SOUTHERN ENERGY CORP. ANNOUNCES FOURTH QUARTER AND YEAR END 2023 FINANCIAL AND OPERATING RESULTS

Calgary, Alberta – April 26, 2024 – Southern Energy Corp. ("**Southern**" or the "**Company**") (TSXV:SOU) (AIM:SOUC)(OTCQX:SOUTF), an established producer with natural gas and light oil assets in Mississippi, announces its fourth quarter and year end December 31, 2023 financial and operating results. Selected financial and operational information is outlined below and should be read in conjunction with the Company's audited consolidated financial statements and related management's discussion and analysis (the "**MD&A**") for the three and twelve months ended December 31, 2023, as well as the Company's annual information form for the year ended December 31, 2023, (the "**AIF**"), all of which are available on the Company's website at www.southernenergycorp.com and have been filed under the Company's profile on SEDAR+ at www.sedarplus.ca.

All figures referred to in this news release are denominated in U.S. dollars, unless otherwise noted.

FOURTH QUARTER AND YEAR END 2023 HIGHLIGHTS

- Average production of 16,755[1] Mcfe/d (2,793 boe/d) (96% natural gas) during Q4 2023 and 16,305[2] Mcfe/d (2,718 boe/d) (95% natural gas) for the year ended December 31, 2023, an increase of 4% and 5% from the same periods in 2022, respectively
- On June 1, 2023, Southern completed a strategic and highly synergistic acquisition in Gwinville of assets producing approximately 400 boe/d (99% natural gas) for cash consideration of $3.2 million (the "**Gwinville Acquisition**")
- Generated $0.8 million of adjusted funds flow from operations[3] in Q4 2023 ($0.01 per share basic and diluted) and $3.2 million for the year ended December 31, 2023 ($0.02 per share basic and diluted)
- Petroleum and natural gas sales were $5.1 million in Q4 2023 and $19.3 million for the year ended December 31, 2023, a decrease of 48% and 57% from the same periods in 2022, respectively, largely due to a significant depreciation in the natural gas price
- Average realized natural gas and oil prices for Q4 2023 of $2.95/Mcf and $76.97/bbl compared to $6.35/Mcf and $81.98/bbl in Q4 2022
- Net loss of $39.6 million ($0.26 per share basic and diluted) and $46.8 million ($0.33 per share basic and diluted) for the three and twelve months ended December 31, 2023, respectively, due to a $38.0 million non-cash impairment charge recorded at December 31, 2023
- Year-end 2023 proved developed producing ("**PDP**") reserves were 7.5 MMboe and total proved plus probable ("**2P**") reserves were 29.6 MMboe, an increase of 21% and 16% from year-end 2022 and reflecting a reserve life index of eight years and 31 years, respectively
- Reserve replacement of 229% in PDP, 96% in total proved ("**1P**"), and 521% in 2P 2023 reserve categories
- Drilled six net wells at Gwinville in Q1 2023 from three padsites, with each subsequent pad drilling operation resulting in fewer drilling days per well depth adjusted
- On November 9, 2023, successfully closed an equity financing raising aggregate gross proceeds of $5.0

[1] Comprised of 98 bbl/d light and medium crude oil, 11 bbl/d NGLs and 16,101 Mcf/d conventional natural gas
[2] Comprised of 115 bbl/d light and medium crude oil, 12 bbl/d NGLs and 15,543 Mcf/d conventional natural gas
[3] See "Reader Advisories - Specified Financial Measures"

million

- In December 2023, Southern successfully completed the first of its four high quality uncompleted horizontal wells ("**DUCs**") from the Q1 2023 drilling program – the GH 14-06 #3 wellbore. The operation was completed safely and under budget

SUBSEQUENT EVENTS

- On February 28, 2024, entered into the sixth amendment (the "**Sixth Amendment**") to the Company's senior secured term loan (the "**Credit Facility**"), which among other amendments, included extending the term of the Credit Facility from August 31, 2025 to December 31, 2026 (see "*Liquidity and Capital Resources – Credit Facility*" in the December 31, 2023 MD&A for full details of the amendment)
- Southern monetized its fixed price swap derivative contracts to take advantage of the positive unrealized gain position, realizing net proceeds of $1.1 million.
- Entered into a fixed price swap derivative contract of 5,000 MMBtu/d for the period of May 2024 – December 2026 at a price of $3.40/MMBtu

Ian Atkinson, President and Chief Executive Officer of Southern, commented:

"Looking at 2023, Southern is pleased to have made significant progress re-developing its large scale Gwinville asset, highlighted by the recent completion of the GH 14-06 #3 well, which achieved an IP30 rate of 5.2 MMcf/d, while deploying 40% less capital than early 2023 completion costs. We have three remaining high impact DUCs at Gwinville that we plan to complete and bring online as natural gas prices are expected to continue to recover into Q3 and Q4 of 2024. Completing the highly accretive acquisition at Gwinville in Q2 2023 illustrates our ability to execute on the inorganic focus of our business plan in lower commodity price cycles. Southern believes the strategy of accretive acquisitions in commodity price troughs, coupled with cost-effective organic growth heading into commodity price peaks, strikes a balance to create long term shareholder value in volatile commodity price environments.

*"We continue to be encouraged by the outlook of supply and demand dynamics for U.S. natural gas as the new Gulf Coast LNG export facilities will start accepting feed gas later this summer, significantly increasing demand for natural gas in the region. Additionally, we are now seeing some material increases in domestic power demand through artificial intelligence ("**AI**") data center build out, crypto-currency mining and the electrification of transportation which will add to the overall demand for gas-fired power generation. The supply dynamic is also changing as we are starting to see the effects of large U.S. natural gas producers' willingness to both curtail current production and significantly reduce drilling and completion activity. This is manifesting into the supply side of the equation with U.S. production below 100 bcf/d at the start of April 2024, down from the Q4 2023 peak of 106 bcf/d.*

"Southern is well positioned to capitalize on rising natural gas prices with production behind pipe which can be brought on stream in a short time frame and we are excited to continue to grow the business with our new and longstanding shareholders."

Financial Highlights

(000s, except $ per share)	Three months ended December 31, 2023	Three months ended December 31, 2022	Year ended December 31, 2023	Year ended December 31, 2022
Petroleum and natural gas sales	**$ 5,098**	$ 9,830	**$ 19,313**	$ 45,217
Net (loss) earnings	**(39,563)**	1,749	**(46,817)**	9,299
Net (loss) earnings per share				
Basic	**(0.26)**	0.01	**(0.33)**	0.09
Fully diluted	**(0.26)**	0.01	**(0.33)**	0.08
Adjusted funds flow from operations [1]	**777**	3,059	**3,227**	17,156
Adjusted funds flow from operations per share [1]				
Basic	**0.01**	0.02	**0.02**	0.16
Fully diluted	**0.01**	0.02	**0.02**	0.14
Capital expenditures and acquisitions	**3,212**	10,218	**45,130**	30,434
Weighted average shares outstanding				
Basic	**154,140**	137,378	**142,747**	108,144
Fully diluted	**154,140**	146,797	**142,747**	122,972
As at period end				
Common Shares outstanding	**165,718**	138,057	**165,718**	138,057
Total assets	**67,305**	97,652	**67,305**	97,652
Non-current liabilities	**21,613**	12,817	**21,613**	12,817
Positive net cash (net debt) [1]	**$ (26,667)**	$ 13,437	**$ (26,667)**	$ 13,437

Note:
(1) See “Reader Advisories – Specified Financial Measures”.

2023 Year End Reserves Update

The Company is pleased to announce selected highlights of Southern’s year end independent oil and gas reserves evaluation as of December 31, 2023.

Estimates of the Company’s reserves and related estimates of net present value of future net revenues as at December 31, 2023, are based upon reports (the “**NSAI Report**”) prepared by Southern’s independent qualified reserves evaluator, Netherland, Sewell and Associates, Inc. (“**NSAI**”). All currency amounts are in United States dollars (unless otherwise stated) and comparisons refer to December 31, 2022.

Highlights:

- Relative to year-end 2022, the NSAI Report states:
  - an increase in PDP reserves of 21% to 7.5 MMboe,
  - unchanged 1P reserves of 14.0 MMboe,
  - an increase in 2P reserves of 16% to 29.6 MMboe, and
  - a PDP reserve life index of eight years and 31 years for 2P reserves based on the 2024 production forecast.

- Southern replaced 229%, 96% and 521% of 2023 production in the PDP, 1P and 2P reserve categories, respectively.

- Before-tax net present value ("**NPV**") of reserves, discounted at 10% ("**NPV10**"), is $39.9 million on a PDP basis, $63.4 million on a 1P basis and $119.3 million on a 2P basis evaluated using the average forecast pricing of four independent reserve evaluators as at January 1, 2024.

- New PDP reserves and additional Probable drilling locations booked at Gwinville following the synergistic acquisition of the remainder of the field in 2023.

In addition to the summary information disclosed in this press release, more detailed information regarding Southern's oil and gas reserves can be found in the AIF, which is available on the Company website and has been filed on SEDAR+ (www.sedarplus.ca).

Gary McMurren, Chief Operating Officer of Southern commented:

"We are excited to report another year of material reserves growth for the Company, highlighted by conservative additions to our Gwinville assets following our strategic 2023 acquisition and consolidation.

"With the three remaining, high quality DUC locations in Gwinville (two Lower Selma Chalk and one City Bank) waiting on more supportive natural gas pricing before completion operations, our producing reserve bookings will be strengthened even further. The Company has yet to book any future horizontal locations in the City Bank formation, so success from that modern completion design is expected to be extremely impactful to continued reserves growth in the Gwinville Field for years to come.

"The NSAI Report continues to highlight the extensive running room and future development potential of only one of our existing core assets which could deliver long term sustainable free funds flow and organic growth for Southern shareholders."

2023 Independent Qualified Reserve Evaluation

The following tables highlight the findings of the NSAI Report, which has been prepared in accordance with definitions, standards and procedures contained in *National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities* ("**NI 51-101**") and the most recent publication of the Canadian Oil and Gas Evaluation Handbook ("**COGEH**"). All evaluations and summaries of future net revenue are stated prior to the provision for interest, debt service charges or general and administrative expenses and after deduction of royalties, operating costs, estimated well abandonment and reclamation costs, and estimated future capital expenditures. The NSAI Report was based on the average forecast pricing of the following four independent external reserves evaluators: GLJ Ltd, Sproule Associates Limited, McDaniel & Associates Consultants Ltd and Deloitte. Additional reserves information as required under NI 51-101 is included in Southern's AIF, which will has been filed on SEDAR+. The numbers in the tables below may not sum due to rounding.

Summary of Reserves Volumes as at December 31, 2023

The Company's reserve volumes and undiscounted future development capital costs are summarized below as at December 31, 2023:

SUMMARY OF RESERVE VOLUMES [1]	Light and Medium Oil (Mbbls)	Condensate (Mbbls)	NGL (Mbbsl)	Conventional Natural Gas (MMcf)	Total Mboe	FDC Costs ($M)
Proved Developed Producing	10	188	37	43,560	7,496	-
Proved Developed Non-Producing	55	58	1	8,776	1,576	4,510
Proved Undeveloped	-	361	109	27,223	5,007	47,662
Total Proved	**65**	**607**	**147**	**79,558**	**14,078**	**52,172**
Probable	17	234	19	91,721	15,556	106,102
Total Proved Plus Probable	**82**	**840**	**166**	**171,279**	**29,635**	**158,274**

(1) Gross working interest reserves before royalty deductions.

The following table outlines the changes in Southern's reserves and reserve life index as at December 31, 2023 compared to December 31, 2022:

CHANGE IN RESERVES AND RESERVE LIFE INDEX[1]	**2023**	**2022**	**% Change**
Reserves (Mboe)			
Proved Developed Producing	**7,496**	6,211	21%
Total Proved	**14,078**	14,117	0%
Total Proved Plus Probable	**29,635**	25,456	16%
PDP as % of 2P	**25%**	24%	4%
1P as % of 2P	**48%**	55%	(14%)
Reserve Life Index (years)			
Proved Developed Producing	**7.8**	8.2	(5%)
Total Proved	**14.7**	18.7	(21%)
Total Proved Plus Probable	**30.9**	33.6	(8%)

(1) The Reserve Life Index as at December 31, 2023 is calculated as gross working interest reserves divided by the projected annual PDP production forecast for 2024. See "Reader advisories - Oil and Gas Advisories"

Southern's total 2P reserves increased by 16% to 29.6 MMboe resulting in a 2P reserve life index of 30.9 years on projected annual PDP production for 2024. Southern's Gwinville horizontal well development program and the Gwinville asset acquisition in 2023 helped the Company achieve a 21% increase in PDP reserves to 7.5 MMboe.

Net Present Value of Future Net Revenue as at December 31, 2023

The following table summarizes the NPV of the Company's reserves (before-tax) as at December 31, 2023. The reserves value on a $/boe basis, discounted at 10% per year, is also summarized for each category.

NET PRESENT VALUE BEFORE-TAX	**0% (M$)**	**10% (M$)**	**20% (M$)**	**Unit Value(1) Before Income Tax, Discounted at 10%/year ($/boe)**
Proved Developed Producing	67,584	39,865	28,974	6.78
Proved Developed Non-Producing	20,667	9,478	6,124	7.82
Proved Undeveloped	47,202	14,043	2,805	3.48
Total Proved	**135,454**	**63,386**	**37,902**	**5.70**
Probable	204,579	55,929	17,653	4.53
Total Proved Plus Probable	**340,033**	**119,315**	**55,555**	**5.08**

(1) Unit values are based on net reserves. Net reserves are the Company's working interest reserves after deduction of royalties

Forecast Prices Used in Estimates

The following table outlines the forecasted future prices used by NSAI in their evaluation of the Company's reserves at December 31, 2023, which are based on a four-consultant average price forecast. The forecast cost and price assumptions assume increases in wellhead selling prices and consider inflation with respect to future operating and capital costs.

FUTURE COMMODITY PRICE FORECAST	WTI Cushing Oklahoma US$/bbl	NYMEX Henry Hub US$/MMBtu
2024	73.25	2.75
2025	74.09	3.62
2026	74.79	4.05
2027	76.28	4.14
2028	77.81	4.23
2029	79.37	4.30
2030	80.96	4.39
2031	82.57	4.48
2032	84.22	4.57
2033	85.91	4.66
Thereafter	+ 2.0%/year	+ 2.0%/year

Reserves Reconciliation

The following table sets out the reconciliation of Southern's gross reserves based on forecast prices and costs by principal product type as at December 31, 2023 relative to December 31, 2022. The majority of 1P and 2P reserves increases, year-on-year, are attributed to the 2023 Gwinville acquisition.

RESERVES[1] RECONCILIATION	PDP (Mboe)	1P (Mboe)	Probable (Mboe)	2P (Mboe)
December 31, 2022	6,211	14,117	11,338	25,456
Discoveries	-	-	-	-
Extensions	-	-	-	-
Infill Drilling	705	-	-	-
Improved Recovery	-	-	-	-
Technical Revisions[2]	238	(390)	(1,506)	(1,896)
Acquisitions	1,621	1,621	5,787	7,408
Dispositions	-	-	-	-
Economic Factors	(287)	(277)	(63)	(340)
Production	(992)	(992)	-	(992)
December 31, 2023	**7,496**	**14,078**	**15,556**	**29,635**

(1) Gross working interest reserves before royalty deductions
(2) Technical revisions also include reserves associated with changes in operating costs and commodity price offsets

Gwinville Development Update

In late December 2023, the Company brought on-line the first of its four DUC wells from the Q1 2023 drilling program, the GH 14-06 #3 wellbore. This lateral hole was drilled and completed in the Upper Selma Chalk reservoir and achieved an IP30 natural gas rate of 5.2 MMcf/d, in-line with pre-drill expectations.

Southern implemented a number of stimulation design changes for this latest Upper Selma Chalk horizontal completion that improved the predictability and efficiency of the fracture operation and, more importantly, reduced the overall completion cost down to $2.1 million, well below budget estimates. Costs for this completion operation were approximately 40% lower than the two previous 18-10 pad Upper Selma Chalk wells that were completed earlier in 2023.

Outlook

Southern is planning to delay the completion timing of the remaining three DUC wells into the second half of 2024 when the Company expects natural gas pricing to be significantly elevated from current levels to maximize returns. These DUCs can be quickly completed and brought online through Southern's 100% owned equipment. The remaining DUC wellbores have been drilled in the Lower Selma Chalk (two) and City Bank formations. Southern currently has $10.0 million of unused capacity on its Credit Facility, which can be utilized to complete the DUCs at higher natural gas prices or can be used to be opportunistic with counter-cyclical inorganic growth opportunities.

As part of its risk management and sustainability strategy, Southern continuously monitors both the price of New York Mercantile Exchange ("**NYMEX**"), as well as the basis differentials, in order to mitigate some of the volatility of natural gas prices. With the extended term provided by the Sixth Amendment of the Credit Facility, Southern has taken advantage of the contango in the natural gas future strip by entering into a fixed price swap contract of 5,000 MMBtu/d for the period of May 2024 – December 2026 at a price of $3.40/MMBtu, which is approximately

106% above the current May 2024 contract price. Southern's current commodity hedge program includes:

Natural Gas	Volume	Pricing
Fixed Price Swap		
May 1, 2024 – December 31, 2026	5,000 MMBtu/d	NYMEX – HH $3.400/MMBtu
Costless Collar		
January 1, 2024 – March 31, 2024	2,000 MMBtu/d	NYMEX – HH $3.00 - $3.98/MMBtu
January 1, 2024 – March 31, 2024	1,000 MMBtu/d	NYMEX – HH $3.00 - $4.60/MMBtu
November 1, 2024 – March 31, 2025	1,000 MMBtu/d	NYMEX – HH $3.50 - $5.20/MMBtu

Southern will continue to monitor NYMEX prices and the basis differential prices and is prepared to hedge additional volumes in a tactical manner going forward.

Southern thanks all of its stakeholders for their ongoing support and looks forward to providing future updates on operational activities and continuing to create shareholder value.

Corporate Presentation

A new corporate presentation dated April 2024 is now available on the Company website at www.southernenergycorp.com.

Qualified Person's Statement

Gary McMurren, Chief Operating Officer, who has over 23 years of relevant experience in the oil industry, has approved the technical information contained in this announcement. Mr. McMurren is registered as a Professional Engineer with the Association of Professional Engineers and Geoscientists of Alberta and received a Bachelor of Science degree in Chemical Engineering (with distinction) from the University of Alberta.

For further information about Southern, please visit our website at www.southernenergycorp.com or contact:

Southern Energy Corp.
Ian Atkinson (President and CEO) +1 587 287 5401
Calvin Yau (CFO) +1 587 287 5402

Strand Hanson Limited - Nominated & Financial Adviser +44 (0) 20 7409 3494
James Spinney / James Bellman / Rob Patrick

Stifel Nicolaus Europe Limited – Joint Broker +44 (0) 20 7710 7600
Callum Stewart / Ashton Clanfield

Tennyson Securities – Joint Broker +44 (0) 20 7186 9033
Peter Krens / Pav Sanghera

Camarco +44 (0) 20 3757 4980
Owen Roberts / Billy Clegg / Hugo Liddy

About Southern Energy Corp.

Southern Energy Corp. is a natural gas exploration and production company characterized by a stable, low-decline production base, a significant low-risk drilling inventory and strategic access to premium commodity pricing in North America. Southern has a primary focus on acquiring and developing conventional natural gas and light oil resources in the southeast Gulf States of Mississippi, Louisiana, and East Texas. Our management team has a long and successful history working together and have created significant shareholder value through accretive acquisitions, optimization of existing oil and natural gas fields and the utilization of re-development strategies utilizing horizontal drilling and multi-staged fracture completion techniques.

READER ADVISORIES

MCFE Disclosure*. Natural gas liquids volumes are recorded in barrels of oil (bbl) and are converted to a thousand cubic feet equivalent (Mcfe) using a ratio of six (6) thousand cubic feet to one (1) barrel of oil (bbl). Natural gas volumes recorded in thousand cubic feet (Mcf) are converted to barrels of oil equivalent (boe) using the ratio of six (6) thousand cubic feet to one (1) barrel of oil (bbl). Mcfe and boe may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf:1 bbl or a Mcfe conversion ratio of 1 bbl:6 Mcf is based in an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. In addition, given that the value ratio based on the current price of oil as compared with natural gas is significantly different from the energy equivalent of six to one, utilizing a boe conversion ratio of 6 Mcf:1 bbl or a Mcfe conversion ratio of 1 bbl:6 Mcf may be misleading as an indication of value.*

Unit Cost Calculation. *For the purpose of calculating unit costs, natural gas volumes have been converted to a boe using six thousand cubic feet equal to one barrel unless otherwise stated. A boe conversion ratio of 6:1 is based upon an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. This conversion conforms with NI 51-101. Boe may be misleading, particularly if used in isolation.*

Product Types. *Throughout this press release, "crude oil" or "oil" refers to light and medium crude oil product types as defined by NI 51-101. References to "NGLs" throughout this press release comprise pentane, butane, propane, and ethane, being all NGLs as defined by NI 51-101. References to "natural gas" throughout this press release refers to conventional natural gas as defined by NI 51-101.*

Short Term Results. *References in this press release to peak rates, production rates since inception, current production rates, IP30 and other short-term production rates are useful in confirming the presence of hydrocarbons, however such rates are not determinative of the rates at which such wells will commence production and decline thereafter and are not indicative of long-term performance or of ultimate recovery. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production of Southern. The Company cautions that such results should be considered to be preliminary.*

AIF. *The reserves information and data provided in this press release presents only a portion of the disclosure required under NI 51-101. Southern's Statement of Reserves Data and Other Oil and Gas Information on Form 51-101F1 dated effective as at December 31, 2023, which will include further disclosure of Southern's oil and gas reserves and other oil and gas information in accordance with NI 51-101 and COGEH forming the basis of this press release, will is included in the AIF which may be viewed on the Company's SEDAR+ profile at www.sedarplus.ca.*

Reserves and Future Net Revenue Disclosure. *All reserves values, future net revenue and ancillary information contained in this press release are derived from the NSAI Report unless otherwise noted. All reserve references in this press release are "Company gross reserves". Company gross reserves are the Company's total working interest reserves before the deduction of any royalties payable by the Company. Estimates of reserves and future net revenue for individual properties may not reflect the same level of confidence as estimates of reserves and future net revenue for all properties, due to the effect of aggregation. There is no assurance that the forecast price and cost assumptions applied by NSAI in evaluating Southern's reserves will be attained and variances could be material. All reserves assigned in the NSAI Report are located in the State of Mississippi and presented on a consolidated basis.*

All evaluations and summaries of future net revenue are stated prior to the provision for interest, debt service charges or general and administrative expenses and after deduction of royalties, operating costs, estimated well abandonment and reclamation costs and estimated future capital expenditures. It should not be assumed that the estimates of future net revenues presented in the tables below represent the fair market value of the reserves. The recovery and reserve estimates of Southern's crude oil, natural gas liquids and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil, natural gas and natural gas liquids reserves may be greater than or less than the estimates provided herein. There are numerous uncertainties inherent in estimating quantities of crude oil, reserves and the future cash flows attributed to such reserves. The reserve and associated cash flow information set forth herein are estimates only.

Proved reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves. Probable reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves. Proved developed producing reserves are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty. Undeveloped reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (e.g., when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves category (proved, probable, possible) to which they are assigned. Certain terms used in this press release but not defined are defined in NI 51-101, CSA Staff Notice 51-324 – Revised Glossary to NI 51-101, Revised Glossary to NI 51-101, Standards of Disclosure for Oil and Gas Activities ("CSA Staff Notice 51-324") and/or the COGEH and, unless the context otherwise requires, shall have the same meanings herein as in NI 51-101, CSA Staff Notice 51-324 and the COGEH, as the case may be.

***Oil and gas metrics.** This press release contains metrics commonly used in the oil and natural gas industry which have been prepared by management, such as "reserves life index" and "development capital". These terms do not have a standardized meaning and the Company's calculation of such metrics may not be comparable to the calculation method used or presented by other companies for the same or similar metrics, and therefore should not be used to make such comparisons. Management uses these oil and gas metrics for its own performance measurements and to provide shareholders with metrics to compare the Company's operations over time. Readers are cautioned that the information provided by these metrics, or that can be derived from the metrics presented in this press release, should not be relied upon for investment or other purposes. "Reserve life index" is calculated as total company interest reserves divided by expected annual PDP production, for the year indicated. "Development capital" means the aggregate exploration and development costs incurred in the financial year on reserves that are categorized as development. Development capital presented herein excludes land and capitalized administration costs but includes the cost of acquisitions and capital associated with acquisitions where reserve additions are attributed to the acquisitions.*

***Abbreviations**. Please see below for a list of abbreviations used in this press release.*

1P	*total proved*
2P	*proved plus probable*
bbl	*barrels*
bbl/d	*barrels per day*
bcf/d	*billion cubic feet per day*
boe	*barrels of oil*
boe/d	*barrels of oil per day*
IP30	*average hydrocarbon production rate for the first 30 days of a well's life*
Mcf	*thousand cubic feet*
Mcf/d	*thousand cubic feet per day*
MMcf	*million cubic feet*
MMcf/d	*million cubic feet per day*
Mcfe	*thousand cubic feet equivalent*
Mcfe/d	*thousand cubic feet equivalent per day*

MMboe	*million barrels of oil*
MMBtu	*million British thermal units*
MMBtu/d	*million British thermal units per day*
NYMEX	*New York Mercantile Exchange*
PDP	*proved developed producing*

***Forward Looking Statements**. Certain information included in this press release constitutes forward-looking information under applicable securities legislation. Forward-looking information typically contains statements with words such as “anticipate”, “believe”, “expect”, “plan”, “intend”, “estimate”, “propose”, “project”, "budget", "continue", "evaluate", "forecast", "may", "will", "can", "target" "potential", "result", "could", "should" or similar words suggesting future outcomes or statements regarding an outlook. Forward-looking information in this press release may include, but is not limited to statements concerning the Company's asset base including the development of the Company's assets, positioning, oil and natural gas production levels, the Company's capital budget, anticipated operational results, Southern’s 2024 outlook, growth strategy and the expectation that it will continue to grow the business with new and existing shareholders, capital expenditures, drilling and completion plans and casing remediation activities, expectations regarding commodity prices and service costs, the performance characteristics of the Company’s oil and natural gas properties, expectations regarding prospective reserves and probable drilling locations at the Gwinville site, the Company’s hedging strategy and execution thereof, the ability of the Company to achieve drilling success consistent with management’s expectations, Southern’s expectations regarding the reserve life index of its reserves, including the reserve life index of 8 and 31 years for 2023 PDP and 2P reserves, respectively, NPV of the Company’s reserves (before-tax), forecasted future prices used by NSAI in their evaluation of the Company’s reserves, the Company’s expectations regarding completion of the three remaining DUCs (including that they will be brought online and the timing thereof and anticipated costs and funding), expectations regarding the Credit Facility and the terms thereof, the projected annual PDP production forecast for 2024, the sources of funding for the Company’s activities, the effect of market conditions on the Company’s performance, the anticipated use of proceeds from Southern’s recent equity financing, outlook in respect of supply and demand dynamics for U.S. natural gas in respect of Gulf Coast LNG export facilities, the Company’s risk management activities including hedging positions and targets, expectations regarding the use of proceeds from all sources including the Credit Facility, the availability and renewal of the Credit Facility and future amendments, and the Company’s risk management and sustainability strategy. Statements relating to “reserves” and "recovery" are also deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated and that the reserves can be profitably produced in the future.*

The forward-looking statements contained in this press release are based on certain key expectations and assumptions made by Southern, including, but not limited to, the timing of and success of future drilling, development and completion activities, the performance of existing wells, the performance of new wells, the availability and performance of drilling rigs, facilities and pipelines, the geological characteristics of Southern's properties, the characteristics of the Company's assets, the successful integration of recently acquired assets into the Company's operations (including the assets acquired pursuant to the Gwinville Acquisition), the Company's ability to comply with ongoing obligations under the Credit Facility and its convertible debentures and other sources of financing, the successful application of drilling, completion and seismic technology, the benefits of current commodity pricing hedging arrangements, Southern's ability to enter into future derivative contracts on acceptable terms, Southern's ability to secure financing on acceptable terms, prevailing weather conditions, prevailing legislation, as well as regulatory and licensing requirements, affecting the oil and gas industry, the Company's ability to obtain all requisite permits and licences, prevailing commodity prices, price volatility, price differentials and the actual prices received for the Company’s products, royalty regimes and exchange rates, the impact of inflation on costs, the application of regulatory and licensing requirements, the Company's ability to obtain all requisite permits and licences, the availability of capital, labour and services, the creditworthiness of industry partners, the Company's ability to source and complete asset acquisitions, and the Company's ability to execute its plans and strategies.

Although Southern believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Southern can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks associated with the oil and gas industry in general (e.g., *operational risks in development, exploration and production, the uncertainty of reserve estimates, the uncertainty of estimates and projections relating to production, costs and expenses, regulatory risks, and health, safety and environmental risks), constraint in the availability of labour, supplies, or services, the impact of pandemics, commodity price and exchange rate fluctuations, geo-political risks, political and economic instability abroad, wars (including the Russo-Ukrainian war and the Israel-Hamas conflict), hostilities, civil insurrections, inflationary risks including potential increases to operating and capital costs, changes in legislation impacting the oil and gas industry, adverse weather or break-up conditions, and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures. The Russo-Ukrainian war and the Israel-Hamas conflict are particularly noteworthy, as these conflicts have the potential to disrupt the global supply of oil and gas, and their full impact remains uncertain. These and other risks are set out in more detail in Southern's MD&A and AIF for the year ended December 31, 2023, which are available on the Company's website at www.southernenergycorp.com and filed under the Company's profile on SEDAR+ at www.sedarplus.ca.*

The forward-looking information contained in this press release is made as of the date hereof and Southern undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, unless required by applicable securities laws. The forward-looking information contained in this press release is expressly qualified by this cautionary statement.

***Future Oriented Financial Information**. This press release contains future-oriented financial information and financial outlook information (collectively, "**FOFI**") about Southern's prospective results of operations, cash flow, adjusted funds flow, capital expenditures, tax rates, cost estimates including forecasted operating and capital costs and undiscounted future development capital costs, wellhead selling prices, natural gas pricing and other forecasted prices used in NSAI's estimates, hedging, royalty rates, inflation, payout of wells, the before tax NPV10 of reserves and prospective results of operations and production, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the above paragraphs. FOFI contained in this document was approved by management as of the date of this document and was provided for the purpose of providing further information about Southern's future business operations. Southern and its management believe that FOFI has been prepared on a reasonable basis, reflecting management's best estimates and judgments, and represent, to the best of management's knowledge and opinion, the Company's expected course of action. However, because this information is highly subjective, it should not be relied on as necessarily indicative of future results. Southern disclaims any intention or obligation to update or revise any FOFI contained in this document, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. Readers are cautioned that the FOFI contained in this document should not be used for purposes other than for which it is disclosed herein. Changes in forecast commodity prices, differences in the timing of capital expenditures, and variances in average production estimates can have a significant impact on the key performance measures included in Southern's guidance. The Company's actual results may differ materially from these estimates.*

***Specified Financial Measures.** This press release provides various financial measures that do not have a standardized meaning prescribed by International Financial Reporting Standards ("**IFRS**"), including non-IFRS financial measures, non-IFRS financial ratios and capital management measures. These specified financial measures may not be comparable to similar measures presented by other issuers. Southern's method of calculating these measures may differ from other companies and accordingly, they may not be comparable to measures used by other companies. Adjusted funds flow from operations, adjusted working capital and net debt are not recognized measures under IFRS. Readers are cautioned that these specified financial measures should not be construed as alternatives to other measures of financial performance calculated in accordance with IFRS. These specified financial measures provide additional information that management believes is meaningful in describing the Company's operational performance, liquidity and capacity to fund capital expenditures and other activities. Please see below for a brief overview of all specified financial measures used in this release and refer to the Company's MD&A for additional information relating to specified financial measures, which is available on the Company's website at www.southernenergycorp.com and filed under the Company's profile on SEDAR+ at www.sedarplus.ca.*

> *"**Adjusted Funds Flow from Operations**" (non-IFRS financial measure) is calculated based on cash flow from operative activities before changes in non-cash working capital and cash decommissioning expenditures. Management uses adjusted funds flow from operations as a key measure to assess the ability of the Company to finance operating activities, capital expenditures and debt repayments.*
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> *"**Adjusted Funds Flow from Operations per Share**" (non-IFRS financial measure) is calculated by dividing Adjusted*

Funds Flow from Operations by the number of Southern shares issued and outstanding.

*"**Positive Net Cash (Net Debt)**" (capital management measure) is monitored by management, along with adjusted working capital, as part of its capital structure in order to fund current operations and future growth of the Company. Net debt is defined as long-term debt plus adjusted working capital surplus or deficit. Adjusted working capital is calculated as current assets less current liabilities, removing current derivative assets/liabilities, the current portion of bank debt, and the current portion of lease liabilities.*

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.