



## WHISTLEBLOWER POLICY

### ***Purpose***

The integrity, transparency and accountability of the operational, administrative, financial and management practices of Cygnets Energy Ltd. (the “**Corporation**”) are critical to its success. In addition, the operational and financial information respecting the Corporation guides the decisions of the board of directors of the Corporation and is relied upon by its shareholders, business partners and other stakeholders. For these reasons, this Policy aims to maintain a workplace where concerns regarding questionable business practices can be raised without fear of discrimination, retaliation or harassment by establishing a mechanism for dealing with the reporting of wrongdoing within the Corporation.

### ***Reportable Conduct***

Directors, officers, employees and contract personnel<sup>1</sup> (collectively referred to as “**company representatives**”) are encouraged to promptly report all evidence of activity by a company representative that may constitute any of the following:

- (a) non-compliance with laws applicable to the Corporation’s business;
- (b) non-compliance with any of the Corporation’s policies;
- (c) any misrepresentation in written, verbal or electronic disclosure made by or on behalf of the Corporation;
- (d) fraudulent or misleading financial information or questionable accounting, financial reporting or auditing matters;
- (e) inadequate internal accounting controls, misleading or coercion of auditors or instances of corporate fraud; and
- (f) any other activities which are believed to be illegal or detrimental to the Corporation.

### ***Reporting Procedure***

Individuals are encouraged to report any concern or complaint to their immediate supervisor. If they do not feel comfortable with reporting the matter to their immediate supervisor, they may report the matter to a member of senior management. In instances where an individual does not feel comfortable with reporting the matter to either their immediate supervisor or a member of senior management, or where a satisfactory response is not received from such person,

individuals can report their concern or complaint anonymously through *ConfidenceLine*, a whistleblower service managed by an independent third party, either by:

- phone at **1-800-661-9675** or
- on-line at **cygnetenergy.confidenceline.com**

Submissions to ConfidenceLine will be forwarded to the Chair of the Audit Committee. Persons who report incidents are encouraged to provide as specific information as possible, including names, dates, places and events that took place, and the person's perception of why the incident(s) may be a violation.

### ***Confidentiality***

All reports made under this Policy will be promptly and thoroughly investigated and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take remedial action. If the reporting individual desires confidentiality and anonymity, confidentiality will be protected, subject to applicable law.

### ***Victimization, Discrimination and Harassment***

Any individual who in good faith reports incidents described above will be protected from threats of retaliation, harassment, discharge or other types of discrimination including, but not limited to, discrimination with respect to compensation or terms and conditions of employment that are directly related to such reporting. If any company representative believes that they have been unfairly or unlawfully retaliated against in respect of a report made by such person under this Policy, they may file a complaint in the manner outlined above.

### ***Co-operation in Investigations***

All company representatives have a duty to co-operate in an investigation. Should a company representative fail to co-operate or provide false information in an investigation, the Corporation may take effective remedial action commensurate with the severity of the offence. This action may include disciplinary measures up to and including termination of employment or contract (as applicable) without notice and, if warranted, legal proceedings.

### ***False, Malicious and Bad Faith Reports***

The Corporation reserves the right to discipline any company representative who makes an accusation without a reasonable, good faith belief in the truth and accuracy of the information or who knowingly provides false information or makes false accusations. Such discipline may result in termination of employment or contract (as applicable) without notice and, if warranted, legal proceedings.

**Records**

The Corporation shall retain records relating to all reports submitted under this Policy for a period of three years.

**Communication**

New company representatives will be provided with a copy of this Policy and advised of its importance. This Policy will be circulated to company representatives on an annual basis and whenever changes are made to its contents.

Signed 25 day of August, 2023:



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David Maddison, President & CEO