

NOMINATION AND REMUNERATION COMMITTEE CHARTER

Charter

The board of directors (the “Board”) of BlockFuel Energy Inc. (the “Company” or “BFE”) has established the Nomination and Remuneration Committee (the “Committee”) and has approved this Charter to govern the operations of the Committee.

This Charter will be reviewed by the Committee from time to time to ensure that it continues to reflect the letter and spirit of all applicable laws, regulations, Nasdaq listing standards, SEC requirements and the Company’s commitment to its stockholders, employees, contractors, communities and other stakeholders.

The Committee shall review and reassess this Charter at least annually and recommend any proposed changes to the Board for approval.

Purpose

The Committee assists the Board in fulfilling its corporate governance, nomination, succession, evaluation and remuneration oversight responsibilities. Ultimate responsibility for the Company’s nomination and remuneration practices remains with the Board.

The Committee’s main functions and responsibilities include:

- assisting the Board in examining the Company’s selection, appointment, re-election and succession practices for directors and senior executives;
- ensuring that remuneration arrangements are equitable, transparent, performance-linked and designed to attract and retain directors, executive officers and senior personnel capable of creating sustainable value for stockholders and other stakeholders;
- ensuring that the Board has an effective composition, size, skills mix, independence profile and commitment level to adequately discharge its duties;
- reviewing Board succession plans, Board renewal and the processes used to identify and assess director candidates;
- reviewing the processes for evaluating the performance of the Board, its committees, individual directors, the Chief Executive Officer and senior executives;
- reviewing levels of diversity, skills and experience within the Company and the Board and reporting on progress under any diversity, equity and inclusion policy approved by the Board;
- reviewing the Company’s remuneration, recruitment, retention, incentive, equity compensation and termination policies for directors and senior executives; and
- supporting compliance with applicable corporate, securities, employment, tax, stock exchange and governance laws, rules and regulations.

Membership

- The members of the Committee shall be appointed by the Board and shall serve for such term or terms as the Board may determine, or until earlier resignation, removal, death or disqualification.
- The Committee shall consist of at least three directors, subject to any applicable phase-in periods, exemptions or transition provisions available under Nasdaq rules and applicable law.
- Each member shall satisfy the independence requirements applicable to members of a nomination, compensation or remuneration committee under Nasdaq listing standards and any applicable SEC rules, as determined by the Board.
- The Committee chair shall be designated by the Board. Unless the Board determines otherwise in accordance with applicable law and Nasdaq rules, the chair should be an independent director and should have appropriate leadership and governance experience.

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- No member of the Committee shall participate in decisions relating to that member's own remuneration, incentive awards or performance evaluation, except as part of a broader Board-wide process in which all non-management directors are evaluated on a consistent basis.
- The Corporate Secretary of the Company, or another person designated by the Board, shall act as secretary of the Committee.

Nomination Responsibilities

The Committee has delegated responsibility from the Board to conduct detailed examination of the following nomination matters and to make recommendations to the Board for approval:

- continually reviewing the range of skills, diversity, independence, experience and expertise of the Board and its committees, including identifying particular skills that will best increase their effectiveness;
- identifying, in consultation with external advisers where appropriate, suitable candidates for appointment to the Board or to Board committees;
- evaluating and making recommendations to the Board where the appointment, re-election, resignation or removal of directors is considered to be required;
- considering and overseeing the process for the nomination and selection of directors to the Board as outlined in Annexure 1;
- reviewing criteria for director independence and making recommendations to the Board regarding director independence determinations;
- recommending directors to serve as chairpersons and members of Board committees;
- overseeing director induction, orientation and continuing education, including education specific to BFE's oil and gas production, field operations, power generation, digital asset mining infrastructure, regulatory environment and public company obligations; and
- periodically reviewing the Board Skills Matrix and recommending changes to address strategic priorities and emerging risks.

Remuneration Responsibilities

The Committee has delegated responsibility from the Board to conduct detailed examination of the following remuneration matters and to make recommendations to the Board for approval:

- considering the Remuneration and Incentive Policy set out in Annexure 2 and recommending amendments as appropriate;
- considering the Performance Evaluation Procedure set out in Annexure 3 and ensuring that remuneration demonstrates a clear relationship with individual, operational, financial and strategic performance;
- reviewing and recommending compensation arrangements for the Chief Executive Officer, other executive officers, senior executives and non-management directors, including base salary, short-term incentives, long-term incentives, equity awards, retirement benefits, severance rights and change-in-control arrangements;
- reviewing and recommending the design of cash-based and equity-based incentive plans, including any stockholder approvals required by applicable law, Nasdaq rules or the terms of the relevant plan;
- reviewing contractual rights of senior executives on termination and any payments made or proposed to determine whether they are reasonable in the circumstances and consistent with applicable law and Company policy;
- considering whether to seek stockholder approval of any executive remuneration policy or plan where required or considered appropriate; and
- reviewing and recommending remuneration-related disclosure for inclusion in the Company's proxy statement, annual report, registration statement or other SEC or Nasdaq filings, as applicable.

Evaluation Responsibilities

The Committee shall evaluate whether any significant nomination, remuneration, governance or performance matters should be brought to the attention of the Board, including:

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- periodically evaluating and making recommendations to the Board regarding the necessary and desirable composition and competencies of the Board and committees, giving consideration to the mix of skills, diversity, experience, independence and time commitments required from each director;
- annually reviewing the Board Skills Matrix and succession plans for the Board, the Chief Executive Officer and senior executives;
- identifying necessary or desirable improvements to the Company's Board and committee charters, governance policies and evaluation processes;
- reviewing the Performance Evaluation Procedure set out in Annexure 3;
- reviewing policies or programs that affect the performance of the Board and its committees, including director induction programs, continuing education, access to management and advisers, and the quality and timeliness of Board materials; and
- considering any other relevant matters identified by the Committee or requested by the Board.

Meetings

The Corporate Secretary, or the Committee chair, shall give Committee members reasonable notice of each meeting. Other directors, officers, employees, advisers, consultants or external persons may be invited to attend Committee meetings by the Committee chair.

The Committee chair shall call a meeting of the Committee if requested by any Committee member, any director or the Board. The Committee shall meet as often as it determines necessary to carry out its responsibilities, and at least annually.

Proceedings of the Committee will be governed by the Company's certificate of incorporation, bylaws, committee governance practices and applicable law, to the extent applicable.

A quorum for a meeting of the Committee is a majority of the members of the Committee, unless otherwise determined by the Board in accordance with applicable law. A duly convened meeting at which a quorum is present is competent to exercise all or any of the authorities, powers or discretions vested in, or exercisable by, the Committee.

Minutes of Committee proceedings and resolutions will be kept by the Corporate Secretary or another designated secretary and circulated to Committee members after the Committee chair has given preliminary approval.

The Committee chair, or a nominated representative, shall report the findings and recommendations of the Committee to the Board after each Committee meeting. The Committee will ensure that the Board is provided with sufficient information to support informed decision-making based on Committee reports or recommendations. Where any Committee member has a contrary view to a Committee decision, that view is to be reported to the Board.

Rights in Obtaining Information from Management

The Committee has authority to seek any information it requires from any director, officer, employee, consultant or adviser of the Company, and such persons shall be instructed by the Board to respond to such enquiries. The Committee has access to executive management, employees, Company records and the Company's financial and legal advisers. The Committee is authorised to retain independent professional advisers, at the Company's cost, as it considers necessary or appropriate to discharge its responsibilities.

Annexure 1 - Procedure for Selection and Appointment of Directors

The Committee will regularly review the appropriateness and overall composition of the Board relative to the Company's strategy, responsibilities, growth profile, regulatory obligations and risk environment.

The Committee shall determine the criteria, objectives and procedure for selecting new Board members, including any requirements to improve the Board's capacity through composition, diversity, independence, skills, experience and industry expertise.

Nomination Process

Where the Committee believes, or the Board requests, that there is a need to appoint another director due to retirement, resignation, growth, complexity, regulatory requirements, stockholder expectations or strategic need, the Committee shall be responsible for:

- reviewing and recommending to the Board the criteria for Board membership, including assessment of necessary and desirable competencies having regard to the existing directors and expected changes to the Company's business;
- giving consideration to the value of diversity at all levels of the Company and the Board, including diversity of skills, experience, geography, background and perspective;
- reviewing potential candidates for the Board and reporting on the candidates and results to the Board for consideration, including appropriate inquiries into the background, qualifications, reputation, independence and potential conflicts of possible nominees;
- recommending to the Board the directors who should be designated as chairpersons and members of Board committees;
- making recommendations to the Board in relation to appropriate performance criteria for individual directors and the Board as a collective body;
- reviewing, developing and recommending to the Board criteria for determining director independence;
- agreeing the process and timetable for seeking new directors, which may involve an external recruitment firm or specialist public company governance adviser; and
- considering the Company's strategic focus, including oil and gas operations, field safety, environmental compliance, power infrastructure, digital asset infrastructure, capital markets, public company reporting, cybersecurity and technology.

Potential directors are to be approached by the Committee or its nominee. The candidate's interest in joining the Board, together with the responsibilities such an appointment entails, should be discussed. The terms and conditions of appointment, including expected time commitment, independence obligations, confidentiality obligations, equity ownership guidelines if any, committee service and remuneration, are to be communicated to the candidate.

Once a potential candidate has been identified, that candidate should provide a resume or biography detailing the candidate's skills and experience. The candidate may be interviewed by the Committee and provided with relevant information regarding BFE, its operations, governance policies and expectations.

When considering a candidate, the Committee will assess the candidate against the following guidelines:

- competencies, experience, qualifications, reputation and skills;
- details of any interest, position, transaction or relationship that might influence, or reasonably be perceived to influence, in a material respect the candidate's capacity to bring independent judgment to issues before the Board and to act in the best interests of the Company as a whole;
- other directorships held, employment commitments and advisory roles;
- time availability and particulars of other commitments;
- contribution to the overall balance and composition of the Board;
- depth of understanding of the role, fiduciary duties and legal obligations of a public company director;
- ability to contribute to oversight of BFE's operations, strategy, financial reporting, compliance, safety, environmental and technology risks; and
- alignment with the Company's culture, ethics and long-term value creation objectives.

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The Committee may consider the re-election of a current director. Re-election must not be automatic and should be considered after reviewing the director's term of office, independence, performance, attendance, contribution, other commitments, Board composition, succession needs and stockholder support.

The full Board shall consider any recommendation by the Committee as to any appointment, re-election or removal of a director, subject to the voting and approval arrangements set out in the Company's governing documents and applicable law. Ultimate responsibility for determining the suitability of candidates rests with the Board.

Appointment to the Board

If an invitation to become a director is accepted, the new director is expected to sign such appointment documentation, consents, questionnaires, confidentiality undertakings, securities trading acknowledgements and other documents as the Company may reasonably require.

The Committee will ensure that the director is provided with access to the Company's Board Charter, committee charters and other relevant policies and procedures, together with induction materials relating to BFE's business and the industries in which it operates.

Where a director is appointed during the year, the director will stand for election or re-election by stockholders at the next annual meeting or as otherwise required by the Company's governing documents and applicable law. Stockholders must be provided with relevant information regarding candidates standing for election or re-election.

Following the appointment of a new director, the Company will make such SEC, Nasdaq, press release, website and other disclosures as may be required or considered appropriate, including details of the new director's skills, experience, independence, committee appointments and securities ownership where required.

Where there is a provisional appointment of a director or senior executive, it will be subject to receipt of satisfactory outstanding checks and an undertaking to resign or withdraw should the Committee receive an outstanding check that it considers unsatisfactory.

Annexure 2 - Remuneration and Incentive Policy

The Company's remuneration policy reflects its obligation to align executive remuneration with stockholder interests and to engage appropriately qualified directors, officers and senior personnel for the benefit of the Company.

In particular:

- rewards should reflect the competitive market in which the Company operates, including competition for public company, energy, technology, operations, finance and capital markets talent;
- individual rewards should be linked to performance criteria and long-term value creation;
- rewards should consider both financial and non-financial performance, including safety, compliance, operational discipline, environmental performance, risk management, stakeholder engagement and strategic execution; and
- remuneration structures should discourage excessive risk-taking and support sustainable growth.

The Company recognises that a formal and transparent remuneration policy helps promote confidence by stockholders, employees and other stakeholders that the Company's remuneration procedures:

- enable the Company to attract and retain directors, executives and senior personnel who will create sustainable value;
- fairly and responsibly reward directors and executives having regard to Company performance, individual performance and the external compensation environment;
- comply with applicable laws, regulations, Nasdaq listing standards, tax rules, securities laws and Company policies; and
- align management incentives with stockholder interests.

The Committee assists the Board in the development and review of the Remuneration and Incentive Policy; however, ultimate responsibility for the Company's remuneration policies remains with the Board.

Executive Remuneration

The remuneration of executive officers and senior executives will be determined by the Board, giving consideration to recommendations made by the Committee, external advisers or any information required by the Board in making its decision.

To assist the Board, the Committee will:

- report to the Board regarding remuneration for each executive director and executive officer, including base salary, incentive payments, equity awards, retirement benefits, severance rights and change-in-control rights;
- review remuneration for senior executives to ensure it is consistent with this policy and the Company's strategic priorities;
- review contractual rights of senior executives on termination and any payments made or proposed to determine whether they are reasonable in the circumstances;
- review the depth of senior management and the appropriateness of succession planning policies;
- consider whether any element of remuneration requires stockholder approval; and
- consider appropriate clawback, forfeiture, recoupment or malus provisions required by law, Nasdaq rules or Company policy.

Non-Management Director Remuneration

The remuneration of non-management directors will be determined by the Board, excluding in each case any director or directors with immediate conflicts of interest. The Board may request that the Committee, management or external advisers provide information required to assist the Board in making its decision.

The total and individual remuneration of non-management directors should be determined in accordance with the Company's governing documents, stockholder approvals where required, Nasdaq rules, SEC requirements and applicable law.

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The apportionment of non-management director remuneration will be made by the Board having regard to the Committee's recommendations and evaluation of each director's contribution, committee service, leadership responsibilities, time commitment and market benchmarks.

The Board will consider from time to time whether equity participation by non-management directors is appropriate, taking into account governance guidelines, stockholder expectations, director independence and long-term alignment with stockholders.

Cash-Based Executive Incentive Plans

Insofar as they impact executive officers and senior executives, the Committee will review and make recommendations to the Board regarding:

- the underlying principles, performance measures and targets for cash-based incentive plans;
- the total proposed payments from such plans;
- the relationship between payments and the Company's financial, operational, safety, compliance and strategic performance; and
- whether any payments should be reduced, deferred, forfeited or recovered under applicable clawback or recoupment policies.

Equity-Based Incentive Plans

The Committee will monitor and review:

- the underlying principles of equity-based plans for approval by the Board;
- all equity-based plans in light of legislative, regulatory, taxation, accounting, Nasdaq and market developments and any thresholds approved by stockholders;
- awards proposed under each plan to ensure compliance with the relevant plan rules and Committee and Board policies;
- the total proposed awards under each plan;
- the life and vesting profile of each grant or award;
- the performance, service and other conditions applicable to each equity-based incentive plan;
- amendments proposed for approval as permitted under the plan rules; and
- the proposed exercise of any discretion under a plan and any determinations required under the rules of each plan.

Approvals

Board Approvals

The Board must approve the following, subject to any recommendation by the Committee:

- the executive remuneration policy and material amendments to it;
- the remuneration disclosure to be included in the Company's annual report, proxy statement, registration statement or other public filings;
- the design of all equity-based incentive plans and material amendments to them;
- the remuneration of non-management directors; and
- any matter requiring Board approval under applicable law, Nasdaq rules or the Company's governing documents.

Committee Approvals

Subject to Board approval where required, the Committee shall approve or recommend approval of the following prior to implementation:

- changes to the remuneration or contract terms of executive directors, executive officers and senior executives;
- the design of new executive equity or cash-based incentive plans and material amendments to current plans;
- the total level of awards proposed from equity-based plans or executive cash-based incentive plans; and

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- termination payments to executive directors, executive officers and other members of the senior executive team.

Annexure 3 - Performance Evaluation Procedure

The Committee must review the performance of the Board, individual directors, the committees of the Board, the Chief Executive Officer, the Company and senior management regularly and report to the Board.

The Committee will conduct an annual review of the Board's performance. As part of that review, the Committee will consider the appropriate size, composition, independence, skills mix, terms of appointment, tenure and retirement or rotation arrangements for the Board.

Principles

The key elements of the performance evaluation process are:

- the assessment must be independent of management and must appear objective;
- the process must encourage open and constructive discussion in relation to performance;
- the confidentiality of each individual performance assessment should be maintained to the extent consistent with proper governance and legal obligations;
- appropriate disclosure of the assessment process and overall results should be made where required by law or considered appropriate;
- comparison of Board performance against the requirements of the Board Charter and applicable committee charters;
- review of Board structure having regard to the skills, diversity, independence and experience the Board is seeking to achieve;
- assessment of Board performance over the previous twelve months having regard to corporate strategy, operating plans, risk management, budgets, capital allocation, compliance and public company obligations;
- review of the Board's interaction with management;
- identification of clear processes, goals and objectives for the next year, ensuring directors have had input into those goals;
- review of the type, quality and timing of information provided to directors;
- identification of necessary or desirable improvements to Board or committee charters;
- regular follow-up on issues identified during evaluations; and
- evaluation of each individual director and how the Board and its committees operate as a group.

Evaluation of the Board as a Whole

The Committee will annually review the performance of the Board as a whole. Consideration should be given to any objectives and defined criteria established as a benchmark for assessing performance and, at a minimum, address the following:

- Board role: adequacy of processes for monitoring business performance, Board interaction with management, Board knowledge, strategy oversight, information flow and evaluation processes;
- Board membership: appropriateness of balance and mix of skills, diversity, independence and size; contribution of individual directors; performance feedback; and procedures for addressing inadequate performance;
- Procedure and practice: effectiveness in use of time, ability to assess management performance, ability to keep abreast of developments affecting BFE, discussion of values at Board level, community and stakeholder issues, and meeting frequency and duration;
- Committee structure: sufficiency and effectiveness of current committee structures, membership and availability of resources;
- Collaboration and style: working relationship between the Board chair and Chief Executive Officer, segregation of duties between Board and management, ability of directors to express views constructively, and adequacy of Board discussions; and
- Personal: any concerns with the role as director and own performance, education undertaken concerning key developments in the Company and its industries, ability to raise issues and availability of resources.

The Committee must ensure that any benchmarks used in the evaluation are regularly reviewed to reflect changing conditions affecting the Company.

Evaluation of Committees

The Board will annually review the performance of its committees to ensure that they are achieving the required outcomes. Consideration should be given to performance against each committee charter and the relationship between the committee and the Board.

Evaluation of the Chief Executive Officer

The Committee will annually review the performance of the Chief Executive Officer. At the commencement of each financial year, the Committee and the Chief Executive Officer will agree a set of Company-specific performance measures to be used in the review for the forthcoming year.

These may include:

- the extent to which key operational goals and strategic objectives are achieved;
- the development of management and staff;
- compliance with legal and Company policy requirements;
- safety, environmental, financial, operational and technology performance;
- capital markets, financing and stockholder relations outcomes; and
- the achievement of key performance indicators.

Evaluation of Senior Executives

The Committee is responsible for annually assessing the performance of key executives within the Company through a formal process that may include formal meetings with each senior executive.

The basis of the evaluation of senior executives will be performance measures agreed with the executive at the previous performance review or otherwise established by the Board, the Committee or the Chief Executive Officer.

The remuneration packages for senior executives will be determined in accordance with this policy. The Committee will review proposed remuneration packages for senior executives, including incentive awards, equity awards and service contracts.

When determining or reviewing senior executive remuneration, due consideration will be given to ensure that remuneration packages properly reflect the executive's duties, responsibilities and performance and are competitive in attracting, retaining and motivating appropriate people.

Additional remuneration linked to the Company's financial, operational or strategic performance may be agreed with individual senior executives from time to time, subject to required approvals.

Evaluation of Individual Directors

The Committee is responsible for meeting with individual directors to discuss their performance and contribution to the Board and, at a minimum, address the following:

- effective governance: ability to contribute to the Company's performance while adhering to principles of good governance;
- leading through vision and values: ability to support commitment to the Company's culture, vision and values;
- strategic thinking and decision-making: ability to analyse and evaluate contingencies affecting the Company and identify optimal responses;
- commercial and business acumen: ability to contribute to stockholder value while fulfilling governance obligations;
- teamwork: ability to interact with fellow directors and senior executives in a manner consistent with common business goals;
- Board participation: contribution to Board discussion and function, attendance and availability;
- committees: membership of and contribution to Board committees;
- independence: degree of independence, including relevance of any conflicts of interest; and
- suitability: suitability to Board structure and composition.

Method of Performance Evaluation

The Committee may consider involving independent experts in the performance evaluation process when considered necessary or desirable.

Performance evaluations of individual directors and the Board as a whole may use self-assessment and peer review, including 360-degree feedback, by way of evaluation forms or another process approved by the Board.

Review of Individual Directors

Step	Action
Step 1	Individual directors perform self-assessment using pre-determined ratings and evaluation criteria.
Step 2	Directors provide feedback on the performance of the individual director using the same or a comparable form.
Step 3	A meeting is held between the individual director and the Committee, or another appropriate party, to discuss issues raised and any material differences between self-assessment and peer review.
Step 4	The Committee considers the evaluations and produces a recommendation for the Board stating whether action should be taken in relation to the director's performance.
Step 5	The Board decides whether a director should be counselled, not seek re-election, resign, or, in exceptional circumstances, whether a resolution for removal should be put to stockholders.

Review of the Board as a Whole and Its Committees

Step	Action
Step 1	Each director or committee member completes an evaluation form using set evaluation criteria. The form may allow for further comments and recommendations for improvement.
Step 2	The Board and each committee discuss their ability to meet objectives and make recommendations.
Step 3	The results are processed by the Committee, or by an independent expert at the Board's discretion, and recommendations are communicated to the Board.
Step 4	Issues that need to be resolved are put before the Board for discussion and follow-up.

Links to Performance

Based on the evaluation of an individual's performance, the Committee will review the individual's compensation arrangement and prepare a recommendation to the Board regarding the appropriate level of compensation.

If a director, key executive or employee is not performing to an acceptable level, a performance evaluation may be conducted on an as-needed basis.

Facilitating Performance by Education

The Company has induction procedures designed to allow new Board appointees to participate fully and actively in Board decision-making at the earliest opportunity. The Committee will review these procedures to ensure maximum benefit to the Company.

New directors cannot be effective until they have adequate knowledge about the Company and the industries within which it operates. The Committee shall ensure that new directors are provided with the opportunity and resources to gain an understanding of necessary information, including induction, orientation and continuing education programs that reflect:

- the Company's financial, strategic, operational, technology and risk management position;

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- directors' rights, duties and responsibilities;
- the role of Board committees;
- public company reporting, Nasdaq and SEC obligations;
- oil and gas operations, field safety, environmental compliance, power generation and digital asset infrastructure; and
- current industry and business developments and best practice methods.