



**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON SEPTEMBER 30, 2026**

AND

MANAGEMENT INFORMATION CIRCULAR

AUGUST 19, 2026

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**SOUTHERN ENERGY CORP.
NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING
OF THE HOLDERS OF COMMON SHARES
TO BE HELD ON SEPTEMBER 30, 2026**

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares (the "**Common Shares**") in the capital of Southern Energy Corp. (the "**Corporation**") will be held at the offices of the Corporation, located at Suite 2400, 333 - 7th Avenue S.W., Calgary, Alberta, T2P 2Z1, on Wednesday, September 30, 2026 at 10:00 a.m. (Calgary time), and presented online at the link provided below, for the following purposes:

1. to receive the financial statements for the fiscal year ended December 31, 2025 and the report of the auditors thereon;
2. to fix the number of directors to be elected at five (5);
3. to elect directors for the ensuing year;
4. to appoint the auditors of the Corporation to hold office until the next annual meeting of the Shareholders and authorize the directors to fix their remuneration;
5. to approve the stock option plan of the Corporation, as described in the management information circular of the Corporation dated August 19, 2026 (the "**Information Circular**");
6. to approve the share award incentive plan of the Corporation, as described in the Information Circular;
7. to approve the creation of a new "control person" (as such term is defined in the policies of the TSX Venture Exchange) resulting from the issuance of Common Shares to TCC 1 Corp. upon the conversion of the USD\$17 million (USD\$15.5 million net) convertible debenture and payment of interest under the convertible debenture, as described in the Information Circular;
8. to consider and, if thought appropriate, pass a special resolution authorizing the directors to consolidate the Common Shares on the basis of up to five (5) pre-consolidation Common Shares for each one (1) post-consolidation Common Share, as described in the Information Circular; and
9. to transact such other business as may properly come before the meeting or any adjournments thereof.

Only Shareholders of record at the close of business on August 21, 2026 (the "**Record Date**") are entitled to notice of and to attend the Meeting or any adjournment or adjournments thereof and to vote thereat, unless, after the Record Date, a holder of record transfers his or her Common Shares and the transferee, upon producing properly endorsed share certificates or otherwise establishing that he or she owns such Common Shares, requests, not later than 10 days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote such Common Shares, in which case such transferee shall be entitled to vote such Common Shares, as the case may be, at the Meeting.

Shareholders may vote in person at the Meeting or any adjournment or adjournments thereof, or they may appoint another person (who need not be a Shareholder) as their proxy to attend and vote in their place.

Registered Shareholders are requested to date and sign the enclosed form of proxy (the "Form of Proxy") and return it to the Corporation's transfer agent, Odyssey Trust Company. To be effective, the Form of Proxy must be mailed so as to reach or be deposited with Odyssey Trust Company, at Trader's Bank Building 1100, 67 Yonge Street, Toronto, ON M5E 1J8 Attention: Proxy Department or by fax at (800) 517-4553 not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time set for the Meeting or any adjournment thereof or

may be accepted by the Chairman of the Meeting at his discretion prior to the commencement of the Meeting. The Form of Proxy or other instrument used to appoint a proxy shall be executed by the Shareholder or their attorney, or if such Shareholder is a corporation, under the corporate seal, and executed by a director, officer or attorney thereof duly authorized. Alternatively, a registered Shareholder may complete their Form of Proxy online at <https://vote.odysseytrust.com> by following the instructions provided on the Form of Proxy.

The Corporation encourages Shareholders to submit their Form of Proxy and return it as soon as possible in accordance with the instructions outlined in the accompanying Information Circular. Shareholders who do not hold their Common Shares in their own name are strongly encouraged to complete the voting instruction forms received from their broker as soon as possible and to follow the instructions set out in the accompanying Information Circular.

As an alternative to attending the Meeting in person, Shareholders may join the Meeting via webcast by following the below instructions. While the instructions will allow you to listen to the Meeting and ask questions, the Meeting is not a virtual meeting and you will not be able to vote at the Meeting through the webcast, which is why the Corporation urges Shareholders to complete the Form of Proxy or other voting instruction form provided by your broker in accordance with the instructions outlined in the Information Circular.

Shareholders may use the following information to listen to the Meeting via webcast:

Webcast: Via Zoom using the following link to register for the Meeting,

https://us02web.zoom.us/webinar/register/WN_9Ee4cynzQgKarOgVw5jGCw

Once registered, participants will receive an email with link and instructions to access the Meeting via webcast.

The Information Circular relating to the business to be conducted at the Meeting accompanies this Notice.

Calgary, Alberta

August 19, 2026

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "Ian Atkinson"

Ian Atkinson

Director, President and Chief Executive Officer

SOUTHERN ENERGY CORP.

MANAGEMENT INFORMATION CIRCULAR

**FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF THE HOLDERS OF COMMON
SHARES OF SOUTHERN ENERGY CORP. TO BE HELD ON SEPTEMBER 30, 2026**

Dated: August 19, 2026

PURPOSE OF SOLICITATION

This management information circular (the "Information Circular") is furnished in connection with the solicitation of proxies by or on behalf of the management of Southern Energy Corp. (the "Corporation") for use at the annual general and special meeting of the holders (the "Shareholders") of the common shares (the "Common Shares") in the capital of the Corporation to be held at the offices of the Corporation, located at Suite 2400, 333 - 7th Avenue S.W., Calgary, Alberta, T2P 2Z1, on Wednesday, September 30, 2026 at 10:00 a.m. (Calgary time), and presented online at the link provided below, and any adjournment or adjournments thereof (the "Meeting") for the purposes set forth in the Notice of Annual General and Special Meeting (the "Notice of Meeting") accompanying this Information Circular.

The Corporation encourages Shareholders to submit their Form of Proxy and return it as soon as possible in accordance with the instructions outlined herein. Shareholders who do not hold their Common Shares in their own name are strongly encouraged to complete the voting instruction forms received from their broker as soon as possible and to follow the instructions set out under "*Proxy Information – Advice to Beneficial Holders of Securities*", below.

As an alternative to attending the Meeting in person, Shareholders may join the Meeting via webcast by following the below instructions. While the instructions will allow you to listen to the Meeting and ask questions, the Meeting is not a virtual meeting and you will not be able to vote at the Meeting through the webcast, which is why the Corporation urges Shareholders to complete the Form of Proxy or other voting instruction form provided by your broker in accordance with the instructions outlined in "*Proxy Information – Completion of Proxies*", below.

Shareholders may use the following information to listen to the Meeting via webcast:

Webcast: Via Zoom using the following link to register for the Meeting,

https://us02web.zoom.us/webinar/register/WN_9Ee4cynzQgKarOgVw5jGCw

Once registered, participants will receive an email with link and instructions to access the Meeting via webcast.

CURRENCY

All currency amounts expressed herein, unless otherwise indicated, are expressed in Canadian dollars.

RECORD DATE

Only Shareholders of record as of the close of business on August 21, 2026 (the "**Record Date**") are entitled to notice of, and to attend and vote at the Meeting except to the extent that:

- (a) such person transfers his or her Common Shares after the Record Date; and

- (b) the transferee of those Common Shares produces properly endorsed share certificates or otherwise establishes his or her ownership to the Common Shares and makes a demand to the registrar and transfer agent of the Corporation, not later than 10 days before the Meeting, that his or her name be included on the Shareholders' list for the Meeting.

Any registered Shareholder of Common Shares (a "**Registered Shareholder**") at the close of business on the Record Date who either personally attends the Meeting or who completes and delivers a proxy will be entitled to vote or have his or her Common Shares voted at the Meeting. However, a person appointed under a form of proxy will be entitled to vote the Common Shares represented by that form only if it is effectively delivered in the manner set out under the heading "*Proxy Information – Completion of Proxies*".

PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies is made on behalf of the management of the Corporation. The costs incurred in the preparation of the enclosed form of proxy (the "**Form of Proxy**"), Notice of Meeting and this Information Circular and costs incurred in the solicitation of proxies will be borne by the Corporation.

Completion of Proxies

The Form of Proxy affords Shareholders or intermediaries an opportunity to specify that the Common Shares registered in their name shall be voted for or against or withheld from voting in respect of certain matters as specified in the accompanying Notice of Meeting. The persons named in the enclosed Form of Proxy are Ian Atkinson, the President and Chief Executive Officer of the Corporation, and Calvin Yau, the Chief Financial Officer of the Corporation.

A proxy must be dated and signed by the Registered Shareholder or by his or her attorney authorized in writing or by the intermediary. In the case of a Registered Shareholder that is a corporation, the proxy must be executed under its corporate seal or signed by a duly authorized officer or attorney for the corporation with proof of authority accompanying the proxy. **IF YOUR COMMON SHARES ARE HELD BY YOUR BANK, TRUST COMPANY, SECURITIES BROKER, TRUSTEE OR OTHER FINANCIAL INSTITUTION (YOUR NOMINEE), YOU ARE MOST LIKELY A BENEFICIAL SHAREHOLDER OF THE COMMON SHARES AND SHOULD REFER TO "PROXY INFORMATION – ADVICE TO BENEFICIAL HOLDERS OF SECURITIES" FOR FURTHER INSTRUCTIONS ON HOW TO VOTE BY PROXY AT THE MEETING.**

Registered Shareholders are requested to date and sign the enclosed Form of Proxy and return it to the Corporation's transfer agent, Odyssey Trust Company. In order to be effective, the Form of Proxy, together with the power of attorney or other authority, if any, under which it was signed or a notarially certified copy thereof, must be mailed or completed online at <https://vote.odysseytrust.com> so as to be deposited at the office of Odyssey Trust Company, Trader's Bank Building 1100, 67 Yonge Street, Toronto, ON M5E 1J8, not later than 10:00 a.m. (Calgary time) on the second last business day (not including Saturdays, Sundays and statutory holidays in the Province of Alberta) preceding the day of the Meeting or any adjournment thereof or deposited with the Chairman of the Meeting on the day of the Meeting prior to the commencement of the Meeting.

No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution. If a proxy is not dated, it will be deemed to bear the date on which it was mailed by management of the Corporation.

A REGISTERED SHAREHOLDER OR AN INTERMEDIARY HOLDING COMMON SHARES ON BEHALF OF A NON-REGISTERED SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON, WHO NEED NOT BE A SHAREHOLDER, TO ATTEND AND ACT ON THEIR BEHALF AT THE MEETING, IN THE PLACE OF THE PERSONS DESIGNATED IN THE FORM OF PROXY FURNISHED BY THE CORPORATION. TO EXERCISE THIS RIGHT, THE SHAREHOLDER OR INTERMEDIARY SHOULD STRIKE OUT THE NAMES OF THE PERSONS NAMED IN THE FORM OF PROXY AND INSERT THE NAME OF THEIR NOMINEE IN THE BLANK SPACE PROVIDED OR SUBMIT ANOTHER APPROPRIATE PROXY.

UK Depositary Interest Holders

Depositary Interest Holders (Beneficial shareholders) who hold their common shares through the depositary MUFG Corporate Markets Trustees (UK) Limited (the "**Depositary**") are required to follow the instructions set out below.

Depositary Interest Holders can direct the Depositary how to vote their common shares or abstain from voting by completing, signing and returning the enclosed form of direction (the "**Form of Direction**"). To be valid, the Form of Direction must be filled out, executed (exactly as the holder's name appears on the register), and returned by mail using the enclosed envelope, or by courier or hand delivery to the office of the Depositary, MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL, no later than 5:00 p.m. (BST) on Wednesday, September 23, 2026 in order for the Depositary to vote as per your instructions at the Meeting. Alternatively, Depositary Interest Holders may instruct the Depositary how to vote by utilizing the CREST electronic voting service as explained under the following "CREST Voting Instructions" heading below.

Depositary interest holders wishing to attend the Meeting in person will need to instruct the nominee (MUFG Corporate Markets Trustees (Nominees) Limited) by providing a Letter of Representation on headed paper addressed to MUFG Corporate Markets via e-mail to Nominee.Enquiries@cm.mpms.mufg.com no later than 5:00 p.m. BST on Wednesday, September 23, 2026. When emailing Nominee.Enquiries@cm.mpms.mufg.com depositary interest holders should instruct their full name, DI account, address, number of shares held and a valid email address in order to obtain the necessary documentation for Odyssey Trust Company (as Canadian Transfer Agent for Southern Energy Corp.) to verify the depositary interest holder in order to enable them to attend the Meeting.

Alternatively, holders of Depositary Interests may listen to the Meeting via webcast by registering at the following link:

https://us02web.zoom.us/webinar/register/WN_9Ee4cynzQgKarOgVw5jGCw

Once registered, depositary interest holders will receive an email with a link and instructions on how to access the Meeting via webcast. While the instructions will allow you to listen to the Meeting and ask questions, the Meeting is not a virtual meeting and you will not be able to vote at the Meeting through the webcast.

CREST Voting Instructions

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting or any adjournments or postponements thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the

CREST service to be valid, the appropriate CREST message (the "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted by no later than 5:00 p.m. BST on Wednesday, September 23, 2026 (under CREST Participation ID RA10). The time of receipt will be taken to be the time from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instruction. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that their CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Corporation may treat a CREST Proxy Instruction as invalid in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).

Revocation of Proxies

A Registered Shareholder or intermediary who has submitted a proxy may revoke it by instrument in writing executed by the Registered Shareholder or intermediary or his or her attorney authorized in writing, or, if the Registered Shareholder is a corporation, under its corporate seal and executed by a director, officer or attorney thereof duly authorized, and deposited either: (a) with the Corporation at its offices or at the office of the Corporation's agent, Odyssey Trust Company, Trader's Bank Building 1100, 67 Yonge Street, Toronto, ON, M5E 1J8, at any time prior to the close of business on the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used; or (b) with the Chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting, and upon such deposit the previous proxy is revoked.

Exercise of Discretion by Proxies

A Registered Shareholder or intermediary may indicate the manner in which the persons named in the enclosed Form of Proxy are to vote with respect to any matter by checking the appropriate space. On any poll, those persons will vote or withhold from voting the Common Shares in respect of which they are appointed in accordance with the directions, if any, given in the Form of Proxy. If the Registered Shareholder or intermediary wishes to confer a discretionary authority with respect to any matter, the space should be left blank. **IN SUCH INSTANCE, THE PERSONS NAMED IN THE ENCLOSED FORM OF PROXY INTEND TO VOTE THE COMMON SHARES REPRESENTED BY THE PROXY IN FAVOUR OF THE MOTION.**

The enclosed Form of Proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the time of printing of this Information Circular, management of the Corporation knows of no such amendment, variation or other matter. However, if any other matters which are not now known to management should properly come before the Meeting, the proxies in favour of management nominees will be voted on such matters in accordance with the best judgment of the management nominees.

Advice to Beneficial Holders of Securities

The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Common Shares in their own name ("Beneficial Shareholders"). You are most likely a Beneficial Shareholder if your bank, trust company, securities broker, trustee, or other financial institution (your nominee) holds your Common Shares in their name or the name of another intermediary. Beneficial Shareholders should note that only proxies deposited by Registered Shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares on the Record Date can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker or other intermediary, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Shareholder's broker, an agent of that broker, or other intermediary. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). **Common Shares held by brokers or their agents or other nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for their clients. Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate persons.**

Applicable regulatory policies require intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of that broker) is typically similar to the Form of Proxy provided to Registered Shareholders by the Corporation. However, the purpose of the broker's form of proxy is limited to instructing the Registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically mails a scannable voting instruction form in lieu of a form of proxy. The Beneficial Shareholder is requested to complete and return the voting instruction form to Broadridge by mail or facsimile. Alternatively, the Beneficial Shareholder can call a toll-free telephone number or access the Internet to vote the Common Shares held by the Beneficial Shareholder. Broadridge then tabulates the results of all instructions received and provides appropriate instructions representing the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge voting instruction form cannot use that voting instruction form to vote Common Shares directly at the Meeting, as the voting instruction form must be returned as directed by Broadridge well in advance of the Meeting in order to have the Common Shares voted. Beneficial Shareholders who receive forms of proxies or voting materials from organizations other than Broadridge should complete and return such forms of proxies or voting materials in accordance with the instructions on such materials in order to properly vote their Common Shares at the Meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of the Beneficial Shareholder's broker (or agent of the broker), a Beneficial Shareholder may attend the Meeting as proxyholder for the Registered Shareholder and vote such Common Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Common Shares as proxyholder for the Registered Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent) well in advance of the Meeting. The Corporation encourages

Beneficial Shareholders to complete the voting instruction form or form of proxy provided by their broker and return it as soon as possible in accordance with the above instructions.

If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.

Notice-and-Access

The Corporation has elected to use the "notice-and-access" provisions under National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* (the "**Notice-and-Access Provisions**") for the Meeting. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials which are mailed to shareholders by allowing a reporting issuer to post an information circular in respect of a meeting of its shareholders and related materials online.

The Corporation will not use procedures known as "stratification" in relation to the use of the Notice-and-Access Provisions, meaning that both registered and Beneficial Shareholders will be mailed a notification of availability of Meeting materials directing them to those websites where they can access the Information Circular and other relevant information (the "**Notice-and-Access Notification**"). If you receive the Notice-and-Access Notification and would like to receive a paper copy of the Information Circular and other relevant information, please follow the instructions printed on the Notice-and-Access Notification and the materials will be mailed to you. All materials will be forwarded to Shareholders at the Corporation's expense.

The Corporation anticipates that notice-and-access will directly benefit the Corporation through substantial reductions in postage and printing costs. The Corporation believes that notice-and-access is also environmentally responsible to the extent that it decreases the large volume of paper documents generated by printing proxy-related materials.

The Corporation does not intend to pay for intermediaries to forward the Notice-and-Access Notification to Beneficial Shareholders who have objected to their intermediary/broker disclosing ownership information about them pursuant to applicable securities laws ("**Objecting Beneficial Shareholders**"). Consequently, an Objecting Beneficial Shareholder will not receive the Notice-and-Access Notification unless the Objecting Beneficial Shareholder's intermediary/broker assumes the cost of delivery.

Shareholders with questions about notice-and-access can call Odyssey Trust Company at 587-885-0960 or toll free at 1-888-290-1175.

In order to receive a paper copy of this Information Circular and other relevant information, requests by Shareholders may be made up to one year from the date the Information Circular was filed on System for Electronic Document Analysis and Retrieval Plus ("**SEDAR+**") by: (i) calling Odyssey Trust Company at 1-587-885-0960 or toll free at 1-888-290-1175; (ii) by emailing a request to info@southernenergycorp.com; or (iii) online at the following websites: <https://southernenergycorp.com/investors/constitutional-documents/>. The Corporation estimates that a Shareholder's request for paper copies of the Information Circular and other relevant information will need to be received prior to September 18, 2026, in order for such Shareholder to have sufficient time to receive and review the materials requested and return the completed Form of Proxy by the due date set out under the heading "*Completion of Proxies*" in this Information Circular.

INFORMATION CONCERNING THE CORPORATION

The Corporation was incorporated pursuant to the provisions of the *Canada Business Corporations Act* (the "**CBCA**") on July 22, 2008 as "7015321 Canada Limited". The Corporation changed its name to "MAX Minerals Ltd." on August 15, 2008 and "Standard Exploration Ltd." on October 8, 2010. On January 2, 2019, the Corporation changed its name from "Standard Exploration Ltd." to "Southern Energy Corp." On January 7, 2020, the Corporation continued out of the federal jurisdiction of Canada

under the CBCA to the provincial jurisdiction of Alberta under the *Business Corporations Act* (Alberta) (the "**ABCA**").

The Corporation is a reporting issuer in British Columbia and Alberta. The Common Shares are listed on the TSX Venture Exchange (the "**TSXV**") under the trading symbol "SOU" and the AIM Market of the London Stock Exchange plc (the "**AIM**") under the trading symbol "SOUC".

The Corporation is an oil and natural gas exploration and production company focused on building value through the consolidation, development and exploration of oil and gas assets in the southeastern United States. On December 20, 2018, the Corporation: (a) closed a non-brokered private placement of Common Shares and units of the Corporation, for aggregate gross proceeds of \$18,011,000; (b) completed the appointment of a new management team and board of directors; and (c) completed the acquisition of all of the limited partnership units of Gulf Pine Energy Partners, LP ("**Gulf Pine**") (together, the "**Recapitalization**"). On May 2, 2019, the Corporation completed the sale of its remaining Canadian oil and gas assets which were inherited in December 2018 as part of the Recapitalization, becoming a U.S. pure-play oil and gas exploration and production company.

VOTING OF COMMON SHARES AND PRINCIPAL HOLDERS THEREOF

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares ("**Preferred Shares**"), issuable in series. As at the date hereof, there are 366,254,953 fully paid and non-assessable Common Shares and nil Preferred Shares issued and outstanding. Shareholders are entitled to receive notice of all meetings of Shareholders, a right to one vote per Common Share at such meetings, dividends as and when declared by the board of directors of the Corporation (the "**Board**"), and, upon liquidation, to share in the remaining assets of the Corporation as are distributable to such Shareholders. Preferred Shares may be issued by the Corporation from time to time in one or more series and the Board may fix the number of Preferred Shares which is to comprise each series and the designation, rights, privileges, restrictions and conditions attaching to each series. The Preferred Shares of each series shall, with respect to the payment of dividends and the distribution of assets or return of capital in the event of liquidation, dissolution or winding-up of the Corporation, be entitled to preference over the Common Shares.

The bylaws of the Corporation provide that if two persons holding not less than 5% of the issued and outstanding Common Shares entitled to vote are present in person or are represented by proxy, a quorum for the purposes of conducting a Shareholders' meeting is constituted.

The Registered Shareholders set forth in "*Record Date*", above, will be entitled to vote or have his, her or its Common Shares voted at the Meeting. However, a person appointed under a Form of Proxy will be entitled to vote the Common Shares represented by that form only if it is effectively delivered in the manner set out under the heading "*Proxy Information – Completion of Proxies*".

To the best of the knowledge of the directors and executive officers of the Corporation, as at the date hereof, no person or company beneficially owned, directly or indirectly, or exercised control or direction over, voting securities of the Corporation carrying 10% or more of the voting rights attached to the shares of the Corporation.

MATTERS TO BE ACTED UPON

The Shareholders of the Corporation will be asked to consider and, if deemed appropriate:

- (a) by ordinary resolution, to fix the Board at five (5) members;
- (b) by ordinary resolution, to elect the directors of the Corporation;
- (c) by ordinary resolution, to appoint auditors for the ensuing year and to authorize the directors of the Corporation to fix their remuneration;
- (d) by ordinary resolution, to approve the Corporation's amended and restated stock option plan for the ensuing year;
- (e) by ordinary resolution, to approve the Corporation's amended and restated share award incentive plan for the ensuing year;
- (f) by ordinary resolution, to approve creation of a new "control person" (as such term is defined in the policies of the TSXV) resulting from the issuance of Common Shares to TCC 1 Corp. upon the conversion of the USD\$17 million (USD\$15.5 million net) convertible debenture, as described in the Information Circular;
- (g) to consider and, if thought appropriate, pass a special resolution authorizing the directors to consolidate the Common Shares on the basis of up to five (5) pre-consolidation Common Shares for each one (1) post-consolidation Common Share, as described in the Information Circular; and
- (h) to transact such other business as may properly come before the Meeting or any adjournments thereof.

Additional detail regarding each of the matters to be acted on at the Meeting is contained below.

FIXING NUMBER OF DIRECTORS

At the Meeting, it is proposed that the number of directors to be elected to hold office until the next annual meeting or until their successors are elected or appointed, subject to the articles of the Corporation, be set at five (5) members.

In the absence of contrary instructions, the persons named in the accompanying Form of Proxy intend to vote the Common Shares represented thereby in favour of setting the number of directors to be elected at the Meeting at five (5) members.

ELECTION OF DIRECTORS

Action is to be taken at the Meeting with respect to the election of directors. The Shareholders will be asked to pass an ordinary resolution at the Meeting to elect, as directors, the nominees whose names are set forth in the table below. Voting for the election of nominees will be conducted on an individual, and not on a slate, basis. Each nominee elected will hold office until the next annual meeting of the Shareholders or until his successor is duly elected or appointed, unless his office is vacated earlier in accordance with the Corporation's articles.

The Corporation is required by applicable corporate and securities legislation to have an Audit Committee comprised of members of the Board that are considered "financially literate" and a majority

of which are considered "independent", as such terms are defined in National Instrument 52-110 – *Audit Committees ("NI 52-110")*. The Corporation has also established a Corporate Governance and Compensation Committee and a Reserves, Health, Safety and Environment Committee, each comprised of members of the Board. Please see the discussion under the heading "*Corporate Governance Practices*". The present members of the Audit Committee, Corporate Governance and Compensation Committee and Reserves, Health, Safety and Environment Committee of the Board are identified in the table below.

The following information relating to the nominees as directors is based partly on the records of the Corporation and partly on information received by the Corporation from the respective nominees, and sets forth the name and municipality of residence of the persons proposed to be nominated for election as directors, all other positions and offices within the Corporation now held by them, their principal occupations or employments, the periods during which they have served as directors of the Corporation and the number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised by each of them as at the date hereof.

Name	Positions Presently Held	Director Since ⁽¹⁾	Principal Occupation for Previous Five Years	Number and Percentage of Common Shares Beneficially Owned or Over Which Control or Direction, Directly or Indirectly, is Exercised
Ian Atkinson <i>Calgary, Alberta, Canada</i>	Director, President and Chief Executive Officer	December 11, 2018	President and Chief Executive Officer of the Corporation since December 2018. Mr. Atkinson was the founder, President and Chief Executive Officer of Gulf Pine from November 2014 to December 2018. Prior thereto, Mr. Atkinson was a founder and Senior Executive Officer of Athabasca Oil Corporation ("Athabasca").	4,451,563 (1.22%)
R. Steven Smith ⁽²⁾⁽³⁾⁽⁴⁾ <i>Calgary, Alberta, Canada</i>	Director	December 11, 2018	Director of Journey Energy Inc., Karve Energy Inc. and Jasper Brewing Inc. Prior thereto, Mr. Smith was a Director of Broadview Energy Inc. from 2014 to 2019 and the Chief Financial Officer for the last 2 years. He was a Portfolio Manager and Chief Financial Officer at NCM Investments from 2007 to 2017.	2,091,212 (0.57%)
John Joseph Nally ⁽²⁾⁽³⁾⁽⁴⁾ <i>Lagos, Portugal</i>	Director	August 10, 2021	Mr. Nally is an independent businessman. Prior thereto, Mr. Nally was the Head of Natural Resources at Cenkos Securities PLC, a company he co-founded. He also acted as Non-Executive Chairman to Falcon Oil & Gas Ltd. from September 2021 to March 2026.	654,915 (0.18%)
Danny Labelle <i>Calgary, Alberta, Canada</i>	First nomination for Director	Not applicable ⁽⁵⁾	Mr. Labelle was Sr. Vice President Exploration and A&D of Hammerhead Resources Inc. (formerly Canadian International Oil Corporation) from May 2011 to December 2023. Prior thereto, Mr. Labelle held senior geology and exploration positions with Talisman Energy, Mobil Oil Canada, Advantage Energy Services, and Dominion Exploration.	31,250 (0.01%)
Paul Baay <i>Calgary, Alberta, Canada</i>	First nomination for Director	Not applicable ⁽⁵⁾	Mr. Baay is currently the President and Chief Executive Officer of Touchstone Exploration Inc., which he established in July 2010. He is also the Chair of the Board of Governors of the Banff Centre for Arts and Creativity.	- (-%)

Notes:

- (1) All directors of the Corporation are elected to hold office until the next annual meeting of shareholders or until his or her successor is duly elected or appointed, unless his or her office is vacated earlier in accordance with the Corporation's articles.
- (2) Messrs. Beynon (Chair), Nally and Smith are members of the Corporation's Reserves, Health, Safety and Environment Committee.
- (3) Messrs. Nally (Chair), Smith and Beynon are current members of the Corporation's Corporate Governance and Compensation Committee.
- (4) Messrs. Smith (Chair), Nally and Beynon are current members of the Corporation's Audit Committee.
- (5) Subject to shareholder approval and completion of customary due diligence and background checks by the Company's Nominated Adviser

Biographies

Ian Atkinson – Mr. Atkinson has been the founder of several private and public oil and gas companies with over 30 years of technical, executive and board of director experience. Mr. Atkinson was the founder, President and Chief Executive Officer of Gulf Pine since 2014. Prior thereto, Mr. Atkinson was a co-founder and Senior Executive Officer of Athabasca. At Athabasca, Mr. Atkinson was instrumental in the successful completion of Athabasca's initial public offering and a significant joint venture with PetroChina Company Limited. Mr. Atkinson holds a Master of Science degree in Chemical Engineering and an Institute of Corporate Directors (ICD.D) designation.

R. Steven Smith – Mr. Smith is an Independent Businessman since April 2019 and is currently a Director of Journey Energy Inc., Karve Energy Inc. and Jasper Brewing Inc. He started his career in the oil and gas industry in finance with management, executive and director roles with companies including Canadian Pioneer Petroleum Ltd., Poco Petroleums Ltd., Renaissance Energy Ltd., Pan East Petroleum Corp. and most recently was the Chief Financial Officer and Director of Broadview Energy Inc. In addition to the oil and gas industry, Mr. Smith has 22 years in capital markets as Chief Financial Officer and Portfolio Manager with Norrep Capital Management Ltd. and Vice President and Director – Institutional Research at FirstEnergy Capital (Acquired by GMP, later Stifel; Closed) and before that Orion Securities (Acquired by Macquarie Group). Mr. Smith holds a Business degree in Accounting, a Bachelor of Arts degree in English and Chartered Accountant (CA) and Chartered Professional Accountant (CPA) designations.

John Joseph Nally – Mr. Nally has over 45 years' experience in London's capital markets, including 18 years at Cenkos Securities PLC, a firm he co-founded. At Cenkos, Mr. Nally was an Executive Director and Head of Natural Resources and helped raise over £21 billion for small to medium sized companies since the firm's inception in 2004. Previously, Mr. Nally was a partner at Williams de Broe and was a full individual member of the International London Stock Exchange. He is a graduate of the London School of Economics.

Danny Labelle – Mr. Labelle is an Independent Businessman. Mr. Labelle is a veteran energy executive and worked as a professional geoscientist with over 28 years of technical, operational, and corporate development experience in the Western Canadian Sedimentary Basin. He most recently served as Senior Vice President, Development and Acquisitions & Divestments (A&D) at Hammerhead Energy Inc. (formerly Canadian International Oil Corporation) from its growth phase through its C\$2.55 billion corporate sale in December 2023. Prior thereto, Mr. Labelle held senior geology and exploration positions with Talisman Energy, Mobil Oil Canada, Advantage Energy Services, and Dominion Exploration. Mr. Labelle holds a Bachelor of Science and a Master of Science (M. Sc.) in Geology.

Paul Baay – Mr. Baay has over 35 years of experience leading oil and gas exploration and production companies and is currently the President and Chief Executive Officer of Touchstone Exploration Inc. Mr. Baay established Touchstone Energy Inc. and was the former Chair of the Board and Chief Executive Officer from July 2010 to May 2014. Prior thereto, Mr. Baay was Managing Director of Abacus Energy, part of Abacus Private Equity from 2007 through 2010 and was a senior officer of

True Energy Inc. from 2000 through 2007. From 2005 to 2012 he was the Chair of the Board of Directors of Vero Energy Inc. From 1998 to 2000 he was the Chair of the Board of Directors of Request Seismic Surveys Ltd. and served as President, Chief Executive Officer, and director of Remington Energy Ltd. from 1991 to 1999. Mr. Baay serves as the Chair of the Board of Governors of the Banff Centre for Arts and Creativity since May 2024. Mr. Baay previously served as the Chair of the Board of Directors of the Alberta Foundation for the Arts from March 2023 to April 2024 and was a member of the Board of Trustees of the National Gallery of Canada from June 2006 to December 2022. He is a member of the Institute of Corporate Directors and is a graduate of the University of Western Ontario, with a Bachelor of Arts in administrative and commercial studies.

Corporate Cease Trade Orders or Bankruptcies

None of the above proposed directors except as listed below are, or within 10 years prior to the date of this Information Circular have been, a director, chief executive officer or chief financial officer of any company that, while such person was acting in that capacity, was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant issuer access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days.

None of the above proposed directors except as listed below are, or within 10 years prior to the date of this Information Circular have been, a director, chief executive officer or chief financial officer of any company that was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant issuer access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

None of the above proposed directors except as listed below are, or within 10 years prior to the date of this Information Circular have been, a director or executive officer of any company that, while acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Mr. Paul R. Baay was formerly a director of AlkaLi3 Resources Inc. ("AlkaLi3"), a reporting issuer listed on the NEX board of the TSX Venture Exchange. On May 4, 2018, a cease trade order for failure to file its audited annual financial statements was issued against AlkaLi3 by the Alberta Securities Commission ("ASC") and the Ontario Securities Commission (the "OSC"), on their own behalf and on behalf of the provinces of British Columbia, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland pursuant to Multilateral Instrument 11-103 – Failure-to-File Cease Trade Orders in Multiple Jurisdictions. As a result, the TSX Venture Exchange suspended trading of AlkaLi3 common shares effective May 4, 2018. AlkaLi3 filed the required financial statements on May 9, 2018, and the cease trade order was revoked by the ASC and OSC on May 11, 2018.

Personal Bankruptcies

None of the above proposed directors have, within 10 years prior to the date of this Information Circular, become bankrupt, made a proposal under any bankruptcy or insolvency legislation, been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold their assets.

Penalties and Sanctions

None of the above proposed directors except as listed below have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or have entered into a settlement agreement with a securities regulatory authority, or any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

On May 16, 2023, Mr. Paul R. Baay entered into a settlement agreement with the ASC in relation to a breach of Section 147(4) of the Securities Act (Alberta) (the "Settlement Agreement"). Pursuant to the Settlement Agreement, Mr. Baay admitted that he, on six occasions between December 2019 and April 2021, emailed draft Touchstone news releases to an employee of a regulated Canadian investment dealer firm, who was a registered dealing representative of Touchstone (the "Registrant"), and, in such capacity, was responsible for the Company's Employee Share Ownership Plan (as defined herein), prior to such news releases being broadly distributed to the public. Mr. Baay emailed the draft Touchstone news releases to the Registrant during the evenings or on the weekends when both the TSX and AIM markets were closed. On each of the six occasions, Touchstone distributed the final versions of the Touchstone news releases to the public before the TSX and AIM markets opened for regular trading on the next trading day. Mr. Baay paid the ASC \$40,000 in settlement of the matter and completed training in public company governance best practice. The ASC did not require any market access bans on Mr. Baay as part of the Settlement Agreement.

In the absence of contrary instructions, the persons named in the accompanying Form of Proxy intend to vote the Common Shares represented thereby in favour of the election to the Board of those persons designated above as nominees for election as directors. The Board does not contemplate that any of such nominees will be unable to serve as a director. However, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies in favour of management designees will be voted for another nominee in their discretion, unless the Shareholder has specified in his proxy that his Common Shares are to be withheld from voting on the election of directors.

APPOINTMENT OF AUDITORS

The Shareholders will be asked to pass an ordinary resolution at the Meeting to appoint Deloitte LLP as auditors of the Corporation, to hold office until the next annual meeting of the Shareholders, at such remuneration to be determined by the Board. Deloitte LLP was first appointed as the Corporation's auditors on January 17, 2019.

In the absence of contrary instructions, the persons named in the accompanying Form of Proxy intend to vote the Common Shares represented thereby in favour of the appointment of Deloitte LLP as auditors of the Corporation.

APPROVAL OF STOCK OPTION PLAN

The TSXV requires all listed companies with a 10% rolling stock option plan to obtain annual Shareholder approval of such plan. The Corporation's amended and restated stock option plan (the "**Stock Option Plan**") was last approved by Shareholders at the Corporation's previous annual general and special meeting held on October 27, 2025.

Shareholders will be asked at the Meeting to vote on an ordinary resolution to approve the Stock Option Plan of the Corporation. The full text of the Stock Option Plan is attached to the Corporation's management information circular dated September 12, 2025 (the "**Prior Information Circular**") as

Schedule "A". For a discussion of the terms of the Stock Option Plan, please see "*Executive Compensation – Stock Option Plan*" in this Information Circular.

The Board believes that the passing of the following resolution is in the best interests of the Corporation and recommends that Shareholders vote in favour of the resolution. At the Meeting, Shareholders will be asked to consider, and if thought appropriate, pass the following ordinary resolution:

"BE IT RESOLVED THAT:

1. the amended and restated stock option plan (the "**Stock Option Plan**"), substantially in the form attached as Schedule "A" to the management information circular of the Corporation dated September 12, 2025, be and is hereby authorized and approved as the stock option plan of the Corporation;
2. the number of common shares of the Corporation reserved for issuance under the Stock Option Plan, and all other security based compensation plans, shall be no more than 10% of the Corporation's issued and outstanding common shares from time to time;
3. the form of Stock Option Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Corporation; and
4. any one director or officer of the Corporation is hereby authorized and directed for and on behalf of the Corporation to execute or cause to be executed, under the corporate seal of the Corporation or otherwise, and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing."

The Stock Option Plan renewal is subject to TSXV acceptance and, if the TSXV finds the disclosure to Shareholders to be inadequate, Shareholder approval may not be accepted by the TSXV.

In the absence of contrary instructions, the persons named in the accompanying Form of Proxy intend to vote the Common Shares represented thereby in favour of the approval of the Stock Option Plan.

APPROVAL OF SHARE AWARD INCENTIVE PLAN

The Board approved the share award incentive plan, as amended from time to time (the "**Share Award Incentive Plan**") to provide directors, officers, employees and consultants of the Corporation with the opportunity to acquire Share Awards (as defined herein) to allow them to participate in the long-term success of the Corporation, and to promote greater alignment of their interests with those of the Shareholders. The Share Award Incentive Plan provides for the issuance of performance share awards ("**PSAs**") and restricted share awards ("**RSAs**", and together with PSAs, the "**Share Awards**"). The Corporation's Share Award Incentive Plan was last approved by Shareholders at the Corporation's previous annual general and special meeting held on October 27, 2025.

Shareholders will be asked at the Meeting to vote on an ordinary resolution to approve the Share Award Incentive Plan of the Corporation. The full text of the Share Award Incentive Plan is attached to the Prior Information Circular as Schedule "B". For a discussion of the terms of the Share Award

Incentive Plan, please see "*Executive Compensation – Share Award Incentive Plan*" in this Information Circular.

The Board believes that the passing of the following resolution is in the best interests of the Corporation and recommends that Shareholders vote in favour of the resolution. At the Meeting, Shareholders will be asked to consider, and if thought appropriate, pass the following ordinary resolution:

"BE IT RESOLVED THAT:

1. the amended and restated share award incentive plan (the "**Share Award Incentive Plan**"), substantially in the form attached as Schedule "B" to the management information circular of the Corporation dated September 12, 2025, be and is hereby authorized and approved as an equity compensation plan of the Corporation;
2. all unallocated restricted share awards and performance share awards issuable under the Share Award Incentive Plan are hereby authorized and approved;
3. the form of the Share Award Incentive Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without further approval of the shareholders of the Corporation, as further described in the full text of the Share Award Incentive Plan; and
4. any one officer or director of the Corporation is hereby authorized and directed for and on behalf of the Corporation to execute or cause to be executed, under the corporate seal of the Corporation or otherwise, and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing."

The Share Award Incentive Plan renewal is subject to TSXV acceptance and, if the TSXV finds the disclosure to Shareholders to be inadequate, Shareholder approval may not be accepted by the TSXV.

In the absence of contrary instructions, the persons named in the accompanying Form of Proxy intend to vote the Common Shares represented thereby in favour of the approval of the Share Award Incentive Plan.

APPROVAL OF CREATION OF NEW CONTROL PERSON

On February 12, 2026, the Corporation issued 17,000 34-month senior secured convertible debentures (the "**TCC 1 Debentures**") maturing on December 31, 2028 to TCC 1 Corp. (the "**Holder**"), beneficially owned and controlled by Jeff Wood, for gross proceeds of USD\$17 million. Each TCC 1 Debenture shall be issued at a face value of US\$1,000.00 per TCC 1 Debenture issued with an 8.8235% original issue discount (the "**OID**") resulting in a net subscription price of US\$911.76 per Debenture for aggregate gross proceeds of US\$17.0 million (aggregate net proceeds of US\$15.5 million). The TCC 1 Debentures bear interest at a rate of 7% per annum, payable quarterly on March 31, June 30, September 30 and December 31 in each year commencing on March 31, 2026 in cash or in Common Shares at the Market Price (as defined in the Corporate Finance Manual of the TSXV), at the election of the Holder, until the earlier of the conversion date and maturity, subject to TSXV acceptance of the issuance of Common Shares at the time the interest becomes payable, otherwise the interest will be paid in cash. The Holder has the right, at any time prior to maturity, to convert the net amount of USD\$15.5M (excluding the principal amounts attributed to the OID, being an aggregate

of US\$1.5 million) outstanding principal amount into Common Shares at a conversion price of approximately CAD\$0.10 (US\$0.073) per underlying share, being a ratio of 13,700 Common Shares per US\$1,000 principal amount of the convertible portion of the TCC 1 Debentures, subject to adjustment in certain events. The principal amount attributed to the OID shall be repaid in cash. No adjustment will be made for dividends on Common Shares issuable upon conversion or for interest accrued on TCC 1 Debentures surrendered for conversion into Underlying Shares. Fractional underlying shares will not be issued on conversion of the TCC 1 Debentures but in lieu thereof the Corporation will make a cash payment. Notwithstanding the foregoing, the conversion price shall be subject to the rules governing the pricing of convertible securities in the TSXV Corporate Finance Manual.

No conversion may be made and at no time shall the Holder be permitted to receive any Common Shares as payment for any portion of interest under the TCC 1 Debentures, if after giving effect to the conversion or issuance of such Common Shares, the Holder or its affiliates or associates would indirectly or directly own or control more than 19.90% of the outstanding Common Shares or 19.90% of the votes attached to all shares in the capital of the Corporation (the "**Control Blocker**"), unless the Corporation first obtains the approval of the shareholders of the Corporation and the TSXV, as the policies of the TSXV provide that shareholder approval is required for any transaction which results in the creation of a new "control person". A "control person" includes any shareholder holding 20% or more of the shares, except where there is evidence showing that such shareholder does not materially affect control of the Corporation.

As of the date of this Information Circular, the Holder directly or indirectly, beneficially owns and controls an aggregate of 34,140,800 Common Shares and the TCC 1 Debentures, representing approximately 9.32% of the issued and outstanding Common Shares on an undiluted basis and, subject to the Control Blocker, has the right to own, after conversion of the TCC 1 Debentures, 246,469,567 Common Shares representing approximately 42.60% of the current issued and outstanding Common Shares (after giving effect to the conversion of the full amount of TCC 1 Debentures).

Shareholders will be asked at the Meeting to vote on an ordinary resolution (the "**Control Person Resolution**") to approve and authorize the creation of a new "control person" (as such term is defined in the policies of the TSXV) resulting from the issuance of up to a maximum of 212,328,767 Common Shares in the aggregate to the Holder pursuant to the TCC 1 Debentures for purpose of complying with the shareholder approval requirements of the TSX Venture Exchange Corporate Finance Manual.

The TSXV has approved the issuance of up to 212,328,767 Common Shares upon conversion of the principal amount of the TCC 1 Debentures, and such Common Shares have been conditionally listed on the TSXV. Under this issuance the Holder would become a "Control Person". As of the date of this Information Circular, the Holder would hold an approximate 42.60% interest in the issued and outstanding Common Shares if the principal amount of the TCC 1 Debentures is converted. Therefore, the Corporation is seeking Shareholder approval regarding the potential effect on control if the Holder converts the TCC 1 Debentures, which could cause its holdings to exceed the 20% Control Person threshold.

If Shareholders do not approve the Control Person Resolution, the Control Blocker will not be removed and will remain in place and the Debenture will bear interest at a rate of 15% per annum beginning January 1, 2027; at any time the Holder wishes to convert the TCC 1 Debentures, it will only be able to do so to the extent that such conversion does not cause the Holder to exceed the 19.90% threshold.

Disinterested shareholder approval of the creation of a Control Person must be obtained by ordinary resolution requiring a majority of more than 50% of the votes cast in favour of the resolution, excluding

the common shares held by the new Control Person and its associates and affiliates. Accordingly, the votes of the common shares held by the Holder will not be counted for the purpose of this resolution.

The Board believes that the passing of the Control Person Resolution is in the best interests of the Corporation and recommends that Shareholders vote in favour of the Control Person Resolution. At the Meeting, disinterested Shareholders will be asked to consider, and if thought appropriate, pass the following ordinary resolution:

"BE IT RESOLVED THAT:

1. the issuance of up to a maximum of 212,328,767 Common Shares in the aggregate to TCC 1 Corp. upon the conversion of the TCC 1 Debentures be and is hereby approved and authorized for the purposes of the TSXV;
2. the creation of a new "control person" (as such term is defined in the policies of the TSXV) of the Corporation, being the Holder, together with its affiliates, associates and any persons acting jointly or in concert with the Holder, as a result of the conversion of the TCC 1 Debentures, all as more particularly described in the Information Circular, be and is hereby approved;
3. votes attaching to any Common Shares of the Corporation held by the Holder, and by any of its affiliates, associates or joint actors, shall be excluded in determining whether this resolution has been approved by the shareholders of the Corporation; and
4. this resolution and the transactions contemplated hereby are subject to acceptance by the TSXV, and any one officer or director of the Corporation is hereby authorized and directed for and on behalf of the Corporation to execute or cause to be executed, under the corporate seal of the Corporation or otherwise, and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing."

In the absence of contrary instructions, the persons named in the accompanying Form of Proxy intend to vote the Common Shares represented thereby in favour of the approval of the Control Person Resolution.

APPROVAL OF SHARE CONSOLIDATION

At the Meeting, Shareholders will be asked to pass a special resolution (the "**Consolidation Resolution**") authorizing the Board to (a) select a consolidation ratio of up to five pre-consolidation Common Shares for each one post-consolidation Common Share (the "**Consolidation**"); and (b) amend the Corporation's articles of incorporation pursuant to Section 173(1)(f) of the ABCA to effect the Consolidation.

If approved and implemented, the Consolidation will occur simultaneously for all of the Corporation's issued and outstanding Common Shares and the consolidation ratio will be the same for all such Common Shares. The Consolidation will affect all holders of Common Shares uniformly and will not affect any Shareholder's percentage ownership interest in the Corporation, except to the extent that the Consolidation would otherwise result in a Shareholder owning a fractional Common Share. No fractional post-Consolidation Common Shares will be issued, and no cash will be paid in lieu thereof. Any fractional interest in a Common Share resulting from the Consolidation that is less than 0.5 of a

Common Share will be rounded down to the nearest whole Common Share, and any fractional interest that is 0.5 or greater of a Common Share will be rounded up to the nearest whole Common Share.

The Corporation currently has an unlimited number of Common Shares available for issuance and the Consolidation will not have any effect on the number of Common Shares that remain available for future issuance. The exercise or conversion price and the number of Common Shares issuable under any convertible securities of the Corporation, including the warrants to purchase Common Shares and the Common Shares issuable upon exercise of Options, will be proportionately adjusted upon the completion of the Consolidation.

The Consolidation is subject to: (a) receipt of all required regulatory approvals, including acceptance by the TSXV; and (b) the approval of the Consolidation by the Shareholders at the Meeting. If these approvals are received, the Consolidation will occur at a time determined by the Board and announced by a press release of the Corporation. Notwithstanding approvals being received, the Board may determine not to proceed with the Consolidation, in its discretion.

Pursuant to Section 173(1)(f) of the ABCA, the Consolidation Resolution, substantially in the form set forth below, requires approval of not less than two-thirds of the votes cast in respect thereof by the Shareholders present in person or represented by proxy at the Meeting.

The Board believes that the passing of the Consolidation Resolution is in the best interest of the Corporation and recommends that Shareholders vote in favour of the Consolidation Resolution. At the Meeting, Shareholders will be asked to consider, and if thought appropriate, pass the following special resolution:

"BE IT RESOLVED THAT:

1. the Corporation is authorized to file articles of amendment pursuant to section 173(1)(f) of the Business Corporations Act (Alberta) (the "**ABCA**") to change the number of issued and outstanding common shares in the capital of the Corporation ("**Common Shares**") by consolidating the issued and outstanding Common Shares on the basis of a ratio to be selected by the Board of up to five pre-consolidation Common Shares for each one post-consolidation Common Share (the "**Consolidation**"), and in the event that the Consolidation would otherwise result in a holder of Common Shares holding a fraction of a Common Share, any fractional interest in Common Shares that is less than 0.5 of a Common Share resulting from the Consolidation will be rounded down to the nearest whole Common Share and any fractional interest in Common Shares that is 0.5 or greater of a Common Share will be rounded up to the nearest whole Common Share, such amendment to the articles to become effective at a date in the future to be determined by the Board when the Board considers it to be in the best interests of the Corporation to implement such a Consolidation, but in any event not later than September 30, 2027, subject to approval of the TSX Venture Exchange;
2. any one director or officer of the Corporation be and is authorized and directed to execute and deliver, or cause to be delivered, articles of amendment pursuant to section 173(1)(f) of the ABCA, and to do and perform all such acts and things, sign such documents and take all such other steps as, in the opinion of such director or officer, may be considered necessary or desirable to carry out the purpose and intent of this resolution;
3. notwithstanding that this special resolution has been duly passed by the holders of the Common Shares, the directors of the Corporation may in their sole discretion revoke this special resolution in whole or in part at any time prior to its being given effect without further notice to, or approval of, the holders of the Common Shares; and

4. any one director or officer of the Corporation is hereby authorized and directed for and on behalf of the Corporation to execute or cause to be executed, under the corporate seal of the Corporation or otherwise, and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing."

The Consolidation will not affect the validity of currently outstanding share certificates of the Corporation. However, if the Consolidation is approved by the Shareholders and implemented by the Board, registered Shareholders will be required to exchange their Common Share certificates for Common Share certificates evidencing the post-Consolidation Common Share amount. Upon completion of the Consolidation, the registered Shareholders will be sent a letter of transmittal containing instructions on how to surrender Common Share certificates evidencing the pre-Consolidation Common Share amount to Odyssey Trust Company (the "**Depository**"). The Depository will forward to each registered Shareholder who has sent the required documents new Common Share certificates evidencing the new post-Consolidation Common Share amount. Until surrendered, each Common Share certificate representing pre-Consolidation Common Shares will be deemed for all purposes to represent the post Consolidation Common Shares to which the holder is entitled following the Consolidation. Beneficial Shareholders holding Common Shares through an intermediary (a securities broker, dealer, bank or financial institution) should be aware that the intermediary may have different procedures for processing the Consolidation than those that will be put in place by the Corporation for registered Shareholders. If Shareholders hold their Common Shares through an intermediary and they have questions in this regard, they are encouraged to contact their intermediaries.

Shareholders should not destroy any Common Share certificate(s) and should not submit any Common Share certificate(s) until required to do so.

The Consolidation Resolution must be approved by not less than two-thirds of the votes cast by the Shareholders present in person or represented by proxy at the Meeting. In the absence of contrary instructions, the persons named in the accompanying Form of Proxy intend to vote the Common Shares represented thereby in favour of the approval of the Consolidation Resolution.

OTHER MATTERS COMING BEFORE THE MEETING

The Board knows of no other matters to come before the Meeting other than as referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the Common Shares represented by proxy solicited hereby will be voted on such matters in accordance with the best judgement of the person voting such proxy.

STATEMENT OF EXECUTIVE COMPENSATION

Pursuant to National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**"), the Corporation is required to disclose certain information with respect to its compensation of executive officers and directors, as summarized below.

General

For the purpose of this statement of executive compensation, a "**CEO**" or "**CFO**" means each individual who served as Chief Executive Officer or Chief Financial Officer, respectively, of the Corporation or

acted in a similar capacity during the most recently completed financial year. A **"Named Executive Officer"** or **"NEO"** means each CEO, each CFO, the Corporation's most highly compensated officer, other than the CEO and CFO, who was serving as an officer at the end of the most recently completed financial year and whose total compensation was more than \$150,000, and any additional individuals who would be a Named Executive Officer but for the fact that the individual was not an executive officer of the Corporation, and was not acting in a similar capacity, at the end of the financial year.

Based on the foregoing definitions, the Corporation's Named Executive Officers in respect of the year ended December 31, 2025 were: Ian Atkinson, President & CEO and a director; Calvin Yau, CFO; and Gary McMurren, Chief Operating Officer (COO).

Compensation Philosophy, Objectives and Governance

The executive compensation program adopted by the Corporation and applied to its executive officers is designed to attract and retain qualified and experienced executives who will contribute to the success of the Corporation. The executive compensation program attempts to ensure that the compensation of the senior executive officers provides a competitive base compensation package and a strong link between corporate performance and compensation. Executive officers are motivated through the program to enhance long-term shareholder value.

The Corporate Governance and Compensation Committee, on behalf of the Board, monitors compensation for the executive officers and directors of the Corporation and is currently comprised of John Joseph Nally (Chair), Steven Smith, and Bruce Beynon. Mr. Beynon will not stand for re-election at the Meeting. The Corporate Governance and Compensation Committee has the authority to engage and compensate, at the expense of the Corporation, any outside advisor that it determines to be necessary to permit it to carry out its duties, but it did not retain any such outside advisors in the financial year ended December 31, 2025.

Compensation Process

The Corporate Governance and Compensation Committee relies on the knowledge and experience of its members to set appropriate levels of compensation for the directors and NEOs. When determining NEO compensation, the Corporate Governance and Compensation Committee uses all data available to it to ensure that such compensation is set at a level that is both commensurate with the size of the Corporation, responsibilities of the particular NEO and retention of the NEOs who are considered by the Corporate Governance and Compensation Committee to be essential to the success of the Corporation. In reviewing comparative data, the Corporate Governance and Compensation Committee benchmarks and compares its compensation practices against industry peers to ensure its compensation program is commensurate with other comparable companies operating in the oil and gas industry. The Corporate Governance and Compensation Committee considered the size (based on market capitalization, enterprise value, oil & gas production levels and concentration and operating revenue) and stage of development of the following ten companies in determining an appropriate compensation peer group of competitors:

- Arrow Exploration
- Alvopetro Energy
- Kolibri Global Energy
- Lycos Energy
- Prairie Provident Resources
- Crown Point Energy
- Westgate Energy
- Petro-Victory Energy
- Petrus Resources Ltd.
- Touchstone Exploration Inc.

Peer group constituents are reviewed on a regular basis to ensure their continued relevance. The same group is used to benchmark the Corporation's director compensation.

The Corporate Governance and Compensation Committee reviews the various elements of the NEOs' compensation in the context of the total compensation package (including salary and awards of Options) and recommends the NEOs' compensation packages to the Board. In determining whether and how many Options will be granted, the Corporation does not use any formal objectives, criteria or analyses in reaching such determinations; however, consideration is given to the amount and terms of outstanding Options.

Elements of Executive Compensation

The significant elements of compensation awarded to the NEOs consists of a combination of the following significant elements: (i) base salary; (ii) the payment of bonuses where appropriate, at the discretion of the Board; and (iii) participation in the Stock Option Plan, the Share Award Incentive Plan and the Employee Stock Purchase Plan (as defined herein). These elements contain both short-term incentives, comprised of cash payments, being those provided by way of base salaries and bonuses, as well as long-term incentives, comprised of equity-based incentives, being those provided under the Stock Option Plan, the Share Award Incentive Plan and the Employee Stock Purchase Plan. Extended health care, dental and insurance benefits and the right to participate in the Stock Option Plan, the Share Award Incentive Plan and the Employee Stock Purchase Plan are provided to all employees, including the NEOs. The Board reviews annually the total compensation package of each of the Corporation's executives on an individual basis, against the backdrop of the compensation goals and objectives described above.

Cash Salary and Bonus

Base compensation and bonus for executive officers of the Corporation is set annually, having regard to the individual's job responsibilities, contribution, experience and proven or expected performance, as well as to market conditions and peer group analysis. In setting base compensation and bonus levels, consideration is to be given to such factors as level of responsibility, experience and expertise in addition to the policies of the TSXV. Subjective factors such as leadership, commitment and attitude are also to be considered.

Options

To provide a long-term component to the executive compensation program, executive officers of the Corporation are eligible to receive Options. The maximization of shareholder value is encouraged by granting Options since it provides an incentive to eligible persons to further the development, growth and profitability of the Corporation. Consideration will be given to granting Options amongst the various organizational levels of management, including directors, officers, key employees and certain consultants. The CEO makes recommendations to the Board for the CFO, key employees and certain consultants. These recommendations are to take into account factors such as awards made in previous years, the number of Options outstanding per individual and the level of responsibility. The Board, as a whole, determines the Options to be issued to the CEO.

Share Awards

The purpose of the Share Award Incentive Plan is to provide directors, officers, employees and consultants of the Corporation or any of its subsidiaries with the opportunity to acquire Restricted Share Awards ("**RSAs**") and/or Performance Share Awards ("**PSAs**"), and together with RSAs, ("**Share Awards**") to allow them to participate in the long-term success of the Corporation and to promote a greater alignment of their interests with the interests of the Shareholders. The Board, or in the Board's discretion, a committee of the Board, may, from time to time, grant Share Awards to eligible persons, which Share Awards may be RSAs or PSAs. The Share Awards vest on such terms as specified by the Board or committee at the time of the grant of the Share Award and allow the

participant a unit equivalent in value to a Common Share, credited by means of a bookkeeping entry on the books of the Corporation. The Share Awards may be settled at the discretion of the Board or Corporate Governance and Compensation Committee in Common Shares or cash.

The Share Award Incentive Plan was approved by the Board on April 25, 2022, and last approved by Shareholders on October 27, 2025. In the year ended December 31, 2025, an aggregate of 19,800,000 RSAs and nil PSAs were issued under the Share Award Incentive Plan.

Employee Share Purchase Plan

On April 1, 2023, the Corporation adopted an employee stock purchase plan (the "**Employee Stock Purchase Plan**" or "**ESPP**"). The Employee Stock Purchase Plan is not a primary element of the Corporation's compensation program; however, it enables NEOs, as well as other eligible employees of the Corporation, to acquire Common Shares of the Corporation so that employees can benefit from growth in value of Southern.

All permanent full-time and part-time employees and directors are eligible to participate in the Employee Stock Purchase Plan, pursuant to which employees and directors may contribute, by semi-monthly payroll deductions, for investment under the Employee Stock Purchase Plan, an amount of their regular salary ranging from 0% to a maximum of 8%, excluding bonuses, deferred compensation, overtime pay, statutory holiday pay or any special incentive compensation payments. The Corporation will, on a semi-monthly basis, contribute an amount of funds equal to 1.0 times the employee's contribution accumulated during that semi-monthly period, which contribution will be combined with the employee's contribution of their salary to acquire Common Shares. Subject to certain provisions in the Employee Stock Purchase Plan, there is a six (6) calendar month restriction on the sale of any Common Share acquired under the Employee Stock Purchase Plan.

Elements of Director Compensation

The Corporation's non-executive directors are provided cash remuneration for their services to the Corporation as directors. The cash remuneration includes an annual retainer and additional cash remuneration for the Chairman of the various committees of the Board. All directors are reimbursed for reasonable expenses incurred by them in their capacity as directors, including travel and other out of pocket expenses incurred in connection with meetings of the Board or any committee of the Board. In addition, the directors are entitled to participate in the Stock Option Plan. The Corporation's directors do not have service contracts with respect to their roles as directors. The Board annually reviews the Corporation's approach to director compensation, generally, against the backdrop of the compensation goals and objectives described above.

Summary Compensation Table

NI 51-102 requires the disclosure of the compensation received by each NEO and director of the Corporation for each of the two most recently completed financial years.

The following table and notes thereto provide a summary of the compensation paid to the NEOs and directors of the Corporation for the two most recently completed financial years:

Name and Position		Year	Salary, Consulting Fees, Retainer or Commission (\$)	Bonus (\$) ⁽⁶⁾	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of All Other Compensation (\$) ⁽⁶⁾	Total Compensation (\$)
Named Executive Officers								
Ian Atkinson⁽¹⁾ <i>President, CEO and Director</i>	2025		\$ 254,500	\$ -	\$ -	\$ -	\$ 5,000	\$ 259,500
	2024		\$ 250,000	--	--	--	\$ 5,000	\$ 255,000
Calvin Yau⁽²⁾ <i>CFO</i>	2025		\$ 239,000	\$ -	\$ -	\$ -	\$ 4,700	\$ 243,700
	2024		\$ 235,000	--	--	--	\$ 4,700	\$ 239,700
Gary McMurren⁽²⁾ <i>COO</i>	2025		\$ 239,000	\$ -	\$ -	\$ -	\$ 4,700	\$ 243,700
	2024		\$ 235,000	--	--	--	\$ 4,700	\$ 239,700
Non-Executive Directors								
Bruce Beynon⁽³⁾⁽⁸⁾	2025		\$ 38,500	\$ -	\$ -	\$ -	\$ -	\$ 38,500
	2024		\$ 38,500	--	--	--	--	\$ 38,500
R. Steven Smith⁽⁴⁾	2025		\$ 35,750	\$ -	\$ -	\$ -	\$ -	\$ 35,750
	2024		\$ 35,752	--	--	--	--	\$ 35,752
John Joseph Nally⁽⁵⁾⁽⁴⁾	2025		\$ 27,500	\$ -	\$ -	\$ -	\$ -	\$ 27,500
	2024		\$ 27,500	--	--	--	--	\$ 27,500
Former Tamara MacDonald⁽³⁾⁽⁷⁾	2025		\$ 35,750	\$ -	\$ -	\$ -	\$ -	\$ 35,750
	2024		\$ 35,752	--	--	--	--	\$ 35,752
Former C. Neil Smith⁽³⁾⁽⁷⁾	2025		\$ 35,750	\$ -	\$ -	\$ -	\$ -	\$ 35,750
	2024		\$ 35,752	--	--	--	--	\$ 35,752

Notes:

- (1) Mr. Atkinson was appointed President and CEO on December 11, 2018 in connection with the Recapitalization. All of the compensation paid to Mr. Atkinson relates to his role as President and CEO. Mr. Atkinson does not receive any compensation for his role as a director.
- (2) Mr. Yau was appointed Vice President, Finance and CFO and Mr. McMurren was appointed Vice President, Engineering on December 19, 2018 in connection with the Recapitalization. On July 1, 2022, Mr. Yau's title was changed to CFO and Mr. McMurren was promoted to COO.
- (3) Messrs. Beynon and Neil Smith and Ms. MacDonald were appointed directors on December 19, 2018 in connection with the Recapitalization.
- (4) Mr. Steven Smith was appointed director on December 11, 2018 in connection with the Recapitalization.
- (5) Mr. Nally was appointed as a director on August 10, 2021 in connection with the Corporation's AIM admission.
- (6) Includes amounts relating to the Company matching of employee stock purchase plan that was introduced April 1, 2023.
- (7) Mr. Neil Smith and Ms. MacDonald did not stand for re-election as directors of the Corporation at its annual general and special meeting held on October 27, 2025.
- (8) Mr. Beynon will not stand for re-election at the Meeting.

Stock Options and Other Compensation Securities

The following table and notes thereto provide a summary of the compensation securities (as such term is defined in Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*) granted or issued by the Corporation to the NEOs and directors of Southern during the financial year ended December 31, 2025 for services provided or to be provided, directly or indirectly, to Southern:

Name and Position		Type of Compensation Security ⁽¹⁾⁽²⁾	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue / grant	Closing price of Common Shares on Date of Grant	Closing price of Common Shares at Year-End	Exercise Price	Expiry Date
Ian Atkinson <i>President, CEO and Director</i>		RSA	2,400,000	Aug 20, 2025	\$ 0.05	\$ 0.08	\$ -	Aug 20, 2030
Calvin Yau <i>CFO</i>		RSA	2,100,000	Aug 20, 2025	\$ 0.05	\$ 0.08	\$ -	Aug 20, 2030
Gary McMurren <i>COO</i>		RSA	2,100,000	Aug 20, 2025	\$ 0.05	\$ 0.08	\$ -	Aug 20, 2030
Bruce Beynon⁽⁵⁾ <i>Director</i>		RSA	300,000	Aug 20, 2025	\$ 0.05	\$ 0.08	\$ -	Aug 20, 2030
R. Steven Smith <i>Director</i>		RSA	300,000	Aug 20, 2025	\$ 0.05	\$ 0.08	\$ -	Aug 20, 2030
John Joseph Nally <i>Director</i>		RSA	300,000	Aug 20, 2025	\$ 0.05	\$ 0.08	\$ -	Aug 20, 2030
Former	Tamara MacDonald⁽⁴⁾ <i>Director</i>	RSA	300,000	Aug 20, 2025	\$ 0.05	\$ 0.08	\$ -	Aug 20, 2030
Former	C. Neil Smith⁽⁴⁾ <i>Director</i>	RSA	300,000	Aug 20, 2025	\$ 0.05	\$ 0.08	\$ -	Aug 20, 2030

Notes:

- (1) Options vest as to one-third on the grant date, and one-third on each of the first and second anniversary of the grant date.
- (2) RSAs vest as to one-third on each of the first, second and third anniversary of the grant date.
- (3) As at December 31, 2025, the NEOs and directors of the Corporation had ownership, direction or control over the following number of compensation securities: (a) Mr. Atkinson – 1,154,500 Options and 2,504,167 RSAs; (b) Mr. Yau – 905,000 Options and 2,187,500 RSAs; (c) Mr. McMurren – 905,000 Options and 2,187,500 RSAs; (d) Messrs. Beynon, Nally, and Steven Smith – 264,375 Options and 300,000 RSAs.
- (4) Mr. Neil Smith and Ms. MacDonald did not stand for re-election as directors of the Corporation at its annual general and special meeting held on October 27, 2025.
- (5) Mr. Beynon will not stand for re-election at the Meeting.

Exercise of Compensation Securities

None of the NEOs or directors of the Corporation exercised any compensation securities during the most recently completed financial year.

Stock Option Plan

The Corporation has implemented the Stock Option Plan for directors, officers, employees, and consultants of the Corporation, and of its subsidiaries, if any, and employees of a person or company which provides management services to the Corporation or its subsidiaries (each, an "**Optionee**"), in accordance with the rules and policies of the TSXV. The purpose of the Stock Option Plan is to advance the interests of the Corporation by encouraging the directors, officers, employees and consultants of the Corporation, and of its subsidiaries and affiliates, if any, to acquire Common Shares,

thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and furnishing them with additional incentives in their efforts on behalf of the Corporation in the conduct of its affairs.

An overview of the Stock Option Plan is provided below. Shareholders are encouraged to review the full text of the Stock Option Plan, as amended and restated, which is appended to the Prior Information Circular (which may be accessed on the Corporation's SEDAR+ profile at www.sedarplus.ca).

Overview of the Stock Option Plan

Pursuant to the Stock Option Plan, the Corporation has authorized, subject to any regulatory approvals, the reservation of up to ten percent (10%) of the issued and outstanding Common Shares for the grant of Options from time to time.

Under the Stock Option Plan, the Board may from time to time grant to Optionees, as the Board shall designate, Options to purchase from the Corporation such number of its Common Shares as the Board shall designate.

The maximum aggregate number of Common Shares which may be reserved for issuance to any one person under the Stock Option Plan, together with all other security based compensation arrangements, must not exceed five percent of the issued Common Shares in any twelve-month period (determined at the date the Option was granted). The number of Common Shares granted to any one consultant under the Stock Option Plan, together with all other security based compensation arrangements, in a twelve-month period must not exceed two percent of the issued Common Shares of the Corporation, calculated at the date the Option was granted to the consultant. The aggregate number of Options granted to eligible persons employed to provide investor relations activities under the Stock Option Plan must not exceed two percent of the issued Common Shares in any twelve-month period, calculated at the date the Option was granted. The maximum number of Common Shares which may be reserved for issuance to insiders (as such term is defined in the policies of the TSXV) as a group under the Stock Option Plan, together with all other security based compensation arrangements, shall not exceed ten percent of the total number of Common Shares then outstanding and the maximum number of Common Shares which may be issued to insiders as a group under the Stock Option Plan, together with all other security based compensation arrangements, within any twelve-month period shall not exceed ten percent of the total number of Common Shares then outstanding.

The period during which an Option is exercisable may not exceed ten years from the date such Option is granted. All Options are non-assignable and non-transferrable unless otherwise specifically provided for in the Stock Option Plan. Options may be exercised at a price that shall be fixed by the Board at the time that the Option is granted. The price which the Common Shares may be acquired upon exercise of an Option may not be less than the price permitted under the rules of any stock exchange on which the Common Shares are listed. The Option vesting provisions are determined by the Board at the time of grant.

If prior to the exercise of an Option, the holder ceases to be a director, officer, employee or consultant of the Corporation or its subsidiaries for any reason other than death, the Option may be exercised within the earlier of up to 90 days after such cessation or the expiry of the Option, but only to the extent that the holder was entitled to exercise the Option at the date of cessation. In the case of Optionees engaged in investor relations activities, such exercise must occur within 30 days of cessation of the Optionee's service to the Corporation (subject to extension at the discretion of the Board). In the case of the death of an Optionee, the Option may be exercised within the earlier of up to 12 months after such death or the expiry of the Option, but only to the extent that the holder was entitled to exercise the Option at the date of death.

The Board may terminate or discontinue the Stock Option Plan at any time without the consent of the participants under the Stock Option Plan provided that such termination or discontinuance shall not alter or impair any Option previously granted under the Stock Option Plan.

As at the financial year ended December 31, 2025, there were 33,625,495 Common Shares reserved for issuance pursuant to Options granted under the Stock Option Plan prior to such date.

Share Award Incentive Plan

The Share Award Incentive Plan was approved for Eligible Person (as defined herein) by the Board on April 25, 2022 and last approved by Shareholders on October 27, 2025, in accordance with the rules and policies of the TSXV. The purpose of the Share Award Incentive Plan is to provide directors, officers, employees and consultants of the Corporation or any of its subsidiaries with the opportunity to acquire Share Awards to allow them to participate in the long-term success of the Corporation and to promote a greater alignment of their interests with the interests of the Shareholders.

The Share Award Incentive Plan is administered by the Board or, as permitted by applicable law, the Corporate Governance and Compensation Committee of the Board.

An overview of the Share Award Incentive Plan is provided below. Shareholders are encouraged to review the full text of the Share Award Incentive Plan, as amended and restated, which is appended to the Prior Information Circular (which may be accessed on the Corporation's SEDAR+ profile at www.sedarplus.ca).

Share Awards and Eligibility

Share Awards may be awarded to persons who are directors, officers, employees or consultants of the Corporation or a subsidiary of the Corporation ("**Eligible Persons**") as the Board determines. Eligible Persons who have been awarded Share Awards or to whom Share Awards have been transferred are referred to as "Participants" under the plan. Notwithstanding the foregoing, non-employee directors are not eligible to be awarded PSAs and are only eligible to be awarded RSAs. PSAs are a unit equivalent to the value of a Common Share, credited by means of a bookkeeping entry on the books of the Corporation in accordance with the Share Award Incentive Plan, based on the achievement of performance criteria set out in an applicable award notice. RSAs may be awarded to Eligible Persons as the Board determines. RSAs are a unit equivalent to the value of a Common Share, credited by means of a bookkeeping entry on the books of the Corporation in accordance with the Share Award Incentive Plan.

The number of Share Awards (including fractional Share Awards) to be credited as of the date on which Share Awards are awarded to a Participant (the "**Award Date**") shall be determined by the Corporate Governance and Compensation Committee in its sole discretion. Upon receipt of acknowledgment in the manner specified under the Share Award Incentive Plan, Share Awards shall be credited to an account maintained for each Participant on the books of the Corporation, effective as of the Award Date for that grant.

Vesting

Each Share Award will vest on such terms as shall be specified by the Board or Corporate Governance and Compensation Committee at the time of granting Share Awards as reflected in a notice substantially in the form of the schedules appended to the Share Award Incentive Plan, and in the case of the PSAs, containing such other terms and conditions relating to an award of PSAs as the Board may prescribe ("**Award Notice**"), except as otherwise provided in the Share Award Incentive Plan. Unless otherwise stipulated by the Board at the time of grant and subject to earlier vesting in accordance with the terms of the Share Award Incentive Plan:

- (a) RSAs granted under the Share Award Incentive Plan shall vest as to 33 1/3% on each of the first, second and third anniversaries of the Award Date applicable to such RSAs; and
- (b) Subject to the terms of the Share Award Incentive Plan, PSAs granted under the Share Award Incentive Plan shall vest on the third anniversary of the Award Date (each applicable date, a "**Vesting Date**").

Performance Vesting

Prior to the Vesting Date in respect of any PSA, the Board or Corporate Governance and Compensation Committee shall assess the performance of the Corporation for the applicable period. The performance measures to be taken into consideration in granting PSAs and determining the adjustment factor in respect of any PSA shall be established by the Board in its sole discretion at the time of the grant of the PSA, and may include, without limitation, the total shareholder return of the Common Shares compared to an index, subindex or identified group of peers and the Corporation's performance compared to identified operational or financial targets (the "**Performance Measures**"). The applicable adjustment factor may be between a minimum of zero and such maximum as determined by the Board or Compensation Committee (provided such maximum shall not exceed 2.0) (the "**Adjustment Factor**"). The weighting of the individual measures comprising the Performance Measures shall be determined by the Board or Compensation Committee, as applicable, in its sole discretion having regard to the principal purposes of the Share Award Incentive Plan and, upon the assessment of all Performance Measures, the Board or Compensation Committee shall determine the Adjustment Factor for the applicable period in its sole discretion.

Settlement

Unless otherwise determined by the Board in its sole discretion, the date of settlement of any Share Award (a "**Distribution Date**") shall be the applicable Vesting Date for such Share Award pursuant to the Share Award Incentive Plan, provided that, for greater certainty, the Board may in its sole discretion impose additional or different conditions to the termination of the Distribution Date of any Share Award. At any time after the applicable Vesting Date but prior to the Distribution Date, a Participant who is not a U.S. taxpayer shall be entitled to deliver to the Corporation an exercise notice requesting that all of such Participant's Share Awards be settled in Common Shares, the number of which shall be determined in accordance with the terms of the Share Award Incentive Plan. Notwithstanding the foregoing, the Company may, in its sole discretion, settle the Participant's Share Awards requested to be settled by the Participant in exchange for a payment by the Company of a cash amount, as determined in accordance with the terms of the Share Award Incentive Plan.

No Distribution Date in respect of any Share Award may occur after the earlier of: (i) the thirtieth day after the participant ceases to be eligible to participate under the Share Award Incentive Plan; or (ii) December 31st of the third year following the year in which the Participant performed the services to which such Share Awards relate (the earlier of the two being the "**Final Date**"). With respect to any

Share Awards awarded to a participant who is a U.S. taxpayer, the Distribution Date shall be the applicable Vesting Date established pursuant to the Share Award Incentive Plan. Subject to any election by the Board or Corporate Governance and Compensation Committee, as applicable, to settle a Share Award in cash, as soon as practicable after each Distribution Date or on the Final Date (if the Distribution Date is the Final Date), the Corporation shall issue to the participant or to the participant's estate, a number of Common Shares equal to the number of Share Awards in the participant's account that became payable on the Distribution Date (the "**Payment Shares**"). As of the Distribution Date, the Share Awards in respect of which such Common Shares are issued or cash is paid shall be cancelled and no further payments shall be made to the participant under the Share Award Incentive Plan in relation to such Share Awards.

Total Shares Subject to Share Awards

Unless otherwise approved by the TSXV and the Shareholders:

- (a) the securities that may be issued to Participants under the Share Award Incentive Plan shall consist of those authorized but unissued Common Shares which the Board and/or Corporate Governance and Compensation Committee has, in its discretion, reserved and approved for issuance under the Share Award Incentive Plan from time to time;
- (b) subject to adjustment in accordance with the Share Award Incentive Plan, the aggregate number of Common Shares that may be issuable pursuant to the Share Award Incentive Plan and all other security-based compensation arrangements, including the Stock Option Plan, shall not exceed 36,625,495 Common Shares;
- (c) the Board shall not grant Share Awards under the Share Award Incentive Plan if the number of Common Shares issuable pursuant to outstanding Share Awards, when combined with the number of Common Shares issuable pursuant to outstanding Options and outstanding securities under any other security-based compensation arrangements of the Corporation, would exceed 10% of the issued and outstanding Common Shares at the time of the grant;
- (d) the number of securities issued to insiders of the Corporation (as such term is defined in the policies of the TSXV), as a group, within any one-year period, under all security based compensation arrangements, including, without limitation, the Stock Option Plan, shall not exceed 10% of the issued and outstanding securities of the Corporation at the time of grant calculated on a non-diluted basis, unless disinterested Shareholder approval is obtained;
- (e) the aggregate: (i) number of Common Shares that may be reserved for issuance pursuant to the exercise of RSAs granted to non-management Directors pursuant to the Share Award Incentive Plan shall not exceed 1.0% of the Common Shares outstanding from time to time; and (ii) value of RSAs granted to any one non-employee Director in any calendar year under the Share Award Incentive Plan and under any other security based compensation arrangements, including, without limitation, the Stock Option Plan, shall not exceed \$150,000;
- (f) the number of securities issued to any one Participant and such Participant's associates, within any one-year period, under all security based compensation arrangements, including, without limitation, the Stock Option Plan, shall not exceed 5% of the issued and outstanding Common Shares at the time of the grant, unless disinterested Shareholder approval is obtained;

- (g) the number of securities issued to any one consultant, within any one-year period, under all security-based compensation arrangements, including, without limitation, the Stock Option Plan, shall not exceed 2% of the issued and outstanding Common Shares at the time of the grant;
- (h) no securities shall be issued to any Participants who are employees engaged in investor relation activities under the Share Award Incentive Plan;
- (i) to the extent Share Awards are exercised or to the extent any Share Awards are terminated for any reason or are cancelled, the Common Shares subject to such Share Awards shall be added back to the number of Common Shares reserved for issuance under the Share Award Incentive Plan and such Common Shares will again become available for Share Award grants under the Share Award Incentive Plan; and
- (j) if the acquisition of Common Shares by the Corporation for cancellation should result in any of the above tests no longer being met, this shall not constitute non-compliance with the Share Award Incentive Plan for any awards outstanding prior to such purchase of Common Shares for cancellation.

For purposes of the calculations above, the Share Award Incentive Plan provides that it shall be assumed that all issued and outstanding Share Awards will be settled by the issuance of Common Shares from treasury, notwithstanding the Corporation's right to settle Share Awards in cash or by purchasing Common Shares on the open market.

Duration of Share Awards

Each Share Award and all rights thereunder shall be expressed to expire on the date set out in the Award Notice and shall be subject to earlier termination by ceasing to be a director, officer, consultant or employee or by death or disability of the Participant.

Subject to the rules and regulations of the TSXV or any other exchange on which the Common Shares are listed for trading, and notwithstanding any other provisions of the Share Award Incentive Plan, if the Distribution Date of any Share Award occurs during or within 10 business days following the end of a Black-Out Period (as defined below), the Distribution Date of such Share Award shall be extended for a period of 10 business days following the end of the Black-Out Period (or such longer period as permitted by the Exchange or any other exchange on which the Common Shares are listed and approved by the Board). "**Black-Out Period**" for the purposes of the Share Award Incentive Plan means the period of time when, pursuant to any policies of the Corporation, any securities of the Corporation may not be traded by certain persons as designated by the Corporation, including any holder of a Share Award.

Amendments Subject to Shareholder Approval

The Board has the absolute discretion to amend, suspend or terminate the Share Award Incentive Plan or awards granted thereunder. The only amendments to the Share Award Incentive Plan that would be subject to shareholder approval are amendments that would:

- (a) increase the number of securities issuable under the Share Award Incentive Plan otherwise than in accordance with the terms of the Share Award Incentive Plan;
- (b) increase the number of securities issuable to an insider of the Corporation otherwise than in accordance with the terms of the Share Award Incentive Plan;

- (c) extend the Distribution Date of any Share Awards held by insiders of the Corporation beyond the original Final Date of the Share Awards;
- (d) add any form of financial assistance to a participant in the Share Award Incentive Plan;
- (e) permit a participant to transfer any Share Awards to a new beneficial holder other than for estate settlement purposes;
- (f) increase the maximum number, or the maximum value, of RSAs that may be granted to non-employee directors; and
- (g) amend the amendment provisions of the Share Award Incentive Plan.

Outstanding Share Awards

As at December 31, 2025, 19,577,768 Common Shares were reserved for issuance pursuant to the Share Award Incentive Plan pursuant to Share Awards granted prior to such date.

Employment, Consulting and Management Agreements

Except as provided below, there were no agreements or arrangements under which compensation was provided during the financial year ended December 31, 2025, or is payable, in respect of services provided to the Corporation or any of its subsidiaries that were performed by a NEO or director of the Corporation or were performed by any other party but are services typically provided by a NEO or director of the Corporation.

On July 15, 2019, the Corporation entered into executive employment agreements with Messrs. Atkinson, Yau and McMurren in connection with their roles as President and Chief Executive Officer, Chief Financial Officer (formally VP, Finance & Chief Financial Officer), and Chief Operating Officer (formerly Vice President, Engineering), respectively. The executive employment agreements between the Corporation and Messrs. Atkinson, Yau and McMurren shall collectively be referred to herein as the "**Employment Agreements**").

The Employment Agreements provide a termination payment upon a termination by: (a) the executive if, within ninety days from a change of control, good reason exists and is not cured within thirty days of notice of termination provided by the executive (as such terms are defined in the Employment Agreements); or (b) the Corporation without cause. The termination payment shall be equal to, in relation to each Employment Agreement the aggregate of: (a) all accrued but unpaid expenses required to be reimbursed under the relevant Employment Agreement and salary for services rendered up to the termination date; (b) the pro-rated value of any accrued but unused vacation entitlement as at the termination date for that portion of the calendar year in which the executive was actively employed; (c) the greater of either: (i) the amount of minimum notice or, at the Corporation's option, payment in lieu thereof, or combination of notice and pay in lieu thereof, required by the *Employment Standards Code* (Alberta); or (ii) notice of termination or, at the Corporation's option, pay in lieu of notice (where by way of salary continuation or lump sum) or a combination of notice and pay in lieu thereof, equivalent to 18 months for Mr. Atkinson and 12 months for the other NEOs; and (d) twenty percent of the executive's salary (as at the termination date) as compensation for the loss of employment benefits.

The estimated payments which would be payable by the Corporation under the Employment Agreements, assuming a termination of employment without cause occurred on the date hereof, would be, in the aggregate, \$1,070,000.

EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth information with respect to compensation plans under which equity securities are authorized for issuance as at December 31, 2025, aggregated for all compensation plans previously approved by the Shareholders and all compensation plans not previously approved by the Shareholders:

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity Compensation Plans Approved by Securityholders	26,084,643	\$ 0.62	7,540,852
Equity Compensation Plans Not Approved by Securityholders	--	\$ --	--
Total⁽¹⁾	26,084,643	\$ 0.62	7,540,852

Note:

(1) On August 20, 2025, the Corporation granted an aggregate of 19,800,000 RSAs to eligible participants pursuant to the Corporation's Share Award Incentive Plan.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

No director or executive officer of the Corporation, nor any of their associates or affiliates, nor any employee of the Corporation is or has been indebted to the Corporation since the beginning of the most recently completed fiscal year of the Corporation, nor is, or at any time since the beginning of the most recently completed fiscal year of the Corporation has, any indebtedness of any such person been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as provided herein, there are no material interests, direct or indirect, of directors, executive officers of the Corporation or any person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding Common Shares or any known associate or affiliate of such persons, in any transaction since the commencement of the Corporation's most recently completed financial year.

Sanjib Gill, the Corporate Secretary of the Corporation, is a partner of the national law firm Stikeman Elliott LLP, which law firm rendered legal services to the Corporation.

INTEREST OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON

Other than as disclosed in this Information Circular, management of the Corporation is not aware of any material interest, direct or indirect, of any director or nominee for director or executive officer or anyone who has held office as such since the beginning of the Corporation's last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting.

CORPORATE GOVERNANCE PRACTICES

In accordance with National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and National Policy 58-201 – *Corporate Governance Guidelines* ("NP 58-201"), issuers are to disclose the

corporate governance practices that they have adopted. NP 58-201 provides guidance on corporate governance practices. The Corporation is also subject to NI 52-110, which has been adopted in each of the Canadian provinces and territories and which prescribes certain requirements in relation to audit committees.

The Board is responsible for the governance of the Corporation. The Board and the Corporation's management consider good corporate governance to be central to the effective and efficient operation of the Corporation. Below is a discussion of the Corporation's approach to corporate governance.

Corporate Governance

The Board has established a Corporate Governance and Compensation Committee. The current members of the Corporate Governance and Compensation Committee are Messrs. Smith, Nally and Beynon. Mr. Nally is the Chairman of the Corporate Governance and Compensation Committee. Mr. Beynon will not stand for re-election at the Meeting. The Corporate Governance and Compensation Committee is comprised entirely of non-management members of the Board, and the Board has adopted a written charter setting forth the responsibilities, powers and operations of the Corporate Governance and Compensation Committee. The Corporate Governance and Compensation Committee has the power to retain outside advisors as it considers necessary for the proper functioning of the committee, at the Corporation's expense. The Corporate Governance and Compensation Committee meets at least twice annually and otherwise as requested by the Board or considered desirable by the Chair of the Corporate Governance and Compensation Committee.

The Corporate Governance and Compensation Committee is responsible for proposing new director nominees to the Board and for assessing current directors on an ongoing basis. The Corporate Governance and Compensation Committee is also responsible for the Corporation's response to, and implementation of, the guidelines set forth from time to time by any applicable regulatory authorities.

Independence of Members of the Board

The Board currently consists of four (4) directors, three (3) of whom are independent based upon the tests for independence set forth in NI 52-110. Messrs. Beynon, Smith, and Nally are independent. Mr. Atkinson is not independent by virtue of serving as President and Chief Executive Officer of the Corporation.

Board Oversight

The Board exercises its independent supervision over the Corporation's management through a combination of formal meetings of the Board, as well as informal discussions amongst the Board members. The independent directors can also hold scheduled meetings at which non-independent directors and members of management are not in attendance. Where matters arise at Board meetings which require decision making and evaluation that is independent of management and interested directors, the meeting breaks into an in-camera session among the independent and disinterested directors.

Directorships in Other Reporting Issuers

As of the date hereof, the following directors hold directorships in other reporting issuers:

Name of Director	Reporting Issuer
Bruce Beynon	Lycos Energy Inc.
R. Steven Smith	Journey Energy Inc.

Board Mandate

The Board has adopted a written mandate, the full text of which is attached as Schedule "E" to the management information circular of the Corporation dated November 20, 2019 that summarizes, among other things, the Board's duties and responsibilities. Interested Shareholders may obtain a copy of the mandate upon request (free of charge) by contacting the Corporation at Suite 2400, 333 – 7th Avenue S.W., Calgary, Alberta T2P 2Z1, or by accessing the Corporation's SEDAR+ profile at www.sedarplus.ca. The Board is responsible for the overall stewardship of the Corporation and dealing with issues which are pivotal to determining the Corporation's strategy and direction. The Board has directly, and through the appointment of certain committees, put in place an effective system for monitoring the implementation of corporate strategies. The Board is not involved in the day to day operations of the Corporation, as these operations are conducted by the Corporation's management. The Board meets regularly to consider and approve the strategic objectives of the Corporation and management plans designed to accomplish those objectives. Where appropriate, key management personnel and professional advisors are invited to attend Board meetings to speak to these issues. The Board also meets as necessary to consider specific developments and opportunities as they arise, including asset acquisitions and dispositions and financing proposals. The Board approves, among other things, all issuances of securities of the Corporation, the appointment of officers, the entering into of lines of credit or other significant borrowing activities and all significant transactions. The Board considers, but has no formal policies, concerning management development and succession and risk management.

Essential to strategic planning is assessing and understanding business risks and related control systems. The Board helps set limits with respect to business risks, to the extent they can be managed, and approves strategies for minimizing risks. Implementation of these strategies are then monitored by the Board. The Board, through the Audit Committee, requires management of the Corporation to put into place systems to address financial risks and to periodically report to the Board on these systems and risks.

Management has implemented procedures to provide reasonable assurance of effective communication with the Shareholders and the public. The Corporation's management is responsible for the issuance of press releases and communications with the financial community. The Board reviews and approves all principal continuous disclosure documents, the release of interim and annual financial statements, annual information forms, prospectuses and information circulars.

The Corporate Governance and Compensation Committee is responsible for monitoring the governance systems of the Corporation with a view to ongoing improvements, reviewing the composition of the Board and developing criteria for new Board appointments. The Corporate Governance and Compensation Committee also acts as a nominating committee for new directors, oversees and approves the Corporation's compensation plans and evaluates the overall Board effectiveness.

Position Descriptions

The Board has developed a written position description for the Chairman of the Board and the Chief Executive Officer of the Corporation, but has not developed a written position description for the Chairman of the Audit Committee.

The Chair of each committee of the Board schedules meetings of the committee and organizes and presents agendas for such meetings.

The Board, in conjunction with management, sets the Corporation's annual objectives which become the objectives against which the Chief Executive Officer's performance is measured. The Board has plenary power; any responsibility which is not delegated to management or a Board committee remains with the Board.

Orientation and Continuing Education

While the Corporation does not have a formal orientation and training program, new members of the Board are provided with:

- (a) a copy of the policies and mandates of the Board and its committees and copies of the Corporation's corporate governance policies, which provides information respecting the functioning of the Board;
- (b) access to recent, publicly filed documents of the Corporation;
- (c) access to management; and
- (d) access to legal counsel in the event of any questions relating to the Corporation's compliance and other obligations.

Members of the Board are encouraged to communicate with management, legal counsel and, where applicable, auditors and technical consultants of the Corporation, to keep themselves current with industry trends and developments and changes in legislation with management's assistance and to attend related industry seminars and visit the Corporation's operations. Board members have full access to the Corporation's records.

Ethical Business Conduct

In establishing its corporate governance practices, the Board has been guided by applicable Canadian securities legislation and the guidelines of the TSXV for effective corporate governance, including NP 58-201. The Board is committed to a high standard of corporate governance practices. The Board believes that this commitment is not only in the best interests of its Shareholders, but that it also promotes effective decision making at the Board level.

Additionally, in order to encourage and promote a culture of ethical business conduct, the Board has adopted a Code of Business Conduct and Ethics (the "**Code**") wherein directors, officers and employees of the Corporation and others are provided with a mechanism by which they can raise complaints regarding financial and regulatory reporting, internal accounting controls, auditing or health, safety and environmental matters or any other matters and raise concerns about any violations of the Code in a confidential and, if deemed necessary, anonymous process. Interested Shareholders may obtain a copy of the Code upon request (free of charge) by contacting the Corporation at Suite 2400, 333 – 7th Avenue S.W., Calgary, Alberta T2P 2Z1, or by accessing the Corporation's SEDAR+ profile at www.sedarplus.ca.

The Board has instructed its management and employees to abide by the Code and to bring any breaches of the Code to the attention of the Corporate Governance and Compensation Committee. Compliance with the Code is monitored primarily through the reporting process within the Corporation's organizational structure.

It is a requirement of applicable corporate law that directors who have an interest in a transaction or agreement with the Corporation promptly disclose that interest at any meeting of the Board at which the transaction or agreement will be discussed and abstain from discussions and voting in respect of

same if the interest is material. The Code imposes a similar disclosure requirement on all non-director representatives of the Corporation and requires such persons to report such conflict to the executive officer to whom that person reports in the course of his employment responsibilities, or, in the case of a senior executive officer, to the Audit Committee and fully inform such person or committee, as applicable, of the facts and circumstances related to the conflict or potential conflict. The representative is prohibited from taking any further action in respect of the matter or transaction giving rise to such conflict or potential conflict unless and until he is authorized to do so by his reporting officer or the Audit Committee.

Nomination of Directors

The Corporate Governance and Compensation Committee has responsibility for identifying potential Board candidates. The Corporate Governance and Compensation Committee assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the oil and gas industry are consulted for possible candidates. The written charter of the Corporate Governance and Compensation Committee includes considering and recommending candidates to fill new positions on the Board, reviewing candidates recommended by Shareholders, conducting inquiries into the backgrounds and qualifications of candidates, recommending the director nominees for approval by the Board and the Shareholders, considering conflicts of interests, recommending members and chairs of the committees, reviewing the performance of directors and the Board, establishing director retirement policies and establishing and implementing an orientation and education program for new members of the Board.

Compensation

The Board has established a Corporate Governance and Compensation Committee (see "*Corporate Governance*", above). The members of the Corporate Governance and Compensation Committee are independent and have the responsibility for determining compensation for the directors, officers, employees and consultants of the Corporation. Please see the discussion under the heading "*Executive Compensation*".

The Corporation's Corporate Governance and Compensation Committee reviews and makes recommendations to the Board concerning the compensation of the Corporation's directors, officers and employees, which includes the review of the Corporation's executive compensation and other human resource philosophies and policies, the review and administration of the Corporation's bonuses, Options and any share purchase plan, the review of and recommendations regarding the performance of the Chief Executive Officer of the Corporation and preparing and submitting a report for inclusion in annual continuous disclosure documents as required.

The responsibilities, powers and operations of the Corporate Governance and Compensation Committee, in respect of compensation include: (a) reviewing the adequacy and form of any compensation program for executive officers; (b) reviewing the adequacy and form of non-employee directors' compensation; (c) reviewing and creating a position description for the Chief Executive Officer; (d) evaluating the Chief Executive Officer's performance in light of corporate goals and objectives; (e) making recommendations to the Board with respect to the Chief Executive Officer's compensation; (f) setting criteria for selecting new directors; (g) recommending to the Board the size of the Board, the appropriate composition of the board and eligible individuals for election to the Board, a majority of whom shall be independent; (h) recommending to the Board the appropriate committee structure, committee mandates, composition and membership; and (i) reviewing and recommending to the Board a set of corporate governance policies, practices and principles aimed at fostering a healthy governance culture at the Corporation.

Audit Committee

See "Audit Committee" below.

Reserves, Health, Safety and Environment Committee

The members of the Reserves, Health, Safety and Environment Committee Messrs. Beynon (Chair), Nally and Smith. Mr. Beynon will not stand for re-election at the Meeting. The Reserves, Health, Safety and Environment Committee's responsibilities include, but are not limited to: (a) reviewing management's recommendations for the appointment of independent engineers; (b) reviewing the independent engineering reports and considering the principal assumptions upon which such reports are based; (c) reviewing management's input into the independent engineering report and key assumptions used; (d) reviewing the reserve additions and reserve revisions which occur from one report to the next and seeking the independent engineer's input and management's input with respect to why these revisions have occurred; (e) reviewing the information supplied to the independent engineers with respect to the constant price case, operating costs, royalty burdens, required capital expenditures, recovery rates, decline rates and other matters; (f) annually reviewing the appropriateness of, and updating, the Corporation's environmental policies, management systems and programs and reporting to the Board thereon; (g) ensuring that the Corporation has the necessary tools to measure its business units' environmental performance and compliance with applicable regulatory standards; (h) reviewing the environmental performance and, whenever relevant, any non-compliance situation of the Corporation's business units, to recommend the required corrective measures; (i) ensuring that environmental risk management procedures and emergency response measures are in place and are periodically updated and distributed within the Corporation; (j) assessing the environmental risks and emergency situations brought to its attention to recommend the required corrective measures; (k) immediately communicating any incident giving rise to significant environmental risks to the Board; (l) recommending to the Board that the Corporation exercise due diligence with respect to non-compliance situations, environmental risks or emergency situations brought to its attention; (m) reviewing and reporting to the Board on all legal notices or civil, penal and/or criminal prosecutions brought to its attention; (n) recommending to the Board measures, including necessary investments, taking into account available technologies and economic and financial restraints, to ensure compliance with regulatory standards and the Corporation's environmental policies and programs; (o) analyzing all environmental matters brought to its attention and deemed relevant or that the Board specifically asks the committee to review; and (p) reporting to the Board on the Corporation's environmental policies, programs and situation and make appropriate recommendations.

Assessments

The Board is responsible to assess, on an ongoing basis, its overall performance and that of its committees. The objective of this review is to contribute to a process of continuous improvement in the Board's execution of its responsibilities. The review will identify any areas where the directors of the Corporation or management believe that the Board could make a better collective contribution to overseeing the affairs of the Corporation. The Board is also responsible for regularly assessing the effectiveness and contribution of each director, having regard to the competencies and skills each director is expected to bring to the Board. The Board relies on informal evaluations of the effectiveness through both formal and informal communications with Board members and through participation with other Board members on committees and matters relating to the Board.

AUDIT COMMITTEE

The purpose of the Corporation's Audit Committee is to provide assistance to the Board in fulfilling its legal fiduciary obligations with respect to matters involving accounting, auditing, financial reporting,

internal control and legal compliance functions of the Corporation. It is the objective of the Audit Committee to maintain free and open means of communications among the Board, the independent auditors and the financial and senior management of the Corporation.

Pursuant to NI 52-110, the Corporation is required to disclose certain information with respect to its Audit Committee, as summarized below.

Audit Committee Charter

The Corporation's Audit Committee charter (the "**Audit Committee Charter**") was adopted by the Board, the full text of which is attached as Schedule "B" to the annual information form of the Corporation for the fiscal year ended December 31, 2018, dated April 3, 2019, which is incorporated by reference into this Information Circular. Interested Shareholders may obtain a copy of the Audit Committee Charter upon request (free of charge) by contacting the Corporation at Suite 2400, 333 – 7th Avenue S.W., Calgary, Alberta T2P 2Z1, or by accessing the Corporation's SEDAR+ profile at www.sedarplus.ca. The mandate of the Audit Committee is to oversee and provide assistance in financial reporting, financial policies and internal controls as well as to work with the external auditors to ensure the accuracy of the Corporation's financial disclosures. The Audit Committee must pre-approve all non-audit services to be provided by an external auditor.

Composition of the Audit Committee

As of the date hereof, the Audit Committee is comprised of:

Name of Director	Independent (Yes/No) ⁽¹⁾	Financially Literate (Yes/No)
Mr. Smith	Yes	Yes
Mr. Nally	Yes	Yes
Mr. Beynon ⁽²⁾	Yes	Yes

Notes:

(1) As defined in NI 52-110.

(2) Mr. Beynon will not stand for re-election at the Meeting.

Relevant Education and Experience

Collectively, the Audit Committee has the education and experience to fulfill the responsibilities outlined in the Audit Committee Charter. Each member of the Audit Committee has:

- (a) an understanding of the accounting principles used by the Corporation to prepare its financial statements;
- (b) the ability to assess the general application of those principles in connection with the accounting for estimates, accruals and provisions;
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements, or experience actively supervising individuals engaged in such activities; and
- (d) an understanding of internal controls and procedures for financial reporting.

Mr. Smith is the current Chairman of the Audit Committee. Mr. Smith is a Chartered Accountant with over 40 years of business experience. After articling at KPMG and obtaining his Chartered Accountant designation, he moved to the oil and gas industry and worked exclusively in management and executive roles at companies including Canadian Pioneer, Poco Petroleum, Renaissance Energy and Pan East Petroleum before becoming an equity research analyst at the Bank of Montreal. Mr. Smith has 22 years of experience in capital markets as Chief Financial Officer and Portfolio Manager with Norrep Capital Management Ltd. and Vice President and Director – Institutional Research at FirstEnergy Capital (now Stifel | FirstEnergy) and before that Orion Securities (now Macquarie Group). Mr. Smith holds a Business degree in Accounting, a Bachelor of Arts degree in English and Chartered Accountant (CA) and Chartered Professional Accountant (CPA) designations. He is currently a director of Journey Energy Inc., Karve Energy Inc. and Jasper Brewing Inc. He was previously the Chief Financial Officer and a Director of Broadview Energy Inc. and before that, a Portfolio Manager and CFO at NCM Investments.

Mr. Nally is a graduate of the London School of Economics with over 45 years of experience in London's capital markets, including 18 years at Cenkos Securities PLC, a firm he co-founded. At Cenkos, Mr. Nally was an Executive Director and Head of Natural Resources. Previously, Mr. Nally was a partner at Williams de Broe and was a full individual member of the International London Stock Exchange.

Mr. Beynon has over 30 years of oil and gas industry experience. Mr. Beynon is the Vice President, Light Oil at Athabasca since December 2023. Mr. Beynon was President of Tiburon Exploration Corporation from December 2018 to December 2023. Prior thereto, Mr. Beynon was the Executive Vice President, Exploration and Corporate Development at Baytex Energy Corp. from August 2018 to December 2018 and President of Raging River Exploration Inc. until August 2018. Mr. Beynon also held executive positions with Compass Petroleum Partnership, Peloton Exploration Corp., Expoir Exploration Corp. and KeyWest Energy Inc. Mr. Beynon holds a Master of Science degree in Geology.

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year has a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the Board.

Pre-Approval Policies and Procedures

The Audit Committee is authorized by the Board to review the performance of the Corporation's external auditors, approve in advance the provision of services other than audit services and to consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Corporation. The Audit Committee is authorized to approve any non-audit services or additional work, which the Chairman of the Audit Committee deems as necessary.

External Auditor Service Fees (By Category)

The fees for auditor services billed by the Corporation's external auditors for the last two fiscal years are as follows:

Financial Year Ending December 31	Audit Fees ⁽¹⁾	Audit-related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
2025	\$ 203,500	\$ 57,000	\$ --	\$ 76,600
2024	\$ 189,000	\$ 57,000	\$ --	\$ 61,525

Notes:

- (1) Audit fees are the aggregate fees billed by the Corporation's auditor for audit services.
- (2) Audit-related fees are the aggregate fees billed for assurance and related services by the Corporation's auditor that are reasonably related to the performance of the audit or review of the Corporation's financial statement and are not disclosed under "Audit fees".
- (3) Tax fees are the aggregate fees billed for professional services rendered by the Corporation's auditor for tax compliance, tax advice and tax planning.
- (4) All other fees are the aggregate fees billed for services provided by the Corporation's auditor other than the services reported under "Audit fees", "Audit-related fees" and "Tax fees".

Reliance on Certain Exemptions

The Corporation is a "venture issuer" as defined in NI 52-110 and is relying on the exemptions contained in Section 6.1 of NI 52-110, which exempts the Corporation from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

ADDITIONAL INFORMATION

Financial information about the Corporation is provided in the Corporation's comparative annual financial statements and management's discussion and analysis for its most recently completed financial year. A copy of these documents may be obtained by contacting the Corporation's Chief Financial Officer at 2400, 333 – 7th Avenue S.W., Calgary, Alberta T2P 2Z1 or by phone at 587-287-5400.

Copies of these documents, as well as additional information relating to the Corporation contained in documents filed by the Corporation with the Canadian securities regulatory authorities, may also be accessed through the SEDAR+ website at www.sedarplus.ca.