purposes of securities legislation as of the date of the Prospectus Supplement and only for the purposes of the distribution of the Securities to which the Prospectus Supplement pertains.

Cardinal may offer and sell the Securities to or through underwriters or dealers purchasing as principal, and may also offer and sell the Securities to purchasers directly pursuant to applicable registration exemptions or through registered dealers acting as agents of Cardinal, such underwriters, dealers or agents are collectively referred to in this Prospectus as "**Investment Dealers**". The Prospectus Supplement relating to each offering of Securities will identify each Investment Dealer and will also set forth the terms of the offering, including the type of Security being offered, the public offering price (or the manner of determination thereof if offered on a non-fixed price basis), the net proceeds to Cardinal and any compensation payable to the Investment Dealer.

In connection with any offering of Securities, the Investment Dealers, may over allot or effect transactions which stabilize or maintain the market price of the Securities at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

The issued and outstanding Common Shares are listed and posted for trading on the Toronto Stock Exchange (the "**TSX**") under the symbol "CJ". **No Investment Dealer has been involved in the preparation of this Prospectus or performed any review of the contents of this Prospectus.**

The Securities may be sold from time to time in one or more transactions at a fixed price or at non-fixed prices. If offered on a non-fixed price basis, the Securities may be offered at market prices prevailing at the time of sale, at prices determined by reference to the prevailing price of a specified security in a specified market or at prices to be negotiated with purchasers, in which case the compensation payable to an Investment Dealer in connection with any such sale will be decreased by the amount, if any, by which the aggregate price paid for the Securities by the purchasers will be less than the gross proceeds paid by the Investment Dealer to us. The price at which Securities will be offered and sold may vary from purchaser to purchaser and during the period of distribution.

Any offering of Debt Securities, Subscription Receipts, Warrants or Units would be a new issue of securities. **There is no market through which the Debt Securities, Subscription Receipts, Warrants or Units may be sold and purchasers may not be able to resell the Debt Securities, Subscription Receipts, Warrants or Units purchased under this Prospectus or any Prospectus Supplement. This may affect the pricing of the Debt Securities, Subscription Receipts, Warrants or Units in the secondary market (if any), the transparency and availability of trading prices (if any), the liquidity of the Debt Securities, Subscription Receipts, Warrants or Units (if any), and the extent of issuer regulation. See "Risk Factors".** Unless otherwise specified in the applicable Prospectus

Supplement, the Debt Securities, Subscription Receipts, Warrants or Units will not be listed on any securities exchange.

Cash dividends to holders (**the** "**Shareholders**") **of Common Shares, if any, are not guaranteed.** A return on an investment in the Corporation is not comparable to the return on an investment in a fixed-income security. The recovery of an initial investment in the Corporation is at risk, and the anticipated return on such investment is based on many performance assumptions. Although the Corporation anticipates that it will continue to declare and pay dividends to Shareholders, these cash dividends may be reduced or suspended. The declaration and payment of any dividend by Cardinal is at the discretion of the board of directors of Cardinal and will depend on numerous factors, including compliance with applicable laws and the financial performance, debt obligations, working capital requirements and future capital expenditure requirements of the Corporation and its subsidiaries. In addition, the market value of the Common Shares may decline if the Corporation is unable to meet its dividend targets in the future, and that decline may be significant.

Investment in the Securities is subject to certain risks that should be considered carefully by prospective purchasers. See "Risk Factors" in this Prospectus and "Risk Factors" in the AIF (as defined herein) incorporated by reference herein.

It is important for you to consider the particular risk factors that may affect the industry and the issuer in which you are investing, and therefore the stability of the dividends that you receive. See "*Risk Factors*". This section describes certain risks, Cardinal's assessment of those risks, as well as potential consequences to you if a risk should occur.

Cardinal's head office is located at Suite 600, 400 – 3rd Avenue SW, Calgary, Alberta, T2P 4H2 and its registered office is located at Suite 2400, 525 – 8th Avenue S.W., Calgary, Alberta, Canada, T2P 1G1.

Words importing the singular number include the plural, and vice versa, and words importing any gender include all genders.

All dollar amounts set forth in this Prospectus are in Canadian dollars, unless otherwise indicated.

TABLE OF CONTENTS

FORWARD-LOOKING INFORMATION

Certain statements and other information included or incorporated by reference in this Prospectus constitute forward-looking statements or information (collectively, "**forward-looking information**") as defined under applicable securities legislation. All statements, other than statements of historical fact included or incorporated by reference in this Prospectus, which address activities, events or developments that we expect or anticipate may or will occur in the future, are forward-looking information. Forward-looking information typically contains statements with words such as "may", "estimate", "anticipate", "believe", "expect", "plan", "intend", "target", "project", "forecast", "outlook", "focus", "potential", "should", "could" or similar words suggesting future outcomes or outlook. Forward-looking information included or incorporated by reference in this Prospectus includes statements with respect to such things as anticipated financial performance, business prospects, strategies, market forces, commitments and technological developments, potential acquisition and development activities that may be pursued by Cardinal and the anticipated benefits of such opportunities.

Readers are cautioned not to place undue reliance on such forward-looking information. Such information reflects the current views of Cardinal with respect to future events and are subject to certain risks, uncertainties and assumptions that could cause the results of Cardinal to differ materially from those expressed in the forward-looking information. Factors that could cause actual results to vary from forward-looking information or may affect the operations, performance, development and results of Cardinal's business include, among other things: risks and assumptions associated with operations, such as Cardinal's ability to successfully implement its strategic initiatives and achieve expected benefits, assumptions concerning operational reliability; the availability and price of labour and construction materials; the status, credit risk and continued existence of customers having contracts with Cardinal and its affiliates; availability of energy commodities; volatility of and assumptions regarding prices of energy commodities; competitive factors, pricing pressures and supply and demand in the natural gas and oil transportation, assumptions based upon Cardinal's current financial and operational guidance; fluctuations in currency and interest rates; inflation; the ability to access sufficient capital from internal and external sources; risks and uncertainties associated with the ability to maintain Cardinal's current level of cash dividends; risks of war, hostilities, civil insurrection, instability and political and economic conditions in or affecting countries in which Cardinal and its affiliates operate; severe weather conditions; terrorist threats; risks associated with technology; Cardinal's ability to generate sufficient cash flow from operations to meet its current and future obligations; Cardinal's ability to access external sources of debt and equity capital; general economic and business conditions; the potential delays of and costs of overruns on construction projects, including, but not limited to future expansions of Cardinal's assets; Cardinal's ability to make capital investments and the amounts of capital investments; changes in laws and regulations, including environmental, regulatory and taxation laws, and the interpretation of such changes to laws and regulations; the risks associated with existing and potential future lawsuits and regulatory actions against Cardinal and its affiliates; increases in maintenance, operating or financing costs; availability of adequate levels of insurance; difficulty in obtaining necessary regulatory approvals and maintenance of support of such approvals; the inability to meet or continue to meet listing requirements of the TSX; the timing, financing and completion of projects the Corporation is developing; the realization of the anticipated benefits of projects the Corporation is developing; and such other risks and uncertainties described from time to time in Cardinal's reports and filings with the Canadian securities regulatory authorities. The impact of any one assumption, risk, uncertainty or other factor on particular forward-looking information is not determinable with certainty, as these are interdependent and Cardinal's future course of action depends on management's assessment of all information available at the relevant time.

Additional information on these and other risks, uncertainties and factors is included under the heading "*Risk Factors*" in this Prospectus, "*Risk Factors*" in our AIF filed with the securities commissions or similar regulatory authorities in each of the provinces of Canada and as may be updated from time to time in our interim management's discussion and analysis.

We caution you that the foregoing list of risks, uncertainties and factors is not exhaustive. The effect of any one risk, uncertainty or factor on particular forward-looking information is uncertain because these factors are independent and management's future course of action would depend on our assessment of all information at that time. Although we believe that the expectations in the forward-looking information are reasonable based on information available to us on the date of preparation, we can give no assurances as to future results, levels of activity or achievements.

You should not place undue reliance on the forward-looking information contained in this Prospectus or incorporated by reference herein, as actual results achieved will vary from the forward-looking information provided herein and the variations may be material. We make no representation that actual results achieved will be the same in whole or in part as those set out in the forward-looking information. Furthermore, the forward-looking information contained or incorporated by reference herein are dated as of the date of this Prospectus or as of the date specified in the documents incorporated by reference into this Prospectus, as the case may be, and, except as required by applicable law, we do not undertake any obligation to update publicly or to revise any forward-looking information, whether as a result of new information, future events or otherwise.

This cautionary statement qualifies all forward-looking information contained in this Prospectus or incorporated by reference therein or herein.

Readers should not construe the contents of this Prospectus as legal, tax or financial advice and should consult with their own professional advisors as to the relevant legal, tax, financial or other matters in connection herewith.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated by reference herein may be obtained on request without charge from the Corporate Secretary of Cardinal at Suite 600, 400 – 3rd Avenue S.W., Calgary, Alberta, T2P 4H2, phone number (403) 234-8681, and are also available electronically on SEDAR+ at www.sedarplus.ca.

The following documents of Cardinal have been filed with the securities commission or similar regulatory authority in each of the provinces of Canada and are specifically incorporated by reference into and form an integral part of this Prospectus:

(a) the Annual Information Form of Cardinal dated March 27, 2024 for the year ended December 31, 2023 ("**AIF**");

(b) the audited financial statements of Cardinal as at and for the years ended December 31, 2023 and 2022, together with the notes thereto and the report of the auditors thereon;

(c) the management's discussion and analysis of Cardinal as at and for the years ended December 31, 2023 and 2022; and

(d) the Information Circular – Proxy Statement of Cardinal dated March 27, 2024 relating to the annual general meeting of shareholders to be held on May 10, 2024.

Any documents of the type referred to in the preceding paragraph, or required to be incorporated by reference herein pursuant to National Instrument 44-101 – *Short Form Prospectus Distributions*, including annual information forms, information circulars, annual and interim financial statements and related management's discussion and analysis, material change reports (excluding confidential reports, if any), business acquisition reports, updated earnings coverage ratio information, as well as all Prospectus Supplements disclosing additional or updated information, filed by Cardinal with the applicable securities regulatory authorities subsequent to the date of this Prospectus and prior to 25 months from the date hereof shall be deemed to be incorporated by reference in this Prospectus.

Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. Any statement so modified or superseded shall not be deemed to constitute a part of this Prospectus, except as so modified or superseded.

Earnings coverage ratios, if applicable, will be filed quarterly with applicable securities regulatory authorities either as Prospectus Supplements or contained in Cardinal's unaudited condensed interim financial statements and audited annual financial statements or related management's discussion and analysis and will be deemed to be incorporated by reference in this Prospectus for the purpose of the offering of Debt Securities.

Upon a new annual information form and related audited annual financial statements being filed by Cardinal with the applicable securities regulatory authorities during the currency of this Prospectus, the previous annual information form, the previous audited annual financial statements and all unaudited condensed interim financial statements and the accompanying management's discussion and analysis filed prior to the commencement of Cardinal's financial year in which the new annual information form is filed shall be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of Securities under this Prospectus.

Upon unaudited condensed interim financial statements and the accompanying management's discussion and analysis being filed by Cardinal with the applicable securities regulatory authorities during the currency of this Prospectus, all unaudited condensed interim financial statements and the accompanying management's discussion and analysis filed prior to the new unaudited condensed interim financial statements shall be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of Securities under this Prospectus.

Upon a new management information circular relating to an annual meeting of Shareholders being filed by us with the applicable securities regulatory authorities during the currency of this Prospectus, the management information circular for the preceding annual meeting of Shareholders shall be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of Securities under this Prospectus. However, if the management information circular for the preceding annual meeting contains disclosure regarding special business which differs from the matters voted on, or to be voted on, at a new annual meeting for which the new management information circular is filed by us, the management information circular for the preceding annual meeting of Shareholders shall continue to be incorporated into this Prospectus.

MARKETING MATERIALS

Any "template version" of any "marketing materials" (as such terms are defined under applicable Canadian securities laws) that are utilized in connection with an offering of Securities are not part of this Prospectus or any Prospectus Supplement to the extent that the contents of the template version of the marketing materials have been modified or superseded by a statement contained in this Prospectus or any Prospectus Supplement. Any template version of any marketing materials that has been, or will be, filed on SEDAR+ before the termination of the distribution under any offering (including any amendments to, or an amended version of, any template version of any marketing materials) is deemed to be incorporated into the Prospectus.

SUMMARY DESCRIPTION OF THE BUSINESS

Cardinal is a low decline, oil focused company that produces in four core areas in Western Canada. Cardinal has a balanced portfolio, deep development drilling inventory and defined ESG focus. Additional information on Cardinal's business is contained in the AIF under the headings "*Cardinal Energy Ltd*." and "*General Development of our Business*".

CONSOLIDATED CAPITALIZATION

There has not been any material change in the share and loan capital of the Corporation, on a consolidated basis, since December 31, 2023.

USE OF PROCEEDS

The net proceeds to be derived from the sale of Securities will be the issue price thereof less any commissions paid and expenses incurred in connection therewith. The specific principal purposes for which the net proceeds will be used and the amount of net proceeds to be used for any such purpose will be provided in a Prospectus Supplement or pricing supplement relating to a specific offering of Securities. Unless otherwise indicated in a Prospectus Supplement or pricing supplement, the net proceeds from the sale of the Securities will be used for general corporate purposes, to repay indebtedness, to finance the purchase price of acquisitions Cardinal may persue or to finance capital expenditures and working capital requirements. Cardinal may invest funds that it does not immediately require in short-term marketable securities. Cardinal may from time to time, issue securities other than pursuant to this Prospectus.

EARNINGS COVERAGE

Earnings coverage ratios will be provided as required in the applicable prospectus supplement(s) with respect to any offering and sale of Debt Securities pursuant to this Prospectus.

DESCRIPTION OF COMMON SHARES

Cardinal is authorized to issue an unlimited number of Common Shares. There are an aggregate of 159,638,699 Common Shares issued and outstanding as at March 28, 2024. The Common Shares have the following rights, privileges, restrictions and conditions:

Voting Rights: Holders of Common Shares are entitled to notice of, to attend and to one vote per share held at any meeting of shareholders (other than meetings of a class or series of shares other than our Common Shares).

Dividends: Holders of Common Shares are entitled to receive dividends as and when declared by our Board of Directors on the Common Shares as a class, subject to the prior satisfaction of all preferential rights to dividends attached to other classes of shares ranking in priority to the Common Shares in respect of dividends.

Ranking: In the event of any liquidation, dissolution or winding-up of us, whether voluntary or involuntary, or any other distribution of our assets among our Shareholders for the purpose of winding-up our affairs, and subject to prior satisfaction of all preferential rights to return of capital on dissolution attached to all other classes of shares ranking in priority to the Common Shares in respect of return of capital on dissolution, holders of Common Shares are entitled to share rateably, together with the holders of shares of any other class of shares ranking equally with the Common Shares, in respect of a return of capital on dissolution, in such of our assets as are available for distribution.

If our Board of Directors declare a dividend on the Common Shares payable in whole or in part in fully paid and non-assessable Common Shares (the portion of the dividend payable in Common Shares referred to as a "stock dividend"), the following provisions shall apply:

(a) unless otherwise determined by the Board of Directors in respect of a particular stock dividend: (i) the number of Common Shares (which shall include any fractional Common Shares) to be issued in satisfaction of the stock dividend shall be determined by dividing (A) the dollar amount of the particular stock dividend, by (B) the "Average Market Price" of a Common Share on the Toronto Stock Exchange, with the "Average Market Price" calculated by dividing the total value of Common Shares traded on the Toronto Stock Exchange (or if the Common Shares are not traded on the Toronto Stock Exchange, on any other recognized exchange or market on which the Common Shares are traded) by the total volume of Common Shares traded on the Toronto Stock Exchange (or if the Common Shares are not traded on the Toronto Stock Exchange, on any other recognized exchange or market on which the Common Shares are traded) over the five trading day period immediately prior to the payment date of the applicable stock dividend on the Common Shares; and (ii) the value of a Common Share to be issued for the purposes of each stock dividend declared by the Board of Directors shall be deemed to be the Average Market Price of a Common Share;

(b) to the extent that any stock dividend paid on the Common Shares represents one or more whole Common Share payable to a registered holder of Common Shares, such whole Common Shares shall be registered in the name of such holder. Common Shares representing in the aggregate all of the fractions amounting to less than one whole Common Share which might otherwise have been payable to registered holders of Common Shares by reason of such stock dividend shall be issued to our transfer agent as the agent of such registered holders of Common Shares. Our transfer agent shall credit to an account for each such registered holder all fractions of a Common Share amounting to less than one whole share issued by us by way of stock dividends in respect of the Common Shares registered in the name of such holder. From time to time, when the fractional interests in a Common Share held by our transfer agent for the account of any registered holder of Common Shares are equal to or exceed in the aggregate one additional whole Common Share, the transfer agent shall cause such additional whole Common Share to be registered in the name of such registered holder and thereupon only the excess fractional interest, if any, will continue to be held by the transfer agent for the account of such registered holder. Common Shares held by the transfer agent representing fractional interests shall not be voted;

(c) if at any time we have reason to believe that tax should be withheld and remitted to a taxation authority in respect of any stock dividend paid or payable to a Shareholder in Common Shares, we have the right to sell, or to require our transfer agent in each case as agent of such Shareholder, to sell all or any part of the Common Shares or any fraction thereof so issued to such holder in payment of that stock dividend or one or more subsequent stock dividends through the facilities of the Toronto Stock Exchange or other stock exchange on which the Common Shares are listed for trading, and to cause our transfer agent to remit the cash proceeds from such sale to such taxation authority (rather than such holder) in payment of such tax to be withheld. This right of sale may be exercised by notice given by us to such holder and to us or our transfer agent stating the name of the holder, the number of Common Shares to be sold and the amount of the tax which we have reason to believe should be withheld. Upon receipt of such notice the transfer agent shall, unless a certificate or other evidence of registered ownership for the Common Shares has at the relevant time been issued in the name of the holder, sell the Common Shares as aforementioned and Cardinal or our transfer agent as applicable, shall be deemed for all purposes to be the duly authorized agent of the holder with full authority on behalf of such holder to effect the sale of such Common Shares and deliver the proceeds therefrom to the applicable taxation authority on behalf of us. Any balance of the cash sale proceeds not remitted by us in payment of the tax to be withheld shall be payable to the holder whose Common Shares were so sold by the transfer agent;

(d) if at any time we shall have reason to believe that the payment of a stock dividend to any holder who is resident in or otherwise subject to the laws of a jurisdiction outside Canada might contravene the laws or regulations of such jurisdiction, or could subject us to any penalty thereunder or any legal or regulatory requirements not otherwise applicable to us, we shall have the right to sell, or to require our transfer agent in each case, as agent of such Shareholder, to sell through the facilities of the Toronto Stock Exchange or other stock exchange on which the Common Shares are listed for trading, the Common Shares or any fraction thereof so issued and to cause our transfer agent to pay the cash proceeds from such sale to such holder. The right of sale shall be exercised in the manner provided in subparagraph (c) above except that in the notice there shall be stated, instead of the amount of the tax to be withheld, the nature of the law or regulation which might be contravened or which might subject us to any penalty or legal or regulatory requirement. Upon receipt of the notice, we or our transfer agent shall, unless a certificate or other evidence of registered ownership for the Common Shares has at the relevant time been issued in the name of the holder, sell the Common Shares as aforementioned and we or our transfer agent, as applicable, shall be deemed for all purposes to be the duly authorized agent of the holder with full authority on behalf of such holder to effect the sale of such Common Shares and to deliver the proceeds therefrom to such holder;

(e) upon any registered holder of Common Shares ceasing to be a registered holder of one or more Common Shares, such holder shall be entitled to receive from our transfer agent, and the transfer agent shall pay as soon as practicable to such holder, an amount in cash equal to the proportion of the value of one Common Share that is represented by the fraction less than one whole Common Share at that time held by our transfer agent for the account of such holder and, for the purpose of determining such value, each Common Share shall be deemed to have the value equal to the Average Market Price in respect of the last stock dividend paid by us prior to the date of such payment; and

(f) for the purposes of the foregoing: (i) the calculation of a fraction of a Common Share payable to a Shareholder by way of a stock dividend and the calculation of the Average Market Price shall be computed to six decimal places, and shall be rounded to the nearest sixth decimal place; and (ii) neither us nor our transfer agent shall have any obligation to register any Common Share in the name of a person, to deliver a certificate or other document representing Common Shares registered in the name of a Shareholder or to make a cash payment for fractions of a Common Share, unless all applicable laws and regulations to which we and/or our transfer agent are, or as a result of such action may become, subject, shall have been complied with to their reasonable satisfaction.

See also "*Description of our Capital Structure*" in the AIF for a description of the Common Shares and Cardinal's first preferred shares.

DESCRIPTION OF DEBT SECURITIES

The following sets forth certain general terms and provisions of the Debt Securities. The particular terms and provisions of the Debt Securities offered pursuant to an accompanying Prospectus Supplement, and the extent to which the general terms and provisions described below may apply to such Debt Securities, will be described in such Prospectus Supplement. Since the terms of a series of Debt Securities may differ from the general information provided in this Prospectus, in all cases an investor should rely on the information in the applicable Prospectus Supplement where it differs from information in this Prospectus.

The particular terms and provisions of a series of Debt Securities offered by any Prospectus Supplement, and the extent to which the general terms and provisions described below may apply thereto, will be described in the Prospectus Supplement filed in respect of such Debt Securities. This description will include, where applicable: (i) the specific designation, aggregate principal amount, authorized denominations and maturity dates of the Debt Securities; (ii) the rate or rates of interest, which may be a fixed rate or floating rate, and the amounts payable in respect of principal and premium, if any, on the Debt Securities; (iii) covenants relating to the payment of principal and interest on the Debt Securities and other covenants applicable to such Debt Securities to which Cardinal will be bound; (iv) the date or dates from which interest shall accrue, the dates on which interest shall be payable and the record dates for the interest payable on any interest payment date; (v) the place or places where the principal of and premium, if any, and interest on the Debt Securities will be payable; (vi) the period or periods within which, the price or prices at which, and the terms and conditions upon which, the Debt Securities may be redeemed, in whole or in part, at the option of Cardinal; (vii) the obligation, if any, of Cardinal to redeem, purchase or repay the Debt Securities pursuant to any mandatory redemption, sinking fund or analogous provisions or at the option of a holder thereof; and the period or periods within which, the price or prices at which, and the terms and conditions upon which, the Debt Securities shall be redeemed or purchased, in whole or in part, pursuant to such obligation or option; (viii) provisions relating to the conversion of the Debt Securities for Common Shares or other securities of Cardinal or its subsidiaries; (ix) the currency or currencies (which may be in the Canadian dollar or in any other currency) in which the Debt Securities will be denominated and in which the principal of and premium, if any, and interest on such Debt Securities will be payable; (x) the application, if any, of any defeasance provisions to the Debt Securities; (xi) whether the Debt

Securities may be exchanged or converted into securities of Cardinal or another issuer; (xii) if the Debt Securities are to be subordinated to other Cardinal's obligations, the terms of the subordination and any related provisions; and (xiii) any other specific terms.

The Debt Securities will be issued under an indenture or supplemental indenture. A copy of any indenture may be filed (to the extent an indenture has not been already filed) by Cardinal with the securities commission or similar regulatory authority in each of the provinces of Canada after it has been entered into by Cardinal and may be available electronically at www.sedarplus.ca.

The Prospectus Supplement will describe the material terms of any Debt Securities. For a complete description of the terms of any Debt Securities, investors should refer to the indenture or supplemental indentures and, if applicable, collateral arrangements and depository arrangements relating to such Debt Securities.

DESCRIPTION OF SUBSCRIPTION RECEIPTS

The following sets forth certain general terms and provisions of the Subscription Receipts. The particular terms and provisions of the Subscription Receipts offered pursuant to an accompanying Prospectus Supplement, and the extent to which the general terms and provisions described below may apply to such Subscription Receipts, will be described in such Prospectus Supplement. Since the terms of a series of Subscription Receipts may differ from the general information provided in this Prospectus, in all cases an investor should rely on the information in the applicable Prospectus Supplement where it differs from information in this Prospectus.

The particular terms and provisions of Subscription Receipts offered by any Prospectus Supplement, and the extent to which the general terms and provisions described below may apply thereto, will be described in the Prospectus Supplement filed in respect of such Subscription Receipts. This description will include, where applicable: (i) the number of Subscription Receipts; (ii) the price at which the Subscription Receipts will be offered; (iii) the procedures for the exchange of the Subscription Receipts into Common Shares or Debt Securities; (iv) the number of Common Shares or principal amount of Debt Securities that may be obtained upon exercise of each Subscription Receipt; (v) the terms applicable to the gross proceeds from the sale of the Subscription Receipts plus any interest earned thereon; and (vi) any other specific terms.

The Subscription Receipts will be issued under a subscription receipt agreement. A copy of the subscription receipt agreement will be filed by Cardinal with the securities commission or similar regulatory authority in each of the provinces of Canada after it has been entered into by Cardinal and will be available electronically at www.sedarplus.ca.

The Prospectus Supplement will describe the material terms of any Subscription Receipts. For a complete description of the terms of any Subscription Receipts, investors should refer to the subscription receipt agreement and, if applicable, collateral arrangements and depository arrangements relating to such Subscription Receipts.

DESCRIPTION OF WARRANTS

The following sets forth certain general terms and provisions of the Warrants. The particular terms and provisions of the Warrants offered pursuant to an accompanying Prospectus Supplement, and the extent to which the general terms and provisions described below may apply to such Warrants, will be described in such Prospectus Supplement. Since the terms of a series of Warrants may differ from the general information provided in this Prospectus, in all cases an investor should rely on the information in the applicable Prospectus Supplement where it differs from information in this Prospectus.

Cardinal may issue Warrants for the purchase of Common Shares, Debt Securities or other securities. Warrants may be issued independently or together with Common Shares or Debt Securities offered by any Prospectus Supplement and may be attached to, or separate from, any such offered Securities. Warrants will be issued under one or more warrant agreements between Cardinal and a warrant agent (the "**Warrant Agent**") that Cardinal will name in the applicable Prospectus Supplement.

Any Prospectus Supplement for Warrants supplementing this Prospectus will contain the terms and other information with respect to the Warrants being offered thereby, including: (i) the designation of the Warrants; (ii) the aggregate number of Warrants offered and the offering price; (iii) the designation, number and terms of the Common Shares, Debt Securities or other securities purchasable upon exercise of the Warrants, and procedures that will result in the adjustment of those numbers; (iv) the exercise price of the Warrants; (v) the dates or periods during which the Warrants are exercisable; the designation and terms of any securities with which the Warrants are issued; (vi) if the Warrants are issued as a unit with another security, the date on and after which the warrants and the other security will be separately transferable; (vii) the currency or currency unit in which the exercise price is denominated; (viii) any minimum or maximum amount of Warrants that may be exercised at any one time; (ix) whether such Warrants will be listed on any securities exchange; (x) any terms, procedures and limitations relating to the transferability, exchange or exercise of the Warrants; (xi) whether the Warrants will be issued in fully registered or "book-entry only" form; (xii) any rights, privileges, restrictions and conditions attaching to the Warrants; and (xiii) any other specific terms.

Prior to the exercise of their Warrants, holders of Warrants will not have any of the rights of holders of the securities subject to the Warrants.

The Warrants will be issued under a warrant agreement. A copy of the warrant agreement will be filed by Cardinal with the securities commission or similar regulatory authority in each of the provinces of Canada after it has been entered into by Cardinal and will be available electronically at www.sedarplus.ca.

The Prospectus Supplement will describe the material terms of any Warrants. For a complete description of the terms of any Warrants, investors should refer to the warrant agreement and, if applicable, collateral arrangements and depository arrangements relating to such Warrants.

DESCRIPTION OF UNITS

The following sets forth certain general terms and provisions of the Units. The particular terms and provisions of the Units offered pursuant to an accompanying Prospectus Supplement, and the extent to which the general terms and provisions described below may apply to such Units, will be described in such Prospectus Supplement. Since the terms of a series of Units may differ from the general information provided in this Prospectus, in all cases an investor should rely on the information in the applicable Prospectus Supplement where it differs from information in this Prospectus.

Cardinal may issue Units comprised of one or more of the other Securities described in this Prospectus in any combination. Each Unit will be issued so that the holder of the Unit is also the holder of each Security included in the Unit. Thus, the holder of a Unit will have the rights and obligations of a holder of each Security comprising such Unit. The unit agreement under which a Unit is issued may provide that the Securities included in the Unit may not be held or transferred separately, at any time or at any time before a specified date.

Any Prospectus Supplement for Units supplementing, this Prospectus will contain the terms and other information with respect to the Units being offered thereby, including: (i) the designation and terms of the Units and of the Securities comprising the Units, including whether and under what circumstances those Securities may be held or transferred separately; (ii) any provisions for the issuance, payment, settlement, transfer or exchange of the Units or of the Securities comprising the Units; (iii) whether the Units will be issued in fully registered or global form; and (iv) any other specific terms.

The Prospectus Supplement will describe the material terms of any Units. For a complete description of the terms of any Units, investors should refer to the unit agreement and, if applicable, collateral arrangements and depositary arrangements relating to such Units.

BOOK-ENTRY ONLY SYSTEM

Securities issued in "book-entry only" form must be purchased, transferred or redeemed through participants ("**CDS Participants**") in the depository service of CDS Clearing and Depository Services Inc. or a successor or its nominee (collectively, "**CDS**"). Each of the Investment Dealers named in an accompanying Prospectus Supplement offering Securities in "book-entry only" form will be a CDS Participant. On the closing of a book-entry only offering, Cardinal will cause a global certificate or certificates representing the aggregate number of Securities subscribed for under such offering to be delivered to, and registered in the name of, CDS. Except as described below, no purchaser of Securities will be entitled to a certificate or other instrument from Cardinal or CDS evidencing that purchaser's ownership thereof, and no purchaser will be shown on the records maintained by CDS except through a book-entry account of a CDS Participant acting on behalf of such purchaser. Each purchaser of Securities will receive a customer confirmation of purchase from the Investment Dealer from which the Securities are purchased in accordance with the practices and procedures of that Investment Dealer. The practices of Investment Dealers may vary, but generally customer confirmations are issued promptly after execution of a customer order. Reference in this Prospectus to a holder of Securities means, unless the context otherwise requires, the owner of the beneficial interest in the Securities.

CDS will be responsible for establishing and maintaining book-entry accounts for CDS Participants having interests in the Securities. If: (i) the book-entry only system ceases to exist; (ii) Cardinal determines that CDS is no longer willing or able to discharge properly its responsibilities as depository with respect to the Securities and Cardinal is unable to locate a qualified successor; or (iii) Cardinal at its option elects, or is required by applicable law or the rules of any securities exchange, to withdraw the Securities from the book-entry only system, then physical certificates representing the Securities will be issued to holders thereof or their nominees.

Transfer, Conversion and Redemption of Securities

Transfers of ownership, conversions or redemptions of Securities will be effected only through records maintained by CDS for such Securities with respect to interests of CDS Participants and on the records of CDS Participants with respect to interests of persons other than CDS Participants. Holders of Securities who are not CDS Participants, but who desire to purchase, sell or otherwise transfer ownership of or other interests in the Securities, may do so only through CDS Participants. Depending on the jurisdiction in which the holder is located, the ability of a holder to pledge Securities or otherwise take action with respect to such holder's interest in Securities (other than through a CDS Participant) may be limited due to the lack of a physical certificate.

Payments and Deliveries

Cardinal will make, or cause to be made, payments of principal, redemption price, if any, dividends and interest, as applicable, on Securities to CDS as the registered holder of the Securities and Cardinal understands that the payment will be forwarded by CDS to CDS Participants in accordance with the customary practices and procedures of CDS. As long as CDS is the registered holder of the Securities, CDS will be considered the sole owner of the Securities for the purposes of receiving notices or payments on the Securities. As long as the Securities are held in the CDS book-entry only system, the responsibility and liability of Cardinal in respect of the Securities is limited to making payments of principal, redemption price, if any, dividends and interest, as applicable, on the Securities to CDS, as registered holder of the Securities. Cardinal expects that CDS, upon receipt of any payment in respect of Securities, will credit CDS Participants' accounts in amounts proportionate to their respective interests in the principal amount of such Securities as shown on the records of CDS in accordance with the customary practices and procedures of CDS. Cardinal also expects that payments by CDS Participants to the owners of beneficial interests in Securities held through such CDS Participants will be governed by standing instructions and customary practices, and will be the responsibility of such CDS Participants.

Each beneficial owner must rely on the procedures of CDS and, if such beneficial owner is not a CDS Participant, on the procedures of the CDS Participant through which such beneficial owner owns its interest, to exercise any rights with respect to the Securities. Cardinal understands that under existing policies of CDS and industry practices, if Cardinal requests any action of a beneficial owner or if a beneficial owner desires to give any notice or take any action which a registered holder is entitled to give or take with respect to the Securities, CDS would authorize the CDS Participant acting on behalf of the beneficial owner to give such notice or to take such action, in accordance with the procedures established by CDS or agreed to from time to time by Cardinal, any trustee and/or Warrant Agent and CDS. Any beneficial owner that is not a CDS Participant must rely on the contractual arrangement it has directly, or indirectly through its financial intermediary, with its CDS Participant to give such notice or take such action.

None of Cardinal, the Investment Dealers or any trustee and/or Warrant Agent will assume liability or responsibility for: (i) any aspect of the records relating to the beneficial ownership of the Securities held by CDS or the payments or deliveries relating thereto; (ii) maintaining, supervising or reviewing any records relating to the Securities; or (iii) any advice or representation made by or with respect to CDS relating to the rules governing CDS or any action to be taken by CDS or at the direction of CDS Participants.

PRIOR SALES

Other than as described below, the Corporation did not issue any Common Shares or securities convertible into Common Shares during the 12-month period prior to the date of this Prospectus.

Date	Number of Common Shares	Deemed Price per Common Share
April 10, 2023	1,362,397[(1)]	$7.35
April 17, 2023	9,576[(2)]	N/A
May 24, 2023	68,576[(2)]	N/A
June 22, 2023	62,614[(2)]	N/A
August 1, 2023	23,133[(2)]	N/A
September 5, 2023	12,315[(2)]	N/A
November 8, 2023	41,700[(2)]	N/A
January 3, 2024	30,000[(2)]	N/A
February 1, 2024	45,820[(2)]	N/A
March 22, 2024	1,262,763[(2)]	N/A

Notes:

(1) Represents Common Shares issued as consideration for the acquisition by the Corporation of certain assets from Broadview Energy Ltd.
(2) Represents bonus awards granted under the Corporation's bonus awards incentive plan.

Trading Price and Volume

The Common Shares are listed and traded on the TSX. The trading symbol on the TSX for the Common Shares is "CJ". The following sets forth the price range and consolidated trading volume of the Common Shares (as reported by the TSX) on the TSX for the periods indicated.

Period	High ($)	Low ($)	Volume
2023			
January	8.04	6.85	20,383,284
February	7.63	7.08	20,314,290
March	7.52	6.39	29,690,103
April	7.86	7.12	13,460,876
May	7.34	6.36	16,360,445
June	7.25	6.25	13,695,603
July	7.31	6.51	11,787,924
August	7.31	6.83	14,487,258
September	7.65	7.16	14,322,816
October	7.955	6.90	16,657,782
November	7.56	6.59	16,955,141
December	6.83	5.75	15,328,932
2024			
January	6.52	6.15	11,220,364

Period	High ($)	Low ($)	Volume
February	6.91	6.01	11,239,558
March (1 to 27)	7.12	6.57	7,932,407

PLAN OF DISTRIBUTION

The plan of distribution will be described in the Prospectus Supplement for any Securities distributed under this Prospectus.

Unless otherwise specified in the applicable Prospectus Supplement, the Securities have not been and will not be registered under the U.S. Securities Act or any state securities laws, and accordingly may not be offered or sold within the United States of America or to U.S. Persons (as such term is defined in Regulation S under the U.S. Securities Act) except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws.

RISK FACTORS

Investment in the Securities is subject to various risks. Purchasers of Securities should consider carefully the risk factors set forth in the AIF which is incorporated herein by reference, and those, if any, described in a Prospectus Supplement relating to a specific offering of Securities. In addition, purchasers of Debt Securities should carefully consider the risks set forth below.

Risks Relating to the Debt Securities

There can be no assurance as to the liquidity of the trading market for the Debt Securities or that a trading market for the Debt Securities will develop.

There can be no assurance as to the liquidity of the trading market for the Debt Securities or that a trading market for the Debt Securities will develop. There is currently no public market through which the Debt Securities may be sold and, unless otherwise specified in the applicable Prospectus Supplement, Cardinal does not intend to apply for listing of the Debt Securities on any securities exchanges. If the Debt Securities are traded after their initial issue, they may trade at a discount from their initial offering prices depending on prevailing interest rates, the market for similar securities and other factors, including general economic conditions and Cardinal's financial condition.

There are risks relating to the unsecured nature of the Debt Securities.

Unless otherwise specified in the applicable Prospectus Supplement, the Debt Securities will be unsecured debt of Cardinal and will rank equally in right of payment (except as to sinking funds and as to claims preferred by operation of law) with all other existing and future unsecured debt of Cardinal. The Debt Securities will be effectively subordinated to all existing and future secured debt of Cardinal to the extent of the assets securing such debt. If Cardinal is involved in any bankruptcy, dissolution, liquidation or reorganization, the secured debt holders would, to the extent of the value of the assets securing the secured debt, be paid before the holders of unsecured Debt Securities. In that event, a holder of Debt Securities may not be able to recover any principal or interest due to it under the Debt Securities.

Credit ratings may not reflect all risks of an investment in the Debt Securities and may change.

Credit ratings may not reflect all risks associated with an investment in the Debt Securities. Any credit ratings applied to the Debt Securities are an assessment of Cardinal's ability to pay its obligations. Consequently, real or anticipated changes in the credit ratings will generally affect the market value of the Debt Securities. The credit ratings, however, may not reflect the potential impact of risks related to structure, market or other factors discussed in this Prospectus or the documents incorporated by reference herein on the value of the Debt Securities. There is no assurance that any credit rating assigned to the Debt Securities will remain in effect for any given period of time or that any rating will not be lowered or withdrawn entirely by the relevant rating agency.

Increases in interest rates may cause the market price or value of the Debt Securities to decline.

Prior to maturity, the market price or value of the Debt Securities may decline as prevailing interest rates for comparable debt instruments rise.

Changes in creditworthiness of Cardinal may affect the market price or value of the Debt Securities.

Any perceived change in the creditworthiness of Cardinal may affect the market price or value and the liquidity of the Debt Securities.

LEGAL MATTERS

Unless otherwise specified in a Prospectus Supplement, certain legal matters relating to the Securities offered by a Prospectus Supplement will be passed upon, on behalf of Cardinal, by Burnet, Duckworth & Palmer LLP. If any Investment Dealers named in a Prospectus Supplement retain their own counsel to pass upon legal matters relating to the Securities, the counsel will be named in the Prospectus Supplement.

RELIANCE ON EXEMPTIONS FOR WELL-KNOWN SEASONED ISSUERS

The securities regulatory authorities in each of the provinces and territories of Canada have adopted substantively harmonized blanket orders, including Alberta Securities Commission Blanket Order 44-501 *Exemption from Certain Prospectus Requirements for Well-Known Seasoned Issuers* (together with the equivalent local blanket orders in each of the other provinces and territories of Canada, as the same may be amened, extended or varied, collectively, the "**WKSI Blanket Orders**"). This Prospectus has been filed by the Corporation in reliance upon the WKSI Blanket Orders, which permit "well-known seasoned issuers", or "WKSIs", to file a final short form base shelf prospectus as the first public step in an offering, and exempt qualifying issuers from certain disclosure requirements relating to such final short form base shelf prospectus. The Corporation intends to rely on such exemptions to the full extent permitted by the WKSI Blanket Orders notwithstanding the inclusion in this Prospectus of any disclosure that is permitted to be excluded pursuant to the WKSI Blanket Orders. As of the date hereof, the Corporation has determined that it qualifies as a "well-known seasoned issuer" under the WKSI Blanket Orders.

AUDITORS, TRANSFER AGENT AND REGISTRAR

KPMG LLP are the auditors of Cardinal and have confirmed with respect to Cardinal that they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

Odyssey Trust Company, at its principal offices in Calgary, Alberta, Vancouver, British Columbia and Toronto, Ontario, is the transfer agent and registrar for the Common Shares.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus supplement and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus, the accompanying prospectus supplement relating to securities purchased by a purchaser and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal advisor.

Furthermore, original purchasers of Debt Securities, Subscription Receipts or Warrants (or Units comprised partly thereof) that are convertible into, or exchangeable or exercisable for, other securities of Cardinal will be granted a contractual right of action for rescission against Cardinal in respect of the conversion, exchange or exercise of such

Debt Securities, Subscription Receipts or Warrants. The contractual right of rescission will entitle such original purchasers to receive the amount paid upon conversion, exchange or exercise, upon surrender of the underlying securities gained thereby, in the event that this Prospectus (as supplemented or amended) contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this Prospectus; and (ii) the right of rescission is exercised within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this Prospectus. Original purchasers are further advised that in certain provinces the statutory right of action for damages in connection with a prospectus misrepresentation is limited to the amount paid for the convertible, exchangeable or exercisable security that was purchased under a prospectus, and therefore a further payment at the time of conversion, exchange or exercise may not be recoverable in a statutory action for damages. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights, or consult with a legal advisor.

CERTIFICATE OF CARDINAL ENERGY LTD.

Dated: March 28, 2024

This short form prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the securities legislation of each of the provinces of Canada, other than the Province of Québec.

CARDINAL ENERGY LTD.

(signed) "*M. Scott Ratushny*" Chief Executive Officer	(signed) "*Shawn Van Spankeren*" Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

(signed) "*John Brussa*" Director	(signed) "*Stephanie Sterling*" Director