



MANAGEMENT'S DISCUSSION AND ANALYSIS

The following is management's discussion and analysis ("MD&A") of the operating and financial results of Criterium Energy Ltd. ("Criterium" or the "Company") for the three and nine months ended September 30, 2025 and 2024. This information is provided as of November 17, 2025. This MD&A should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements ("consolidated financial statements") for the three and nine months ended September 30, 2025 and audited year end 2024 statements. This document provides additional information about Criterium and is accessible on the SEDAR+ website at www.sedarplus.ca. All amounts are presented in Canadian dollars ("CAD"), unless otherwise stated.

ABOUT CRITERIUM ENERGY LTD.

Criterium is a corporation engaged in the production, development and exploration for the sale of oil and natural gas in Southeast Asia. The Company is currently developing two core PSCs in Indonesia – a light oil and potential gas play in the Tungkal PSC, located in South Sumatra and an oil play in the West Salawati PSC, located in the West Papua province of Indonesia. The Company also holds a 42.5% non-operated working interest in the Bulu PSC, offshore Central Java. Criterium is actively engaged in seeking out new opportunities that fit its strategy of acquiring and developing undercapitalized and underutilized assets across the broader Southeast Asia region.

As of the date of this filing, Criterium has 4 permanent employees at the corporate head office in Calgary, Alberta and 55 employees in Indonesia at the Jakarta office and field level operations. The Company is incorporated and domiciled in Alberta, Canada with the head office located at Suite 1120, 202 – 6th Avenue S.W., Calgary, Alberta, T2P 2R9. Criterium is a publicly traded company on the Toronto Stock Exchange – Venture ("TSX-V") and is traded under the symbol "CEQ".

CORPORATE REVIEW

During the three months ended September 30, 2025, Criterium focused on executing its stated annual work program as outlined in its 2025 Guidance press release dated February 13, 2025. The key activity of the 2025 work program is the execution of the Company's SE-MGH gas development program, and during Q3 the Company commenced and completed a major milestone in the project, the extended well test that confirmed deliverability of the SE-MGH gas field. Results from this test will serve to underpin transportation and sales agreements for the expected gas production. The project team continues to assemble all necessary permits, right of ways and regulatory approvals and will secure all documents prior to commencement of construction of pipeline infrastructure in late Q4 2025. Currently the Company is moving towards its next key milestone in the gas development, a Gas Sales Agreement ("GSA") which is anticipated to be signed in the coming months.

During the three months ended September 30, 2025, the Company paused its program of low cost workovers in the Mengoepeh (“MGH”) field. Future workovers and production optimization will resume upon completion of the SE-MGH gas project and will be outlined in the Company’s 2026 Budget.

Financial flexibility and discipline continue to be paramount as the Company navigates the volatility seen in global crude oil prices and financial markets. During the three months ended September 30, 2025, the Company was able to continue with previously negotiated cessation of payments to lenders, these actions have thus far resulted in an additional US\$1.9 million in liquidity which will be realized during 2025 and gained assurances from lenders that further deferrals could be realized in Q4 and into Q1 2026. Total debt payments in Q3 2025 were nil.

OUTLOOK

The Company continues to move forward with the execution of its gas development program as outlined in the press release issued July 30, 2025. Going forward, the Company will be better positioned to weather market volatility as it diversifies its revenue stream and benefits from long-term take or pay offtake contracts for its gas volumes starting in early 2026. With a stable cash flow base in place at that time the Company expects to continue to commercialize existing, drilled and tested gas prospects within its Tungkal PSC.

The Company has been mindful of external macro headwinds and has continued to manage operating costs diligently and to work with its lenders to ensure that it has adequate financial flexibility. The Company expects to outline its 2026 Budget in December 2025 or January 2026 pending final Board of Directors approval.

SELECT OPERATIONAL AND FINANCIAL HIGHLIGHTS

| (\$ thousands, except per share) | Three months ended September 30, | | | Nine months ended September 30, | | |
|--------------------------------------------------------|-------------------------------------|-----------|-------------|------------------------------------|-----------|-------------|
| | 2025 | 2024 | % Change | 2025 | 2024 | % Change |
| FINANCIAL PERFORMANCE | | | | | | |
| Oil revenue | 6,898 | 8,240 | (16%) | 29,076 | 24,357 | 19% |
| Royalty expense | (1,854) | (2,046) | (9%) | (6,908) | (6,329) | 9% |
| Royalty revenue | 16 | 32 | (50%) | 49 | 41 | 20% |
| Other Income | 297 | 2 | >999% | 866 | 45 | >999% |
| Cash flow from (used in) operating activities | 333 | 1,513 | (78%) | 728 | (980) | 174% |
| <i>Per share – basic</i> | \$ 0.00 | \$0.01 | (80%) | \$0.01 | \$ (0.01) | 169% |
| Net loss | (3,760) | (1,306) | (188%) | (6,169) | (4,878) | (19%) |
| <i>Per share – basic</i> | \$ (0.03) | \$ (0.01) | (176%) | \$ (0.05) | \$ (0.04) | (13%) |
| Capital Expenditures | (778) | (2,781) | (72%) | (1,660) | (2,887) | (43%) |
| Acquisition Expenditures | - | - | - | - | (5,494) | (100%) |
| OPERATIONS | | | | | | |
| Average daily production | | | | | | |
| Light oil (boe/d) | 784 | 879 | (11%) | 886 | 844 | 0.3% |
| Operating Netback (\$/boe)¹ | | | | | | |
| Realized sales price | 99.08 | 109.87 | (11%) | 104.61 | 112.39 | (8%) |
| Royalty expense | (23.81) | (26.72) | (16%) | (24.67) | (29.40) | (16%) |
| Net production expense | (43.56) | (32.68) | 30% | (40.83) | (43.31) | (6%) |
| Operating field netback | 31.71 | 50.52 | (37%) | 39.11 | 39.68 | (1%) |
| TRADING INFORMATION | | | | | | |
| Weighted Average Shares outstanding (thousands) | | | | | | |
| Basic | 136,375 | 132,356 | 3% | 136,285 | 130,984 | 4% |
| Share Trading | | | | | | |
| High | \$0.110 | \$0.110 | 0% | \$ 0.110 | \$ 0.140 | (21%) |
| Low | \$0.060 | \$0.045 | 33% | \$ 0.045 | \$ 0.045 | 0% |
| Average daily trading volume | 69,583 | 191,356 | (64%) | 73,075 | 127,086 | (43%) |

¹ Calculated based on YTD field production and excluding operating costs for production in inventory at year end 2024

During Q3 2025, oil revenue declined year over year and declined quarter over quarter as lower field production coupled with lower global oil prices led to lower gross revenue. Unit royalties paid continued to trend lower, aligned with lower US dollar denominated sales, and the mechanism within the Tungkal Gross Split PSC which reduces government take with lower oil prices.

Net loss for the three months ended September 30, 2025 increased quarter over quarter due to lower revenue from reduced oil prices and lower overall production. Net loss for the nine months ended September 30, 2025 increased slightly year on year due to aforementioned price declines and slightly increased costs.

BENCHMARK PRICES AND FOREIGN EXCHANGE

| | Three months ended | | | Nine months ended | | |
|------------------------------------------|--------------------|----------|-------------|-------------------|----------|-------------|
| | September 30, | | | September 30, | | |
| Prices | 2025 | 2024 | % Change | 2025 | 2024 | % Change |
| Brent (US\$/bbl) | \$ 68.97 | \$ 79.84 | (14%) | \$ 70.93 | \$ 82.50 | (14%) |
| Indonesia Crude Price ("ICP") (US\$/bbl) | \$ 67.16 | \$ 77.68 | (14%) | \$ 69.01 | \$ 80.08 | (14%) |
| Foreign Exchange | | | | | | |
| USD to CAD (average) | 1.3773 | 1.3638 | 1% | 1.3985 | 1.3606 | 3% |
| USD to IDR (average) | 16,537 | 15,613 | 6% | 16,464 | 15,894 | 4% |

Brent crude oil prices for Q3 2025 fell 14% when compared to the average price in Q2 2024. Crude oil prices fell due to concerns of rising OPEC+ production whilst long term demand growth appears muted. Despite lower year on year benchmark prices, the Company was able to offset some of the decline as the Canadian dollar dropped versus the US dollar and the Company realized premiums of up to \$5/bbl on the volumes it was able to export. The Company continues to see supportive pricing fundamentals in Southeast Asia, both for crude oil as well as for longer term contracted natural gas, this supports the Company's 2025 gas development program and expected Gas Sales Agreement ("GSA") signing towards the end of this calendar year.

OIL SALES

| | Three months ended | | | Nine months ended | | |
|-------------------------------|--------------------|-----------|-------------|-------------------|-----------|-------------|
| | September 30, | | | September 30, | | |
| | 2025 | 2024 | % Change | 2025 | 2024 | % Change |
| Revenue (\$ thousands) | | | | | | |
| Light Oil | \$ 6,898 | \$ 8,240 | (16%) | \$ 29,076 | \$ 24,354 | 19% |
| Average Realized Price | | | | | | |
| Light Oil (\$/bbl) | \$ 99.08 | \$ 109.87 | (11%) | \$ 104.61 | \$ 112.39 | (8%) |

During the three months ended September 30, 2025, oil sales revenues declined by 16% year over year as a result of a 11% drop in realized prices. This price drop was partially offset by lower royalty rates and a portion of sales being exported out of Indonesia at a premium. Revenue for the quarter was lower than Q2 as a result of timing of liftings and lower production. Year to date, revenues remain well ahead of 2024, this despite lower prices.

SUMMARY OF EXPENSES

| (\$) thousands | Three months ended | | Nine months ended | |
|----------------------------|--------------------|-----------------|-------------------|------------------|
| | September 30, | | September 30, | |
| | 2025 | 2024 | 2025 | 2024 |
| Operating | 3,033 | 2,639 | 11,675 | 9,919 |
| Financing costs | 3,494 | 1,300 | 7,416 | 3,210 |
| Gain on modification | - | - | (1,251) | - |
| Depreciation and depletion | 1,037 | 1,667 | 4,181 | 5,112 |
| General and administrative | 1,084 | 1,843 | 3,687 | 4,966 |
| Other tax expense | 273 | 360 | 1,093 | 1,083 |
| Share-based compensation | 86 | 42 | 241 | 127 |
| Restructuring costs | - | 712 | - | 712 |
| Foreign exchange gain | 101 | (257) | (46) | (493) |
| Transaction costs | - | - | - | 41 |
| Total | \$ 9,108 | \$ 8,306 | \$ 26,997 | \$ 24,677 |

For the three months ended September 30, 2025, total expenses increased by 10% compared to Q3 2024. This is a result of increased financing costs as the Company recognized accretion on the fair value of existing debt facilities as valued at year end 2024. This was partially offset by the Company's success in reducing unit operating costs during the period and the large lifting that occurred in January 2025. .

Operating expenses for the three months ended September 30, 2025 were \$3.03 million, up from September 30, 2024 (2024 - \$2.64 million) due to an inventory credit in Q3, 2024. Excluding the inventory credit in Q3, 2024, actual operating expenses in Q3, 2025 are lower by 4% due to cost reduction initiatives. For the nine months ended September 30, 2025, expenses were \$11.68 million compared to \$9.92 million during the same period in 2024. The 18% increase in total operating expense year over year is due to the large lifting occurring in January which accounted for ~\$2 million of the total costs in Q1, excluding this, operating costs were lower despite higher year on year production.

Depreciation, depletion and amortization ("DD&A") for the three months ended September 30, 2025, was \$1.04 million (2024 - \$1.67 million). Quarter over quarter DD&A reflected decreased production, partially offset by higher DD&A/bbl. Due to PPA ("Purchase Price Allocation") adjustments that were made in Q4 2024 the year on year comparative is not indicative of operational performance.

General and administrative expenses for the three months ended September 30, 2025, totalled \$1.08 million (2024 - \$1.84 million) as the Company established a stable run rate. For the nine months ended September 30, 2025 expenses remained lower versus the comparative period in 2024 as the Company did not incur any transaction expenses which had impacted Q1 2024 expenses.

Financing expense for the three months ended September 30, 2025, was \$3.49 million (2024 - \$1.3 million). For the three months ended September 30, 2025, the Company recognized a \$2.3 million accretion expense (2024 - \$0.76 million) related to the amortization of the fair value of the debt and income taxes recognized for the MOPL transaction. These expenses increased as the Company paused debt payments and the fair value discount rate applied to debt significantly exceeds the face value of the debt.

Other tax expense for the three and nine months ended September 30, 2025, was \$0.273 million (2024 - \$0.36 million) and \$1.09 million (2024 - \$1.08 million) respectively and is related to land and building taxes incurred within the Tungkal PSC.

CAPITAL EXPENDITURES

| | Three months ended | | Nine months ended | |
|--------------------------------------|--------------------|--------------|-------------------|----------------|
| | September 30, | | September 30, | |
| (\$) thousands | 2025 | 2024 | 2025 | 2024 |
| Drilling, completion and equipment | 696 | 2,781 | 1,578 | 2,887 |
| Total Capital Expenditures | 696 | 2,781 | 1,578 | 2,887 |
| Acquisitions (dispositions) | - | - | - | 5,494 |
| Cash on Acquisition | - | - | - | (9,832) |
| Net Cash Capital Expenditures | 696 | 2,781 | 1,578 | (1,450) |

During the three months ended September 30, 2025, the Company spent \$0.7 million on capital expenditures to execute the Company's gas development program (2024 - \$2.78). Expenditures related to the 2025 workover program will be reclassified from operations costs to capital expenditures as reserve evaluations are completed and reserve assigned to these wells.

SHARE CAPITAL

| | Nine months ended September 30, | | | |
|--------------------------------------------------------|---------------------------------|--------|-------------|---------|
| | 2025 | | 2024 | |
| (\$ thousands, except share counts) | Number | Amount | Number | Amount |
| Balance, opening | 135,306,903 | 18,107 | 38,389,981 | 8,694 |
| Issue of common shares - cash | - | - | 60,909,091 | 6,700 |
| Issue of common shares – acquisitions ⁽¹⁾ | - | - | 33,056,922 | 4,205 |
| Issue of common shares – warrant, option, RSU exercise | 1,068,333 | - | - | - |
| Issue of common shares – shares for services | - | - | - | - |
| Share issuance costs | - | - | - | (1,740) |
| Balance, ending | 136,375,236 | 18,107 | 132,355,994 | 17,861 |

¹ Net of the 4,817,000 issued shares which were cancelled subsequent to Q1 2024 as announced on April 26, 2024

During Q3 2025, no shares, RSUs, PSUs, Options or warrants were issued.

As at the date of this report, there are 136,375,236 common shares outstanding, an aggregate of 5,831,667 RSUs and PSUs outstanding, 516,667 stock options outstanding and 90,647,100 potential shares issuable under warrants agreements.

LIQUIDITY AND CAPITAL RESOURCES

LIQUIDITY

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with the financial liabilities. The Company's financial liabilities consist of accounts payable, taxes payable and amounts due under borrowing facilities. Accounts payable consists of invoices payable to trade suppliers for office, field operating activities and capital expenditures. The Company processes invoices within a normal payment period. Accounts payable have contractual maturities of less than one year. The Company maintains and monitors a certain level of cash which is used to finance all operating and capital expenditures. Amounts due under borrowing facilities consist of cash advances drawn plus accumulated interest.

The interim condensed consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue operations for the foreseeable future and will be able to realize its assets and discharge its obligations in the normal course of operations. The Company's ability to maintain its current level of operations is dependent on its ability to generate sufficient cash to fund its operations and future business plans. See going concern in Note 1 of the interim condensed consolidated financial statements.

The Company is dependent on its revenue from the sale of crude oil from its Indonesian operations. This revenue stream is highly dependent on global commodity prices and exchange rates which are outside of the control of management. The volatility of commodity prices and capital markets will continue to have a significant impact on the Company's revenue and ability to access capital in the future. While Management believes the Company will have sufficient cash to discharge its obligations in the normal course of operations for the short-term, future operations will be dependent upon the raising of sufficient capital, the development of profitable operations and the corresponding generation of future cash flows.

The Company has successfully obtained sufficient financing to date. However, there is no assurance that it will be able to generate sufficient cash flow or obtain adequate financing in the future or that such financing will be on terms acceptable to the Company.

DEBT

As outlined in the interim condensed consolidated financial statements (Note 6), the Company has entered into three debt facilities within MOPL. These facilities are amended versions of pre-existing debt agreements which MOPL had entered into over the course of business prior to being acquired by the Company. By utilizing these existing facilities, the Company was able to secure below market interest rates. In aggregate the MOPL debt facilities carry an average interest rate of just over 8% per year.

During the nine months ended September 30, 2025, the Company made scheduled debt payments of \$1.41 million and secured an additional US\$1.9 million in payment deferrals from its two lenders, Kendall Court Cambridge Investment Manager Ltd. ("Kendall Court") and Eastspring ASEAN Mezzanine Debt Master Fund ("Eastspring"). Additionally, the Company has communicated to the lenders that payments for the balance of the year and early 2026 will be minimized until the SE Mengepeh gas development is online. These deferrals enhance financial flexibility to support the 2025 capital program, which is focused on bringing natural gas onstream. The Company remains committed to deleveraging while ensuring sufficient capital is allocated to value-generating development within the MOPL assets specifically.

CASH FLOW SUMMARY

| (\$ thousands) | Three months ended | | Nine months ended | |
|-----------------------------------------------|--------------------|-----------------|-------------------|-----------------|
| | September 30, | | September 30, | |
| | 2025 | 2024 | 2025 | 2024 |
| Cash at beginning of period | \$ 1,572 | \$ 5,997 | \$ 2,307 | \$ 443 |
| Cash flow from (used in) operations | 333 | 1,513 | 728 | (980) |
| Cash flow from (used in) investing activities | (181) | (1,298) | (553) | 3,198 |
| Cash flow from (used in) financing activities | (167) | (274) | (984) | 2,889 |
| Effect of foreign exchange | 249 | 197 | 308 | 585 |
| Cash at end of period | \$ 1,806 | \$ 6,135 | \$ 1,806 | \$ 6,135 |

During the three months ended September 30, 2025, cash inflows from operations were \$0.33 million resulting from revenue received from crude oil sales, less operating expenditures and G&A. This was a decrease over the three months ended September 30, 2024, due to reduced cash from falling oil prices.

Cash outflows from investing activities for the three and nine months ended September 30, 2025, were \$0.18 million and \$0.55 compared to an outflow of \$1.30 million for the three months and an inflow of \$3.2 million for the nine months ended September 30, 2024, as the company continues to development the gas program. The cash realized from the MOPL acquisition during the nine months ended September 30, 2024 resulted in a large cash inflow from investing activities.

Cash flows from financing resulted in an outflow of \$0.17 million for the three and \$0.98 million for the nine months ended September 30, 2025 as the Company made payments on its lease and debt. The outflows for the quarter decreased as the Company deferred payments to lenders in response to lower oil price and to maintain financial flexibility. Based on the ongoing cooperative nature of the lenders the Company expects to further defer payments through the balance of the year.

WORKING CAPITAL

The Company had working capital deficit of \$30.5 million as at September 30, 2025 (December 31, 2024 – \$31.46 million), up from \$26.0 million at the end of Q2 2025. It should also be noted that the Company expects to renegotiate its current taxes payable, this is customary with Indonesian tax authorities, and the Company has previously been successful in negotiating installment payments below the full current taxes payable amount. Though the business is sensitive to fluctuations in commodity prices and current market economic challenges, the Company is taking steps to reduce the working capital deficit to a more manageable level by executing its business strategy and through continuing to work with its lenders and business partners to mitigate the impact on executing this strategy.

Due to these factors, there is a material uncertainty that may cast significant doubt on the Company's ability to pay its current liabilities as they become due. The condensed interim consolidated financial statements do not include the necessary adjustments to reflect the recoverability and classification of recorded assets and liabilities and related expenses that may be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and such adjustments could be material

BUSINESS RISKS

The Company's principal business activities are the acquisition, exploration, and definition of potentially economically viable mineral resource deposits on mineral properties, which, by nature, are speculative.

Companies in this industry are subject to many and varied kinds of risks, including but not limited to; environmental, fluctuating commodity prices, social, political, financial and economics. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practicable. Due to the high-risk nature of the Company's business and the present stage of the Company's various mineral properties, an investment in the Company's common shares should be considered a highly speculative investment that involves significant financial risks, and prospective investors should carefully consider all of the information disclosed in this MD&A, the risk factors discussed below, and the Company's other public disclosures, including the risks described in the "Risk Factors" section of the Company's 2024 Annual Information Form, prior to making any investment in the Company's common shares.

CAPITAL MANAGEMENT

The Company's capital structure includes working capital, shareholders' equity, and amounts available under borrowing facilities. The Company's objective when managing capital is to maintain a flexible capital structure which allows it to execute its growth strategy through expenditures on property, plant, and equipment and exploration and development activities while maintaining a strong financial position. Currently, total capital resources available include working capital and debt.

SELECTED QUARTERLY FINANCIAL INFORMATION

| | Sep. 30, 2025 | Jun. 30, 2025 | Mar. 31, 2025 | Dec. 31, 2024 | Sep. 30, 2024 | Jun. 30, 2024 | Mar. 31, 2024 | Dec. 31, 2023 | Sep. 30, 2023 |
|--------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <i>(\$, thousands, except per share amounts)</i> | | | | | | | | | |
| Gross oil sales | 6,898 | 7,542 | 14,636 | 5,526 | 8,240 | 7,952 | 8,162 | - | - |
| Cash flow from (used in) operations | 333 | 64 | 231 | 474 | 1,513 | (416) | (2,205) | (805) | (585) |
| Net loss | (3,760) | (1,378) | (1,171) | (4,712) | (1,306) | (1,485) | (2,413) | (965) | (1,109) |
| <i>Per share – basic</i> | \$(0.03) | \$(0.01) | \$(0.01) | \$(0.03) | \$(0.01) | \$(0.01) | \$(0.02) | \$(0.03) | \$(0.03) |

Significant factors and trends that have impacted the Company's results in the above periods include:

- Decreases in the market price for crude oil.
- The volatility in the ICP benchmark, and the resulting effect on royalty revenue, cash flows and net income.
- Delays in the December 2024 oil lifting resulting in significantly lower revenues for Q4 2024, including oil produced to inventory and sold January 3, 2025, Q4 revenues would have been approximately \$8.5 million. This caused an increase in Q1 2025 revenues.
- Capital expenditures were related to the drilling of the MGH-43 well in the Tungkal PSC in Q3 and Q4 2024.
- The acquisition of Mont D'Or Petroleum Limited closed in Q1 2024.
- Costs associated with the Mont D'Or Petroleum Limited acquisition included but were not limited to the following: financing costs, legal costs, filing costs and deposits from Q4 2023 to Q1 2024.

DIVIDEND ADVISORY

Criterion's future shareholder distributions, including but not limited to the payment of dividends, if any, and the level thereof is uncertain. Any decision to pay dividends on the common shares (including the actual amount, the declaration date, the record date and the payment date in connection therewith and any special dividends) will be subject to the discretion of the Board of Directors of Criterion and may depend on a variety of factors, including, without limitation, Criterion's business performance, financial condition, financial requirements, growth plans, expected capital requirements and other conditions existing at such future time including, without limitation, contractual restrictions. There can be no assurance that Criterion will pay dividends in the future. As the Company does not intend to declare dividends, any gain on an investment in the Company will need to come through an increase in the stock's price.

FORWARD LOOKING STATEMENTS

Certain statements in this MD&A that are not based on historical facts constitute forward-looking information. Forward-looking information is not a promise or guarantee of future performance but is only a prediction that relates to future events, conditions or circumstances or the Company's future results, performance, achievements or developments and is subject to substantial known and unknown risks, assumptions, uncertainties and other factors that could cause the Company's actual results, performance, achievements or developments in its business or industry to differ materially from those expressed, anticipated or implied by such forward-looking information. Forward-looking statements include statements regarding the outlook for the Company's future operations, plans and timing for the introduction or enhancement of its services and products, statements concerning strategies or developments, statements about future market conditions, supply conditions, end customer demand conditions, channel inventory and sell through, revenue, gross margin, operating expenses, profits, forecasts of future costs and expenditures, and other expectations, intentions and plans that are not historical fact. The forward-looking statements in this MD&A are based on certain factors and assumptions regarding expected growth, results of operations, performance and business prospects and opportunities. Specifically, management has assumed that the Company's performance will meet management's internal projections. While management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

Readers are cautioned not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. Readers are also advised to consider such forward-looking statements in light of the risk factors and uncertainties that may affect the Company's actual results, performance, achievements or developments.

The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable law. Further information concerning risks and uncertainties associated with these forward-looking statements and the Company's business may be found in the Company's other filings.

CRITICAL ACCOUNTING ESTIMATES

Management makes judgments and assumptions about the future in deriving estimates used in preparation of these consolidated financial statements in accordance with IFRS. Sources of estimation uncertainty include estimates used to determine the economic viability of exploration and evaluation costs, the recoverable amount of long-lived assets or cash generating units ("CGUs"), the fair value of financial instruments, the provision for decommissioning liabilities, the provision for income taxes and the related deferred tax assets and liabilities, and the expenses recorded for stock-based compensation.^f

The identifiable assets and liabilities associated with the purchase price allocation have been measured at their individual fair values on the date of acquisition. Determinations of fair value often require management to make assumptions and estimates about future events. The preliminary purchase price allocation is based on management's best estimate at the time of the preparation of these financial statements. The purchase price allocation is not final as the Company is continuing to obtain and verify information required, including those from internal and external specialists, to determine the fair value of certain assets and

liabilities including property, plant and equipment, decommissioning obligations, income taxes payable, long term debt and the deferred tax liability, as well as the finalization of working capital adjustments. Upon finalizing the value of the net assets acquired, liabilities assumed and total consideration adjustments may be required as values subject to estimate are finalized. As new information obtained within one year of the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts, the accounting for the acquisition will be revised.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The CEO and CFO, along with participation from other members of the management team, are responsible for establishing and maintaining adequate Internal Control over Financial Reporting (“ICFR”) to provide reasonable assurance regarding the reliability of financial statements prepared in accordance with IFRS. The Company’s CEO and CFO, with support of management have assessed the design and operating effectiveness of the Company’s ICFR as at the date of this report, based on criteria described in “Internal Control - Integrated Framework” issued in 2013 by the Committee of Sponsoring Organization of the Treadway Commission. Based on this assessment, it was concluded that the design and operation of the Company’s ICFR are effective. During the three months September 30, 2025, there has been no change in the Company’s ICFR that has materially affected, or is reasonably likely to materially affect, the Company’s ICFR.

ADVISORIES

The Company uses the following industry terms in the MD&A and other disclosures: “bbl” refers to barrels, “bbl/d” refers to barrels per day, “mbbl” refers to thousand barrels, “mcf” refers to thousand cubic feet, “mcf/d” refers to thousand cubic feet per day, “mmcf” refers to million cubic feet, “MMbtu” refers to one million British thermal units, “boe” refers to barrel of oil equivalent, “boe/d” refers to barrels of oil equivalent per day, and “mboe” refers to thousand barrels of oil equivalent. Disclosure provided herein in respect of a boe may be misleading, particularly if used in isolation. A boe conversion rate of six thousand cubic feet of natural gas to one barrel of oil equivalent has been used in the calculation of the boe amounts in the MD&A. The boe conversion rate is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. As the value ratio between natural gas and crude oil based on the current prices of natural gas and crude oil is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.