CARDINAL
ENERGY LTD.

Q3 2024
MANAGEMENT DISCUSSION & ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

This management's discussion and analysis ("MD&A") is a review of the operations, financial position and outlook for Cardinal Energy Ltd. ("Cardinal" or the "Company") for the three and nine months ended September 30, 2024 and is dated November 7, 2024. This MD&A should be read in conjunction with Cardinal's unaudited interim condensed financial statements as at and for the three and nine months ended September 30, 2024 and the audited financial statements as at and for the year ended December 31, 2023. Financial data presented has been prepared in accordance with statement IAS 34 – Interim Financial Reporting of the IFRS Accounting Standards, unless otherwise indicated. Certain prior period amounts have been reclassified to conform to current period presentation. Additional information relating to Cardinal, including Cardinal's Annual Information Form for the year ended December 31, 2023, is available on SEDAR+ at www.sedarplus.ca and Cardinal's website at www.cardinalenergy.ca.

All figures in tables are stated in thousands of Canadian dollars (except operational and per share amounts or as noted).

DESCRIPTION OF BUSINESS
Cardinal is engaged in the acquisition, development, optimization and production of crude oil and natural gas in the provinces of Alberta, British Columbia and Saskatchewan.

51-101 Advisory
In accordance with S*tandards of Disclosure for Oil and Gas Activities* ("NI 51-101"), natural gas volumes have been converted to barrels of oil equivalent using a conversion rate of six thousand cubic feet of natural gas to one barrel of oil. This 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. The term "boe" is useful for comparative measures and observing trends, it does not accurately reflect individual product value and may be misleading, particularly if used in isolation. Based on the current price of crude oil to natural gas, using a 6:1 conversion ratio may be misleading as an indication of value.

This MD&A contains forward-looking information and statements along with certain measures, consisting of non-GAAP financial measures, capital management measures, non-GAAP financial ratios and supplementary financial measures, which do not have any standardized meaning in accordance with IFRS and therefore may not be comparable with the calculation of similar financial measures disclosed by other entities. Refer to our advisory on forward-looking information and statements and a summary of our specified financial measures at the end of the MD&A.

Climate Reporting Regulations and Estimation Uncertainty
Climate and emission related reporting standards are constantly evolving. The International Sustainability Standards Board has issued an IFRS Sustainability Disclosure Standard with the goal to develop sustainability disclosure standards that are globally consistent, comparable and reliable. The Canadian Securities Administrators have also issued a proposed National Instrument 51-107 *Disclosure of Climate-related Matters* which details the additional reporting requirements for Canadian Public Companies. The Company continues to monitor progress on these reporting requirements and has not yet quantified the cost to comply with these standards.

THIRD QUARTER 2024 HIGHLIGHTS

- Third quarter 2024 production of 21,128 boe/d decreased by 3% compared to the same period in 2023 due to a facility turnaround in the Company's North area and a third-party plant turnaround in the Company's South area combined with approximately 250 boe/d of shut-in natural gas production;
- Despite two facility turnarounds occurring during the third quarter of 2024, net operating expenses(1) decreased by 2% over the same period in 2023;
- Third quarter free cash flow(1) was $32.6 million which assisted in the funding of the Company's steam-assisted gravity drainage ("SAGD") project and the corporate dividend;
- Net debt(1) of $119.2 million led to a net debt to adjusted funds flow ratio(1) of 0.5x. At the end of the third quarter, Cardinal was drawn 35% on its current $200 million credit facility;
- Continued with our disciplined capital program spending $33.9 million of capital expenditures which included the drilling and completion of ten (9.3 net) wells; and
- Cardinal's previously announced SAGD project in its Reford, Saskatchewan operating area continued to progress on time and on budget.

	Three months ended September 30,			Nine months ended September 30,		
	2024	2023	%	**2024**	2023	%
Cash flow from operating activities	**83,635**	58,647	43	**194,462**	160,956	21
Change in non-cash working capital	**(19,073)**	17,222	(211)	**(1,032)**	14,582	(107)
Funds flow (1)	**64,562**	75,869	(15)	**193,430**	175,538	10
Decommissioning expenditures	**1,162**	5,361	(78)	**6,927**	14,192	(51)
Adjusted funds flow (1)	**65,724**	81,230	(19)	**200,357**	189,730	6

(1) See Non-GAAP and other financial measures

OPERATIONS

PRODUCTION

	Three months ended September 30,			Nine months ended September 30,		
	2024	2023	%	**2024**	2023	%
Light oil (bbl/d)	**6,826**	8,286	(18)	**7,205**	7,921	(9)
Medium / heavy oil (bbl/d)	**11,404**	10,147	12	**11,399**	10,186	12
Crude oil (bbl/d)	**18,230**	18,433	(1)	**18,604**	18,107	3
Natural gas (mcf/d)	**12,719**	15,696	(19)	**13,871**	15,903	(13)
NGL (bbl/d)	**778**	823	(5)	**814**	791	3
boe/d	**21,128**	21,872	(3)	**21,730**	21,549	1
% Crude oil and NGL production	**90%**	88%	2	**89%**	88%	1

Third quarter 2024 production decreased by 3% compared to the same period in 2023 primarily driven by a planned Company owned facility turnaround in the North area and an unplanned third-party plant turnaround in the Company's South area. Partially offsetting this decrease was the Company's successful first quarter 2024 drilling program which added new oil production. The decreased natural gas production was a result of strategic shut ins due to the depressed price of natural gas during the third quarter of 2024.

For the first nine months of 2024, production was 1% higher than the same period in 2023 due to the Company's production additions from the first quarter of 2024 drilling program combined with the incremental production of approximately 900 boe/d from the Mitsue/Buffalo Lake acquisition that took place during the fourth quarter of 2023. This increase was partially offset by two facility turnarounds that took place during the third quarter of 2024. The production volumes for the first nine months of 2023 were negatively impacted by the Alberta wildfires which occurred during the second quarter of 2023.

PETROLEUM AND NATURAL GAS REVENUE

	Three months ended September 30,			Nine months ended September 30,		
	2024	2023	%	**2024**	2023	%
Light oil	**57,204**	76,533	(25)	**185,379**	199,178	(7)
Medium / heavy oil	**87,326**	86,209	1	**257,461**	221,585	16
Crude oil	**144,530**	162,742	(11)	**442,840**	420,763	5
NGL	**2,548**	2,851	(11)	**8,546**	8,212	4
Natural gas	**913**	3,940	(77)	**6,184**	12,588	(51)
Petroleum and natural gas revenue	**147,991**	169,533	(13)	**457,570**	441,563	4
Cardinal average prices						
Light oil ($/bbl)	**91.10**	100.39	(9)	**93.90**	92.11	2
Medium / heavy oil ($/bbl)	**83.23**	92.35	(10)	**82.43**	79.69	3
Natural gas ($/mcf)	**0.78**	2.73	(71)	**1.63**	2.90	(44)
Equivalent ($/boe)	**76.14**	84.25	(10)	**76.85**	75.06	2
Benchmark prices						
Crude oil – WTI (US $/bbl)	**75.10**	82.26	(9)	**77.54**	77.39	-
Crude oil – Edmonton Light (Cdn $/bbl)	**97.90**	107.86	(9)	**98.48**	100.79	(2)
Crude oil – WCS (Cdn $/bbl)	**83.99**	93.05	(10)	**84.47**	80.37	5
Natural gas – AECO Spot (Cdn $/mcf)	**0.70**	2.63	(73)	**1.47**	2.79	(47)
WCS Differential to WTI (US $/bbl)	**(13.54)**	(12.90)	5	**(15.49)**	(17.64)	(12)
Exchange rate (US/Cdn)	**0.73**	0.75	(3)	**0.74**	0.74	-

Petroleum and natural gas revenue decreased 13% in the third quarter of 2024 compared to the same period in 2023 due to a 10% decrease in realized commodity prices as a result of the decrease in West Texas Intermediate ("WTI") pricing and the decrease in oil and NGL production. In the third quarter of 2024, the Company's realized light oil price decreased by 9% over the same period in 2023 which was comparable to the Edmonton light oil benchmark decrease of 9%. Cardinal's third quarter 2024 realized medium/heavy oil price decrease of 10% was consistent with the decrease in the Western Canadian Select ("WCS") oil benchmark price as compared to the same period in 2023. The third quarter 2024 decrease of 71% in realized natural gas price was comparable to the decrease of 73% in the AECO natural gas benchmark as compared to the same period in 2023.

For the first nine months of 2024, petroleum and natural gas revenue increased 4% compared to the same period in 2023 due to a 2% increase in realized commodity prices combined with a 1% production increase. In the first nine months of 2024, the Company's realized light oil benchmark increased by 2% over the same period in 2023 which was higher than the change in the Edmonton light oil benchmark due to a portion of the Company's light oil production attracting a Cromer price which was higher in the first half of 2024. In the nine months ended September 30, 2024, Cardinal's realized medium/heavy oil price and natural gas price changes tracked their respective benchmark price changes compared with 2023. The completion of the Trans Mountain pipeline expansion in the second quarter of 2024 narrowed WCS differentials due to increased pipeline capacity.

FINANCIAL INSTRUMENTS - COMMODITY

	Three months ended September 30, 2024	2023	%	Nine months ended September 30, 2024	2023	%
Realized gain (loss) on commodity contracts	**1,017**	(213)	n/m	**1,098**	1,297	(15)
Unrealized (loss) gain on commodity contracts	**(2,205)**	1,143	(293)	**(232)**	(838)	(72)

Cardinal utilizes a variety of derivatives including swaps, collars and puts to protect against downward commodity price movements and foreign exchange fluctuations and avoids entering into more complex derivative structures. Contracts settled in the period result in realized gains or losses based on the market price compared to the contract price. Changes in the fair value of the contracts, as measured at the balance sheet date, are reported as unrealized gains or losses in the period as the forward markets for commodities and currencies fluctuate and as new contracts are executed. For commodities, Cardinal's risk management program allows for hedging a forward profile of three years, of up to 75% of average forecasted 12 months of gross production and up to 50% and 30% of the following 12 and 24 months, respectively.

The Company has fixed the WCS differential for certain months in 2024 and 2025 and has hedged WTI oil prices for certain months in 2024. The Company will continue to monitor the spot and forward prices as well as expected expenditure levels in 2024.

As of the date of this MD&A, Cardinal had the following commodity derivative contracts outstanding:

Type of instrument	Remaining term	Average volume	Average strike price
USD WCS Differential Swap	October 2024 – December 2024	2,000 bbl/d	USD $ (14.00)
USD WCS Differential Swap	November 2024 – December 2024	3,000 bbl/d	USD $ (13.42)
USD WTI Swap	November 2024 – December 2024	2,000 bbl/d	USD $ 74.02
USD WCS Differential Swap	January 2025 – March 2025	1,000 bbl/d	USD $ (14.00)

ROYALTIES

	Three months ended September 30, 2024	2023	%	Nine months ended September 30, 2024	2023	%
Royalties	**28,369**	31,503	(10)	**85,370**	82,812	3
Percent of revenue	**19.2%**	18.6%	3	**18.7%**	18.8%	(1)
$/boe	**14.60**	15.66	(7)	**14.34**	14.08	2

Royalties are either paid or taken in kind and are owed to land and mineral rights owners and to provincial governments. The terms of the land and mineral rights owner agreements and provincial royalty regimes impact Cardinal's overall corporate royalty rate.

During the three months ended September 30, 2024, royalties as a percentage of revenue increased 3% compared to the same period in 2023 due to higher Crown royalty rates on crude oil production, primarily at Wainwright and Mitsue, that resulted from higher Alberta reference prices.

During the nine months ended September 30, 2024, royalties as a percentage of revenue decreased 1% compared to the same period in 2023 due to certain oil production from new wells receiving a lower Crown royalty rate until initial production payouts are achieved.

NET OPERATING EXPENSES

	Three months ended September 30, 2024	2023	%	Nine months ended September 30, 2024	2023	%
Operating expenses	**48,752**	49,404	(1)	**151,380**	148,518	2
Less: Processing and other revenue	**(1,330)**	(913)	46	**(4,140)**	(3,185)	30
Net operating expenses	**47,422**	48,491	(2)	**147,240**	145,333	1
$/boe [1]	**24.40**	24.10	1	**24.73**	24.70	-

(1) See Non-GAAP and other financial measures.

During the third quarter of 2024, net operating expenses per boe increased by 1% over the same period in 2023, due to a 3% decrease in production, additional turnaround costs and higher carbon taxes, partially offset by decreased power prices. In the third quarter of 2024, the average power price in Alberta decreased by approximately 63% over the same period in 2023 to average approximately $55/MWh.

For the first nine months of 2024, net operating expenses per boe have remained consistent with the same period in 2023 due to lower Alberta power prices being offset by higher facility turnaround costs and increased carbon taxes.

TRANSPORTATION EXPENSES

	Three months ended September 30, 2024	2023	%	Nine months ended September 30, 2024	2023	%
Transportation expenses	**1,787**	1,887	(5)	**6,306**	5,707	10
$/boe	**0.92**	0.94	(2)	**1.06**	0.97	9

Transportation expenses and transportation expenses per boe decreased in the three months ended September 30, 2024 as compared with the same period in 2023 due to a decrease in the Company's clean oil trucking expenses. Production in the South area was shipped through pipeline, reducing higher cost trucking expense, and trucking in the North area was hauled to a different location providing lower rates. In addition, gas transportation costs are lower due to decreased natural gas production.

Transportation expenses and transportation expenses per boe increased in the nine months ended September 30, 2024 as compared with the same period in 2023 as new oil production from wells drilled in our North area in 2023 and the first quarter of 2024 is currently trucked, increasing the Company's clean oil trucking expenses. This has been partially offset by lower gas transportation costs due to decreased natural gas production.

NETBACK

($/boe)	2024	Three months ended September 30, 2023	%	2024	Nine months ended September 30, 2023	%
Petroleum and natural gas revenue	**76.14**	84.25	(10)	**76.85**	75.06	2
Royalties	**(14.60)**	(15.66)	(7)	**(14.34)**	(14.08)	2
Net operating expenses	**(24.40)**	(24.10)	1	**(24.73)**	(24.70)	-
Transportation expenses	**(0.92)**	(0.94)	(2)	**(1.06)**	(0.97)	9
Netback (1)	**36.22**	43.55	(17)	**36.72**	35.31	4

(1) See Non-GAAP and other financial measures.

During the three months ended September 30, 2024, the Company's netback decreased by 17% as compared to the same period in 2023 due to lower commodity prices, partially offset by lower royalties.

During the first nine months of 2024, Cardinal's netback increased by 4% as compared to the same period in 2023 due to higher commodity prices, partially offset by higher royalties, net operating expenses and transportation expenses.

GENERAL AND ADMINISTRATIVE ("G&A")

	2024	Three months ended September 30, 2023	%	2024	Nine months ended September 30, 2023	%
Gross G&A	**6,356**	6,136	4	**20,592**	19,794	4
Capitalized G&A and overhead recoveries	**(1,795)**	(1,600)	12	**(4,877)**	(5,093)	(4)
G&A	**4,561**	4,536	1	**15,715**	14,701	7
$/boe	**2.35**	2.25	4	**2.64**	2.50	6

In the three and nine months ended September 30, 2024, G&A costs per boe have increased compared to the same periods in 2023 due to additional staffing and software costs required to accommodate Cardinal's increased activity.

SHARE-BASED COMPENSATION ("SBC")

	2024	Three months ended September 30, 2023	%	2024	Nine months ended September 30, 2023	%
Gross SBC	**2,640**	2,548	4	**7,925**	7,350	8
Capitalized SBC	**(464)**	(357)	30	**(1,225)**	(941)	30
SBC	**2,176**	2,191	(1)	**6,700**	6,409	5
$/boe	**1.12**	1.09	3	**1.13**	1.09	4

SBC expense decreased in the three months ended September 30, 2024 compared to the same period in 2023 due to the Company capitalizing a larger portion of the expense as a result of additional capitalization of exploration and evaluation costs related to the Reford SAGD project as it continues to progress.

SBC expense increased in the nine months ended September 30, 2024 compared to the same period in 2023 due to an increase in the grant date fair value of restricted bonus awards ("RA") and performance bonus awards ("PA") outstanding. Partially offsetting this increase is a reduction in the amount of RAs and PAs outstanding in 2024 compared to 2023.

As at September 30, 2024, Cardinal had 1.7 million RAs and 0.9 million PAs outstanding.

FINANCE

		Three months ended September 30,			Nine months ended September 30,	
	2024	2023	%	**2024**	2023	%
Interest – bank debt, net of capitalized interest	**690**	1,361	(49)	**4,488**	3,635	23
Other finance charges, net	**393**	267	47	**999**	817	22
Interest – leases	**62**	45	38	**193**	125	54
Accretion	**2,286**	1,937	18	**6,783**	6,034	12
Finance	**3,431**	3,610	(5)	**12,463**	10,611	17
$/boe	**1.77**	1.79	(1)	**2.09**	1.80	16
Average bank debt	**90,537**	64,872	40	**91,215**	60,266	51
Interest rate – bank debt	**8.0%**	8.3%	(4)	**8.2%**	8.1%	1

In the three months ended September 30, 2024, interest on bank debt decreased by 49% as compared with the same period in 2023 due to the Company capitalizing interest related to exploration and evaluation expenditures.

In the nine months ended September 30, 2024, higher average debt levels increased the interest on bank debt by 23% as compared with the same period in 2023, partially offset by capitalized interest. Increased capital activity is forecasted throughout the balance of 2024 which is expected to periodically increase the Company’s average debt levels and its interest on bank debt, depending on commodity prices. In 2024, the Company has capitalized $1.1 million of interest related to the SAGD project.

DEPLETION AND DEPRECIATION ("D&D")

		Three months ended September 30,			Nine months ended September 30,	
	2024	2023	%	**2024**	2023	%
Depletion and depreciation	**26,199**	26,927	(3)	**78,461**	77,311	1
$/boe	**13.48**	13.38	1	**13.18**	13.14	-

Depletion is calculated based on capital expenditures incurred since inception of the Company, forecasted future development costs associated with proved and probable reserves, production rates and the estimates of proved and probable oil and gas reserves. In addition to depletion, Cardinal records depreciation on other capital equipment and right-of-use assets not directly associated with proved and probable reserves.

D&D costs per boe remained consistent in the three and nine months ended September 30, 2024 as compared to the same periods in 2023 as increased 2023 year-end proved plus probable reserves were offset by an increase in the depletable base of Cardinal's property, plant and equipment.

DEFERRED TAXES

At September 30, 2024, the Company has approximately $1.2 billion of tax pools ($1.1 billion are unrestricted) available to be applied against future income for tax purposes. Based on available tax pools, forecasted capital expenditures and forecasted commodity prices at September 30, 2024 from the average of three independent third-party reserve evaluators, Cardinal does not expect to pay current income taxes until 2027 or beyond. Any potential taxes payable beyond 2027 would be affected by commodity prices, capital expenditures and production volumes.

In 2021, Cardinal received a reassessment notice from the Canada Revenue Agency ("CRA") wherein the CRA reduced certain non-capital loss tax pools of approximately $192 million carried forward in the tax return filed for the year ended December 31, 2015. Cardinal disagrees with CRA's position and has appealed the reassessment and will continue defending its position. Although, the Company has appealed the reassessment, Cardinal has derecognized these tax pools.

EARNINGS, CASH FLOW FROM OPERATING ACTIVITIES, ADJUSTED FUNDS FLOW AND PAYOUT RATIO

		Three months ended September 30,			Nine months ended September 30,	
	2024	2023	%	**2024**	2023	%
Earnings	**25,136**	39,170	(36)	**82,537**	83,210	(1)
$ per share						
Basic	**0.16**	0.25	(36)	**0.52**	0.53	(2)
Diluted	**0.16**	0.24	(33)	**0.51**	0.52	(2)
Cash flow from operating activities	**83,635**	58,647	43	**194,462**	160,956	21
$ per share						
Basic	**0.53**	0.37	43	**1.22**	1.02	20
Diluted	**0.52**	0.37	41	**1.21**	1.01	20
Adjusted funds flow	**65,724**	81,230	(19)	**200,357**	189,730	6
$ per share (1)						
Basic	**0.41**	0.51	(20)	**1.26**	1.20	5
Diluted	**0.41**	0.51	(20)	**1.25**	1.19	5
Total payout ratio (1)	**94%**	70%	34	**85%**	89%	(4)

(1) See Non-GAAP and other financial measures.

In the three months ended September 30, 2024, lower commodity prices and production levels have decreased Cardinal's earnings compared with the same period in 2023. Cash flow from operating activities increased compared with the same period in 2023 due to the change in non-cash working capital as a result of the decrease in accruals in accounts receivable stemming from lower commodity prices. Adjusted funds flow decreased compared with the same period in 2023 due to the aforementioned cash flow from operating activities and change in non-cash working capital, partially offset by decreased decommissioning expenditures. Total payout ratio increased compared with the same period in 2023 due to higher capital costs related to the ten well drilling program combined with lower adjusted funds flow.

In the nine months ended September 30, 2024, Cardinal's earnings have remained consistent compared with the same period in 2023. Cash flow from operating activities and adjusted funds flow have increased compared with the same period in 2023 due to lower decommissioning expenditures. Total payout ratio decreased compared with the same period in 2023 due to increased adjusted funds flow, as previously mentioned.

CAPITAL EXPENDITURES

In the third quarter of 2024, the Company spent $33.9 million on capital expenditures which included the drilling and completion of ten (9.3 net) wells throughout our Alberta areas and Midale, Saskatchewan. Cardinal drilled four (4.0 net) wells in central Alberta, three (2.3 net) wells in Midale, two (2.0 net) wells in northern Alberta and one (1.0 net) well in southern Alberta. The Company continued with its well reactivation program spending $2.6 million on recompletions and workovers throughout its operating areas. Cardinal also constructed new facilities and upgraded existing infrastructure across our asset base and continued with the enhanced oil recovery program with CO_2 injection at Midale.

	Three months ended September 30,			Nine months ended September 30,		
	2024	2023	%	**2024**	2023	%
Land	**80**	152	(47)	**2,647**	934	183
Geological and geophysical	**68**	-	-	**247**	-	-
Drilling, completion and recompletions	**22,140**	14,737	50	**52,873**	41,262	28
Equipment, facilities and pipelines	**10,869**	13,203	(18)	**28,523**	39,250	(27)
Development capital expenditures (1)	**33,157**	28,092	18	**84,290**	81,446	3
Capitalized G&A	**296**	458	(35)	**1,273**	1,632	(22)
Other assets	**439**	164	168	**788**	448	76
Acquisitions, net	**-**	1,558	-	**-**	(7,570)	-
Capital expenditures (1)	**33,892**	30,272	12	**86,351**	75,956	14

(1) See Non-GAAP and other financial measures

EXPLORATION AND EVALUATION (“E&E”) EXPENDITURES

During the second quarter of 2023, the Company acquired E&E assets for $10.0 million with associated decommissioning obligations of $0.2 million through the issuance of 1,362,397 Cardinal common shares valued at $7.35 per share.

In the first quarter of 2024, Cardinal entered into an agreement with a third party for the engineering, fabrication and field construction of the Reford, Saskatchewan central processing facility, including the first SAGD well pad. For the three and nine months ended September 30, 2024, the Company has incurred $21.5 million and $48.4 million, respectively, in E&E expenditures on thermal development, including facility construction, reservoir delineation and site preparation, which continues to progress on time and on budget. For the three and nine months ended September 30, 2024, the Company has capitalized $1.1 million of interest related to the SAGD project.

DECOMMISSIONING OBLIGATION

In the third quarter of 2024, the Company continued to reduce its environmental footprint and spent $1.2 million on decommissioning obligations bringing the total spend for the first nine months of 2024 to $6.9 million.

LIQUIDITY AND CAPITAL RESOURCES

Capitalization table		As at Sep 30, 2024		Dec 31, 2023	%
Net debt	$	**119,174**	$	83,650	42
Common shares, outstanding		**159,186,650**		158,095,048	1
Market price at end of period ($ per share)	$	**6.40**	$	6.28	2
Market capitalization		**1,018,795**		992,837	3
	$	**1,137,969**	$	1,076,487	6

(1) See Non-GAAP and other financial measures

CAPITAL FUNDING

Bank debt

The Company's reserve-based revolving credit facility of $200.0 million is comprised of a $175.0 million syndicated term credit facility and a $25.0 million non-syndicated operating line credit facility (the "Facilities"). The 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 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 Facilities are reviewed semi-annually based on the syndicate's interpretation of the Company's reserves, future commodity prices and costs, therefore, there can be no assurance that the amount of the 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 short fall would have to be repaid within 60 days. The next scheduled review date will be on or before November 30, 2024.

Advances under the Facilities are available by way of prime rate loans, which bear interest at the banks' prime lending rate plus 2.00% to 5.25%, and CORRA and/or SOFR loans, which are subject to fees and margins ranging from 3.00% to 6.25%. Interest and standby fees on the undrawn amounts of the Facilities depend upon certain ratios. The Facilities are secured by a general security agreement over all of the Company's assets. There are no financial covenants related to the Facilities, provided that Cardinal is not in default of the terms of the Facilities. Cardinal was in compliance with the terms of the Facilities at September 30, 2024.

CAPITAL STRUCTURE

Cardinal manages its capital to provide a flexible structure to support production maintenance, capital programs, other operational strategies and shareholder returns. Maintaining a strong financial position enables Cardinal to enhance business opportunities and supports Cardinal's strategy of providing shareholder return through growth of the business, reducing its cost structure and dividend payments.

One of the key measures that the Company utilizes in evaluating its capital structure is the credit available from the Facilities in relation to the Company's budgeted capital expenditure program and the ratio of net debt to adjusted funds flow.

To manage its capital structure, Cardinal considers its net debt to adjusted funds flow ratio, its capital expenditures program, the current level of credit available from the Facilities, the level of credit that may be attainable due to changes in petroleum and natural gas reserves and new equity if available on favourable terms. The Company prepares an annual capital expenditure budget, which is monitored monthly and updated as necessary.

	Twelve months ended	
	Sep 30, 2024	Dec 31, 2023
Bank debt	**$ 69,134**	$ 44,920
Adjusted working capital deficiency [1]	**50,040**	38,730
Net debt	**$ 119,174**	$ 83,650
Cash flow from operating activities	**$ 263,767**	$ 230,261
Change in non-cash working capital	**(15,340)**	274
Funds flow	**$ 248,427**	$ 230,535
Decommissioning obligation expenditures	**15,898**	23,163
Adjusted funds flow	**$ 264,325**	$ 253,698
Net debt to adjusted funds flow [1]	**0.5**	0.3

(1) See Non-GAAP and other financial measures

Cardinal's ratio of net debt to adjusted funds flow as at September 30, 2024 was 0.5 to 1, which increased over the level at December 31, 2023 but below the Company's targeted range of 1.0 to 1. This ratio increased as the Company has started and continues the development of its first SAGD project. Cardinal expects this ratio will continue to fluctuate as the project requires significant up-front capital until it comes onstream which is currently expected in the second half of 2025.

As discussed below in the *Liquidity* section, the Company currently has available capacity on its Facilities to satisfy its planned capital expenditure and asset retirement obligations for 2024 and beyond.

LIQUIDITY

The Company relies on cash flow from operating activities, the unused portion of the Facilities and equity and debt issuances to fund its capital expenditure requirements and provide liquidity. Cardinal had sufficient credit capacity to cover its adjusted working capital deficiency of $50.0 million at September 30, 2024 and continues to have excess capacity as of the date of this MD&A.

The Company believes that it is well positioned to take advantage of its internally developed opportunities funded through its available Facilities combined with anticipated cash flow from operating activities and adjusted funds flow. At current commodity price levels, present sources of capital are anticipated to be sufficient to satisfy the Company's budgeted capital expenditure program, decommissioning obligations and dividend payments for the 2024 fiscal year and beyond.

DIVIDENDS

	Three months ended September 30,			Nine months ended September 30,		
	2024	2023	%	**2024**	2023	%
Dividends declared	**28,653**	29,032	(1)	**86,804**	86,832	-
Dividends declared per share	**$ 0.18**	$ 0.18	-	**$ 0.54**	$ 0.54	-

During the three months ended September 30, 2024, the Company declared dividends of $28.7 million ($0.18 per common share) (2023 – $29.0 million and $0.18 per common share), of which $19.1 million (2023 – $19.0 million) was paid in cash and $9.6 million (2023 – $10.0 million) was recognized as a liability at September 30, 2024. The dividend payable was settled on October 15, 2024.

During the first nine months of 2024, $86.8 million ($0.54 per common share) (2023 – $86.8 million and $0.54 per common share) of dividends were declared, of which $77.2 million (2023 – $76.8 million) was paid in cash and $9.6 million (2023 – $10.0 million) was recognized as a liability at September 30, 2024.

SHARE CAPITAL

The Company has a bonus award plan whereby RAs and PAs may be granted to directors, officers, employees and other service providers. In the case of PAs, the award value is adjusted for a payout multiplier which can range from 0.0 to 2.0 and is dependent on the performance of the Company relative to pre-defined corporate performance measures for a particular period. 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 by an independent trustee in the open market for such purposes.

In the first nine months of 2024, upon the vesting of 1.0 million (2023 – 1.3 million) RAs and 0.6 million (2023 – 0.7 million) PAs, when taking into account the performance multiplier for PAs, the Company issued 1.0 million (2023 – 1.4 million) treasury shares and made payments totalling $6.2 million (2023 – $8.6 million) for withholding taxes.

In the first nine months of 2024, Cardinal granted 1.0 million (2023 – 1.0 million) RAs and 0.5 million (2023 – 0.5 million) PAs to officers, directors, employees and service providers pursuant to the Company's bonus award plan.

Equity instruments as at	Nov 7, 2024	Sep 30, 2024	Dec 31, 2023
Common shares, issued	**159,724,456**	159,722,168	159,638,699
Treasury shares	**(535,518)**	(535,518)	(1,543,651)
RAs	**1,719,999**	1,727,958	1,844,379
PAs	**931,301**	931,301	1,043,259

OFF BALANCE SHEET ARRANGEMENTS

Cardinal does not have any special purpose entities nor is it a party to any material arrangements that would be excluded from the balance sheet.

CONTRACTUAL OBLIGATIONS

At September 30, 2024, the Company had contractual obligations as follows:

	2024	2025	2026	2027	2028	Thereafter
Trade and other payables	101,815	-	-	-	-	-
Dividend payable	9,551	-	-	-	-	-
Lease liabilities	504	1,901	1,204	532	490	912
Bank debt (1)	-	-	69,134	-	-	-
Thermal facility construction and engineering	24,267	54,774	-	-	-	-
Power purchase commitment (2)	3,183	11,904	11,904	11,904	-	-
Total contractual obligations	**139,320**	**68,579**	**82,242**	**12,436**	**490**	**912**

(1) Amount excludes interest.
(2) Amounts represents the portion of the Company’s power cost that has been fixed.

ADDITIONAL INFORMATION

MATERIAL ACCOUNTING ESTIMATES

There have been no changes in Cardinal’s material accounting estimates in the three and nine months ended September 30, 2024. Further information on the Company’s material accounting policies and estimates can be found in the notes to the annual financial statements and MD&A for the year ended December 31, 2023.

INTERNAL CONTROLS UPDATE

Cardinal is required to comply with National Instrument 52-109 “Certification of Disclosure in Issuers' Annual and Interim Filings". The certificate requires that Cardinal disclose in the interim MD&A any change in the Company's internal control over financial reporting ("ICOFR") that occurred during the period that has materially affected, or is reasonably likely to materially affect Cardinal's ICOFR. As of the date of this MD&A, Cardinal confirms that there have been no such changes in Cardinal's ICOFR during the third quarter of 2024.

ENVIRONMENTAL RISKS

The oil and gas industry has a number of environmental risks and hazards and is subject to regulation by all levels of government. Environmental legislation includes, but is not limited to, operational controls, site restoration requirements and restrictions on emissions of various substances produced in association with oil and natural gas operations. Compliance with such legislation could require additional expenditures and a failure to comply may result in fines and penalties which could, in the aggregate and under certain unlikely assumptions, become material. Operations are continuously monitored to minimize the environmental impact and capital is allocated to reclamation and other activities to mitigate the impact on the areas in which we operate.

OUTLOOK

The third quarter of 2024 continued to demonstrate the strength of Cardinal's low-decline asset base enabling us to deploy capital into our first SAGD project. As forecasted, our third quarter drilling program added a modest amount of production to quarterly volumes and despite the curtailment of approximately 250 boe/d of natural gas production and facility turnarounds, our low-decline asset base continued to maintain our production.

Cardinal will continue to pursue projects and opportunities that increase our sustainability and decrease our corporate risk. The Company's commitment to the Reford SAGD project will be fundamental in extending corporate reserve life and enhancing long-term sustainability. The project continues to progress on schedule and on budget. Capital for the remainder of 2024 will be focused on continuing advancement of the Reford project.

In addition to the development of the Reford SAGD project, Cardinal continued to build both on its successful 2024 development program across its conventional asset base and is progressing the development of our second planned SAGD project south of Reford at Kelfield, Saskatchewan. Volumes from the third quarter drilling program are expected to increase our current production to over 22,000 boe/d.

QUARTERLY DATA

	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023
Production				
Crude oil (bbl/d)	**18,230**	19,273	18,312	18,666
Natural gas (mcf/d)	**12,719**	13,752	15,155	15,644
NGL (bbl/d)	**778**	811	854	891
Oil equivalent (boe/d)	**21,128**	22,376	21,692	22,164
Financial				
Petroleum and natural gas revenue	**147,991**	169,353	140,226	148,042
Earnings	**25,136**	40,650	16,751	20,388
Basic ($ per share)	**0.16**	0.26	0.11	0.13
Diluted ($ per share)	**0.16**	0.25	0.10	0.13
Cash flow from operating activities	**83,635**	71,463	39,364	69,305
Total assets	**1,250,585**	1,238,645	1,227,723	1,187,852
Bank debt	**69,134**	77,904	86,786	44,920
Total long-term liabilities	**210,151**	213,540	208,699	160,649
Shareholders' equity	**918,402**	919,406	905,323	920,688
Dividends declared	**28,653**	29,116	29,035	28,975
Dividends declared ($ per share)	**0.18**	0.18	0.18	0.18
Common shares outstanding, net (000s) (1)	**159,187**	159,178	159,101	158,095
Diluted shares outstanding, net (000s) (1)	**161,846**	161,872	161,842	160,983

	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022
Production				
Crude oil (bbl/d)	18,433	17,685	18,201	17,942
Natural gas (mcf/d)	15,696	16,038	15,980	15,222
NGL (bbl/d)	823	689	863	802
Oil equivalent (boe/d)	21,872	21,047	21,726	21,281
Financial				
Petroleum and natural gas revenue	169,533	137,053	134,977	154,894
Earnings	39,170	27,719	16,321	113,865
Basic ($ per share)	0.25	0.18	0.10	0.73
Diluted ($ per share)	0.24	0.17	0.10	0.71
Cash flow from operating activities	58,647	61,220	41,089	68,248
Total assets	1,174,322	1,154,055	1,143,805	1,155,013
Bank debt	44,106	53,158	45,320	31,280
Total long-term liabilities	139,091	138,454	128,596	120,418
Shareholders' equity	929,481	918,478	908,314	925,370
Dividends declared	29,032	29,058	28,742	28,699
Dividends declared ($ per share)	0.18	0.18	0.18	0.18
Common shares outstanding, net (000s) (1)	158,306	158,513	157,129	155,757
Diluted shares outstanding, net (000s) (1)	161,249	161,492	160,165	159,444

(1) Net of treasury shares

In 2022, strong commodity prices increased earnings and cash flow from operating activities. The Company's earnings also increased with a non-cash impairment reversal of a previous impairment on its assets in Central Alberta of $64.3 million in the fourth quarter of 2022. Cardinal also recognized $9.7 million of a deferred tax reduction in the fourth quarter of 2022 due to the recognition of its deferred tax asset. Since the first quarter of 2023, production has been relatively consistent and commodity prices gradually improved throughout the year. In the second quarter of 2023, the Company recognized a gain on disposition of non-core undeveloped land assets of $9.9 million and recognized a deferred tax expense of $8.6 million resulting in a deferred tax liability of $3.3 million. In the first quarter of 2024, increased capital and E&E expenditures have increased the Company's bank debt. In the second quarter of 2024, oil prices increased and the Company continued with its Reford SAGD project as well as reduce bank debt. In the third quarter of 2024, the Company was able to successfully execute its 10 well drilling program and progress with the Reford SAGD project which is on schedule and on budget.

NON-GAAP AND OTHER FINANCIAL MEASURES

Non-GAAP Financial Measures

Net operating expenses

Net operating expenses are calculated as operating expenses less processing and other revenue primarily generated by processing third-party volumes at processing facilities where the Company has an ownership interest, and can be expressed on a per boe basis. As the Company's principal business is not that of a midstream entity, management believes this is a useful supplemental measure to reflect the true cash outlay at its processing facilities by utilizing spare capacity to process third-party volumes.

The following table reconciles operating expenses to net operating expenses:

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	**2024**	2023
Operating expenses	**48,752**	49,404	**151,380**	148,518
Less: Processing and other revenue	**(1,330)**	(913)	**(4,140)**	(3,185)
Net operating expenses	**47,422**	48,491	**147,240**	145,333

Netback

Cardinal utilizes netback as a key performance indicator to better analyze the operating performance of its petroleum and natural gas assets against prior periods. Netback is calculated as petroleum and natural gas revenue deducting royalties, net operating expenses and transportation expenses. The following table reconciles petroleum and natural gas revenue to netback:

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	**2024**	2023
Petroleum and natural gas revenue	**147,991**	169,533	**457,570**	441,563
Royalties	**(28,369)**	(31,503)	**(85,370)**	(82,812)
Net operating expenses	**(47,422)**	(48,491)	**(147,240)**	(145,333)
Transportation expenses	**(1,787)**	(1,887)	**(6,306)**	(5,707)
Netback	**70,413**	87,652	**218,654**	207,711

Capital expenditures and development capital expenditures

Cardinal utilizes capital expenditures as a measure of capital investment on property, plant and equipment compared to the annual budgeted capital expenditure. Capital expenditures are calculated as cash flow from investing activities excluding change in non-cash working capital and exploration and evaluation expenditures.

Cardinal utilizes development capital expenditures as a measure of capital investment on property, plant and equipment excluding capitalized G&A, other assets and net acquisitions and is compared to the annual budgeted capital expenditures.

The following table reconciles cash flow from investing activities to total capital expenditures and to total development capital expenditures:

	Three months ended September 30, 2024	2023	Nine months ended September 30, 2024	2023
Cash flow from investing activities	**45,402**	18,608	**123,747**	75,495
Change in non-cash working capital	**10,023**	11,881	**11,019**	1,036
E&E expenditures	**(21,533)**	(217)	**(48,415)**	(575)
Capital expenditures	**33,892**	30,272	**86,351**	75,956
Capitalized G&A	**(296)**	(458)	**(1,273)**	(1,632)
Other assets	**(439)**	(164)	**(788)**	(448)
Acquisitions, net	**-**	(1,558)	**-**	7,570
Development capital expenditures	**33,157**	28,092	**84,290**	81,446

Capital Management Measures

Adjusted working capital

Management utilizes adjusted working capital to monitor its capital structure, liquidity and its ability to fund current operations. Adjusted working capital is calculated as current liabilities less current assets (adjusted for fair value of financial instruments, current decommissioning obligation and current lease liabilities).

The following table reconciles working capital to adjusted working capital:

As at	Sep 30, 2024	Dec 31, 2023
Working capital deficiency	**60,706**	49,077
Less current portion of:		
Lease liabilities	**1,635**	1,370
Decommissioning liabilities	**8,903**	9,081
Fair value of financial instruments	**128**	(104)
Adjusted working capital deficiency	**50,040**	38,730

Net debt

Management utilizes net debt to analyze the financial position, liquidity and leverage of Cardinal. Net debt is calculated as bank debt plus adjusted working capital. The following table reconciles bank debt to net debt:

As at	Sep 30, 2024	Dec 31, 2023
Bank debt	**69,134**	44,920
Adjusted working capital deficiency	**50,040**	38,730
Net debt	**119,174**	83,650

Funds flow

Management utilizes funds flow as a useful measure of Cardinal's ability to generate cash not subject to short-term movements in non-cash operating working capital. As shown below, funds flow is calculated as cash flow from operating activities excluding the change in non-cash working capital.

Adjusted funds flow

Management utilizes adjusted funds flow as a key measure to assess the ability of the Company to generate the funds necessary for financing activities, operating activities, capital expenditures and shareholder returns. As shown below, adjusted funds flow is calculated as funds flow excluding decommissioning expenditures since Cardinal believes the timing of collection, payment or incurrence of these items involves a high degree of discretion and variability. Expenditures on decommissioning obligations vary from period to period depending on the maturity of the Company's operating areas and availability of adjusted funds flow and are viewed as part of the Company's capital budgeting process.

Free cash flow

Management utilizes free cash flow as a measure to assess Cardinal's ability to generate cash, after taking into account development capital expenditures, increase returns to shareholders, repay debt or for other corporate purposes. As shown below, free cash flow is calculated as adjusted funds flow less development capital expenditures.

The following table reconciles cash flow from operating activities, funds flow, adjusted funds flow and free cash flow:

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	**2024**	2023
Cash flow from operating activities	**83,635**	58,647	**194,462**	160,956
Change in non-cash working capital	**(19,073)**	17,222	**(1,032)**	14,582
Funds flow	**64,562**	75,869	**193,430**	175,538
Decommissioning expenditures	**1,162**	5,361	**6,927**	14,192
Adjusted funds flow	**65,724**	81,230	**200,357**	189,730
Total development capital expenditures	**(33,157)**	(28,092)	**(84,290)**	(81,446)
Free cash flow	**32,567**	53,138	**116,067**	108,284

Non-GAAP Financial Ratios

Netback per boe

Cardinal utilizes netback per boe to assess Cardinal's operating performance of its petroleum and natural gas assets on a per unit of production basis. Netback per boe is calculated as netback divided by total production for the applicable period. The following table details the calculation of netback per boe:

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	**2024**	2023
Petroleum and natural gas revenue	**76.14**	84.25	**76.85**	75.06
Royalties	**(14.60)**	(15.66)	**(14.34)**	(14.08)
Net operating expenses	**(24.40)**	(24.10)	**(24.73)**	(24.70)
Transportation expenses	**(0.92)**	(0.94)	**(1.06)**	(0.97)
Netback per boe	**36.22**	43.55	**36.72**	35.31

Net debt to adjusted funds flow ratio

Cardinal utilizes net debt to adjusted funds flow to measure the Company's overall debt position and to measure the strength of the Company's balance sheet. Cardinal monitors this ratio and uses this as a key measure in making decisions regarding financing, capital expenditures and shareholder returns. Net debt to adjusted funds flow is calculated as net debt divided by adjusted funds flow for the trailing twelve-month period.

Total payout ratio

Cardinal utilizes this ratio as a key measure to assess the Company's ability to fund financing activities, operating activities and capital expenditures. Total payout ratio is calculated as the sum of dividends declared plus development capital expenditures divided by adjusted funds flow for the applicable period.

Net operating expenses per boe
Cardinal utilizes net operating expenses per boe to assess Cardinal's operating efficiency of its petroleum and natural gas assets on a per unit of production basis. Net operating expense per boe is calculated as net operating expenses divided by total production for the applicable period.

Adjusted funds flow per boe
Cardinal utilizes adjusted funds flow per boe as a measure to assess the ability of the Company to generate the funds necessary for financing activities, operating activities, capital expenditures and shareholder returns on a per boe basis. Adjusted funds flow per boe is calculated using adjusted funds flow divided by total production for the applicable period.

Adjusted funds flow per basic share
Cardinal utilizes adjusted funds flow per basic share as a measure to assess the ability of the Company to generate the funds necessary for financing activities, operating activities, capital expenditures and shareholder returns on a per basic share basis. Adjusted funds flow per basic share is calculated using adjusted funds flow divided by the weighted average basic shares outstanding.

Adjusted funds flow per diluted share
Cardinal utilizes adjusted funds flow per diluted share as a measure to assess the ability of the Company to generate the funds necessary for financing activities, operating activities, capital expenditures and shareholder returns on a per diluted share basis. Adjusted funds flow per diluted share is calculated using adjusted funds flow divided by the weighted average diluted shares outstanding.

Supplementary Financial Measures

NI 52-112 defines a supplementary financial measure as a financial measure that: (i) is, or is intended to be, disclosed on a periodic basis to depict the historical or expected future financial performance, financial position or cash flow of an entity; (ii) is not disclosed in the financial statements of the entity; (iii) is not a non-GAAP financial measure; and (iv) is not a non-GAAP ratio. The supplementary financial measures used in this MD&A are either a per unit disclosure of a corresponding GAAP measure, or a component of a corresponding GAAP measure, presented in the financial statements. Supplementary financial measures that are disclosed on a per unit basis are calculated by dividing the aggregate GAAP measure (or component thereof) by the applicable unit for the period. Supplementary financial measures that are disclosed on a component basis of a corresponding GAAP measure are a granular representation of a financial statement line item and are determined in accordance with GAAP.

FORWARD LOOKING STATEMENTS

This MD&A contains certain forward-looking statements and forward-looking information (collectively referred to herein as "forward-looking statements") within the meaning of applicable Canadian securities laws. All statements other than statements of present or historical fact are forward-looking statements. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "believe", "plan", "intend", "objective", "continuous", "ongoing", "estimate", "expect", "may", "will", "project", "should", or similar words suggesting future outcomes. In particular, this MD&A contains forward-looking statements relating, but not limited to:

- plans to monitor climate reporting requirements;
- estimated tax pools, future taxability and future taxable income;
- expectations with respect to the outcome of the CRA dispute;
- Cardinal's business strategy, goals and management focus;
- Cardinal's dividend plans;
- targeted net debt to adjusted funds flow ratio and plans to monitor this ratio;
- expected increased capital activity and effects thereof on interest expenses and debt levels;

- Cardinal's risk management strategy including the mitigation of our exposure to commodity price risk, medium crude oil differentials and the benefits to be obtained therefrom;
- plans to monitor spot and forward prices and expenditure plans as part of Cardinal's risk management strategy;
- sources of funds for the Company's operations, capital expenditures, decommissioning obligations and dividend payments;
- plans to minimize the environmental impact of our operations;
- abandonment and reclamation spending plans including the timing thereof;
- anticipated costs of compliance with environmental legislation;
- future liquidity and the Company's access to sufficient debt and equity capital;
- Cardinal's asset base;
- expectations regarding the business environment, industry conditions, future commodity prices and differentials;
- Cardinal's capital management strategies;
- expectations with respect to the Reford SAGD project;
- Cardinal's outlook for 2024, including anticipated production, development program, extending corporate reserve life, enhancing long-term sustainability and potential other uses for corporate funds; and
- treatment under governmental and other regulatory regimes and tax, environmental and other laws.

Forward-looking statements regarding Cardinal are based on certain key expectations and assumptions of Cardinal concerning anticipated financial performance, business prospects, strategies, regulatory developments, current and future commodity prices and exchange rates, applicable royalty rates, tax laws, production shut-ins, future well production rates and reserve volumes, future operating costs, the performance of existing and future wells, the success of our exploration and development activities, the sufficiency and timing of budgeted capital expenditures in carrying out planned activities, the availability and cost of labor and services, the impact of increasing competition, the impact of cost increases as a result of inflationary pressures, or otherwise, conditions in general economic and financial markets, availability of drilling and related equipment, effects of regulation by governmental agencies, the ability to obtain financing on acceptable terms which are subject to change based on commodity prices, market conditions and drilling success.

These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond Cardinal's control. Such risks and uncertainties include, without limitation: the impact of general economic conditions; volatility in market prices for crude oil and natural gas; determinations by OPEC and other countries as to production levels; industry conditions; currency fluctuations; imprecision of reserve estimates; liabilities inherent in crude oil and natural gas operations; environmental risks; incorrect assessments of the value of acquisitions and exploration and development programs; competition from other producers; the lack of availability of qualified personnel, drilling rigs or other services; changes in income tax laws or changes in royalty rates and incentive programs relating to the oil and gas industry; hazards such as fire, explosion, blowouts, and spills, each of which could result in substantial damage to wells, production facilities, other property and the environment or in personal injury; and ability to access sufficient capital from internal and external sources.

Management has included the forward-looking statements above and a summary of assumptions and risks related to forward-looking statements provided in this MD&A in order to provide readers with a more complete perspective on Cardinal's future operations and such information may not be appropriate for other purposes. Cardinal's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that Cardinal will derive therefrom. Readers are cautioned that the foregoing lists of factors are not exhaustive. These forward-looking statements are made as of the date of this MD&A and Cardinal disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

Supplemental Information Regarding Product Types

This MD&A includes references to 2022, 2023 and 2024 production. The Company discloses crude oil production based on the pricing index that the oil is priced off of. The following table is intended to provide the product type composition as defined by NI 51-101.

	Light/medium crude oil	Heavy oil	NGL	Conventional natural gas	Total (boe/d)
Q4/24 estimates	46%	40%	4%	10%	~22,000
Q3/24	**46%**	**40%**	**4%**	**10%**	**21,128**
Q2/24	48%	38%	4%	10%	22,376
Q1/24	51%	33%	4%	12%	21,692
Q4/23	50%	34%	4%	12%	22,164
Q3/23	45%	39%	4%	12%	21,872
Q2/23	45%	39%	3%	13%	21,047
Q1/23	48%	36%	4%	12%	21,726
Q4/22	49%	35%	4%	12%	21,281
Nine months of 2024	**48%**	**37%**	**4%**	**11%**	**21,730**
Nine months of 2023	46%	38%	4%	12%	21,549

Frequently Used Terms

Term or abbreviation	
"bbl"	Barrel(s)
"bbl/d"	Barrel(s) per day
"boe"	Barrel(s) of oil equivalent
"boe/d"	Barrel(s) of oil equivalent per day
"CO_2"	Carbon dioxide
"COGE Handbook"	Canadian Oil and Gas Evaluation Handbook
"GJ"	Gigajoule
"gj/d"	Gigajoule(s) per day
"m" preceding a volumetric measure	1,000 units of the volumetric measure
"mcf"	Thousand cubic feet
"mcf/d"	Thousand cubic feet per day
"NGL"	Natural gas liquids
"n/m"	Not meaningful ie. absolute value greater than 300%
"US"	United States
"USD"	United States dollars
"WCS"	Western Canadian Select
"WTI"	West Texas Intermediate