# XXL ENERGY CORP.

RPO Box 60610 Granville Park
Vancouver, British Columbia
Canada V6H 4B9
Tel: 604-331-3396 Fax: 604-688-4712

## NOTICE OF ANNUAL GENERAL MEETING

TO THE SHAREHOLDERS:

NOTICE IS HEREBY GIVEN that the annual general meeting (the **"Meeting"**) of the shareholders of XXL Energy Corp. (the **"Company"**) will be held at the offices of Clark Wilson LLP, located at 900 – 885 West Georgia Street, Vancouver, British Columbia, V6C 3H1 on Thursday, July 18, 2024 at 10:30 a.m. (Vancouver time) to transact the usual business of an annual general meeting and for the following purposes:

1. to receive and consider the Report of the Directors to the shareholders;

2. to receive and consider the audited financial statements of the Company, together with the report of the auditors thereon, for the financial year ended December 31, 2023;

3. to consider and, if thought fit, to approve an ordinary resolution to set the number of directors at three (3);

4. to elect John R. Hislop, Alistair Palmer and Fletcher FitzGibbon as directors of the Company to hold office until the next Annual General Meeting of the Company, or until such time as their successors are duly elected or appointed in accordance with the Company's Articles, or until such director's earlier death, resignation or removal;

5. to consider and, if thought fit, to approve an ordinary resolution to appoint Geib & Company, as the auditors of the Company for the ensuing year and authorize the directors of the Company to fix the auditor's remuneration; and

6. to transact such further or other business as may properly come before the Meeting and any adjournment or adjournments thereof.

An information circular (the "**Information Circular**") and form of proxy (the "**Form of Proxy**") accompany this notice of Meeting (the **"Notice of Meeting"**). These documents provide additional information relating to the matters to be dealt with at the Meeting and form part of this Notice of Meeting.

The share transfer books of the Company will not be closed, but the Company's board of directors has fixed Thursday, June 13, 2024 as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder, at the close of business on that date, is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular and Form of Proxy.

Registered shareholders of the Company who are unable to attend the Meeting in person are requested to complete, sign and date the enclosed Form of Proxy and return the same in the enclosed return envelope provided for that purpose. If you receive more than one Form of Proxy because you own shares registered in different names or addresses, each Form of Proxy should be completed and returned. To be effective, the completed Form of Proxy must be received by the Company's registrar and transfer agent, Computershare Investor Services Inc., by mail at Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, Canada, M5J 2Y1 or by fax: 1-866-249-7775 (within North America) or 416-263-9524 (outside North America), at least forty-eight (48) hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting, or an adjournment or postponement thereof. Registered shareholders of the Company can also vote by telephone or the Internet by following the instructions set out in the Form of Proxy.

If you are a non-registered shareholder of the Company and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your securities on your behalf (an "**Intermediary**"), please complete and return the materials in accordance with the instructions provided to you by your Intermediary. Non-registered shareholders should carefully follow the instructions received in respect of voting shares of the Company that they beneficially own, as more fully described under "Advice to Beneficial Holders of Shares" in the Information Circular.

**We highly recommend all shareholders vote their common shares prior to the meeting. Shareholders wishing to participate in the Meeting via audio/video conferencing are asked to please contact to Company at info@xxlenergy.com to request the link for the Meeting before Monday, July 15th, 2024. We will be limiting access to essential personnel, registered shareholders, and proxyholders entitled to attend and vote at the meeting.**

Please advise the Company of any change in your address.

DATED at Vancouver, British Columbia, this 18th day of June, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

***"John R. Hislop"***

John R. Hislop
President and Chief Executive Officer

# MANAGEMENT INFORMATION CIRCULAR

**For the Annual General Meeting of Shareholders**

**To be held on Thursday, July 18, 2024**

*June 18, 2024*

# XXL ENERGY CORP.

## MANAGEMENT INFORMATION CIRCULAR FOR THE 2024 ANNUAL GENERAL MEETING OF SHAREHOLDERS

## SOLICITATION OF PROXIES

This information circular (the "**Information Circular**") is furnished in connection with the solicitation of proxies by the management ("**Management**") of XXL Energy Corp. (the "**Company**") for use at the annual general meeting (the "**Meeting**") of the shareholders of the Company (each a "**Shareholder**" and collectively, the "**Shareholders**"), to be held on Thursday, July 18, 2024 at 10:30 a.m. (Vancouver time) at the offices of Clark Wilson LLP located at 900 – 885 West Georgia Street, Vancouver, British Columbia, Canada for the purposes set forth in the accompanying notice of meeting (the "**Notice**") and at any adjournment thereof. This Information Circular and other proxy-related materials are not provided to registered or beneficial owners of the Company's shares under the notice and access provisions of National Instrument 54-101.

**We highly recommend all Shareholders vote their common shares prior to the meeting. Shareholders wishing to participate in the Meeting via audio/video conferencing are asked to please contact to Company at info@xxlenergy.com to request the link for the Meeting before Monday, July 15, 2024. Shareholders who do not complete and deliver a form of proxy or voting instruction form, as applicable, will be unable to vote on audio/video conferencing. We will be limiting access to registered shareholders and proxyholders entitled to attend and vote at the meeting.**

Except as otherwise indicated, the information herein is given as of June 18, 2024.

In this Information Circular, all references to dollar amounts are to Canadian dollars, unless otherwise specified.

## PERSONS OR COMPANIES MAKING THE SOLICITATION

**The enclosed instrument of proxy (the "Proxy") is solicited by Management.** Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by officers and employees of the Company. The Company may reimburse Shareholders' nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining authorization from their principals to execute the Proxy. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company. None of the directors of the Company (each a "**Director**" and collectively, the "**Directors**") have advised Management in writing that they intend to oppose any action intended to be taken by Management as set forth in this Information Circular.

## APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the accompanying Proxy are Directors and Shareholders of the Company.

**A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR CORPORATION (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR AND ON BEHALF OF THAT SHAREHOLDER AT THE MEETING, OTHER THAN THE DESIGNATED PERSONS IN THE ENCLOSED FORM OF PROXY.**

**THE SHAREHOLDER MAY EXERCISE THIS RIGHT BY INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE'S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER'S COMMON SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.**

In either case, as a registered Shareholder you can choose from three different ways to vote your shares by proxy: (a) by mail or delivery in the addressed envelope provided or deposited at the offices of Computershare, Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario, Canada M5J 2Y1, or by facsimile at 1-866-249-7775 (toll free for North America) or 416-263-9524 (outside North America), so as to arrive not later than 10:30 a.m. (Vancouver time) on Tuesday, July 16, 2024, or if the Meeting is adjourned, at the latest 48 hours (excluding Saturdays, Sundays and holidays) before the time set for any reconvened meeting at which the Proxy is to be used; (b) by telephone (toll free) at 1-866-732-VOTE (8683); or (c) on the internet at www.investorvote.com.

The Proxy must be signed by the Shareholder or by its duly authorized attorney. If signed by a duly authorized attorney, the Proxy must be accompanied by the power of attorney or a notarially certified copy thereof. If the Shareholder is a corporation, the Proxy must be signed by a duly authorized attorney, officer, or corporate representative.

**In addition to revocation in any other manner permitted by law, a Shareholder may revoke a proxy by: (a) signing a proxy bearing a later date and depositing it at the place and within the time aforesaid; (b) signing and dating a written notice of revocation (in the same manner as the instrument of proxy is required to be executed as set out in the notes to the instrument of proxy) and either depositing it with Computershare at the place and within the time aforesaid or with the Chairman of the Meeting on the day of the Meeting or on the day of any adjournment thereof; or (c) registering with the scrutineer at the Meeting as a Shareholder present in person, whereupon such proxy shall be deemed to have been revoked.**

## VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES

The persons named in the Proxy will vote for, withhold from voting, or vote against, as the case may be, the common shares in the capital of the Company in respect of which they are appointed as proxyholder in accordance with the direction of the Shareholder appointing them. **In the event that a Shareholder does not specify in its Proxy that the persons named in the Proxy are required to vote for, to withhold from voting or vote against, as applicable, in respect of the matters to be considered at the Meeting, the common shares represented by such proxy shall be voted FOR each of the matters referred to therein**.

The Proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting. At the time of printing this Information Circular, neither Management nor the Directors are aware of any amendments, variations or other matters intended to come before the Meeting other than those items of business set forth in the attached Notice. However, if any such amendment, variation or other matter properly comes before the Meeting, it is the intention of the persons named in the Proxy to vote on such other business in accordance with its judgement.

## ADVICE TO BENEFICIAL HOLDERS OF SHARES

The following information is of significant importance to shareholders who do not hold shares in their own name. Beneficial shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Company as the registered holders of shares).

If shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those shares will not be registered in the shareholder's name on the records of the Company. Such shares will most likely be registered under the names of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms), and in the United States, under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depositary for many U.S. brokerage firms and custodian banks).

Intermediaries are required to seek voting instructions from beneficial shareholders in advance of shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients. There are two kinds of beneficial owners - those who object to their name being made known to the issuers of securities which they own (called "**OBOs**" for "Objecting Beneficial Owners") and those who do not object to the issuers of the securities they own knowing who they are (called "**NOBOs**" for "Non-Objecting Beneficial Owners").

The Company is taking advantage of the provisions of National Instrument 54-101 of the Canadian Securities Administrators, which permit it to directly deliver proxy-related materials to its NOBOs. As a result, NOBOs can expect to receive a scannable Voting Instruction Form (a "**VIF**") from Computershare. These VIFs are to be completed and returned to Computershare in the envelope provided or by facsimile. In addition, Computershare provides both telephone and internet voting options as described on the VIF. Computershare will tabulate the results of the

VIFs received from NOBOs and will provide appropriate instructions with respect to the shares represented by the VIFs they receive.

These securityholder materials are being sent to both registered and certain non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding shares on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for delivering these materials to you and executing your proper voting instructions. Please return your voting instructions by completing and returning the enclosed VIF in accordance with the instructions contained in the VIF.

Beneficial shareholders who are OBOs will not receive the materials unless their intermediary assumes the costs of delivery. In the event that voting instructions are requested from OBOs, such instructions will typically be sought by the shareholder receiving either a form of proxy or a voting instruction form. If a form of proxy is supplied to you by your broker, it will be similar to the proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in Canada and the United States. Broadridge obtains voting instructions by mailing a voting instruction form (the "**Broadridge VIF**") which appoints the same persons as the Company's proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a beneficial shareholder of the Company), other than the persons designated in the Broadridge VIF, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the Broadridge VIF. The completed Broadridge VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting.

If you plan to vote in person at the Meeting:

- nominate yourself as the appointee to attend and vote at the Meeting by printing your name in the space provided on the enclosed voting instruction form. Your vote will be counted at the Meeting so do NOT complete the voting instructions on the form;
- sign and return the form, following the instructions provided by your nominee; and
- register with the Scrutineer when you arrive at the Meeting.

You may also nominate yourself as appointee online, if available, by typing your name in the "Appointee" section on the electronic ballot.

If you bring your voting instruction form to the Meeting without following the instructions above, your vote will not count. Your vote can only be counted if you have completed, signed, and returned your voting instruction form in accordance with the instructions above and attend the Meeting and vote in person.

## VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The record date for the determination of Shareholders entitled to receive notice of the Meeting has been fixed as the close of business on Thursday, June 13, 2024 (the "**Record Date**"). As of the Record Date, 7,252,943 common shares were issued and outstanding, each share carrying the right to one vote at the Meeting. The Company will prepare a list of holders of common shares as of the Record Date. Each Shareholder named in the list will be entitled to one vote per common share shown opposite its name on the said list.

Your vote is important regardless of the number of shares you own. Whether or not you are able to attend, if you are a registered holder, we urge you to complete the enclosed Proxy and return it in the envelope provided so as to be received by no later than 10:30 a.m. (Vancouver time) on Tuesday, July 16, 2024. Voting by Proxy will not prevent you from voting in person if you attend the Meeting but will ensure that your vote will be counted if you are unable to attend. If you hold your shares through a broker or an Intermediary, we urge you to complete the applicable proxy authorization form or provide your Voting Instruction Form by other acceptable methods.

To the knowledge of the Directors and Management, the following persons beneficially own, directly or indirectly, or exercise control or direction over, common shares carrying more than 10% of the voting rights attached to all outstanding common shares:

| Name of Shareholder | Number of Common Shares | Percentage of Issued and Outstanding |
|---|---|---|
| John R. Hislop | 2,390,801 | 32.96% |
| Mark Wolverton | 1,344,000 | 18.53% |

## INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Other than as disclosed elsewhere in this Information Circular, none of the Directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been Directors or executive officers of the Company since the commencement of the Company's last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For the purposes of this Information Circular, "informed person" means:

(a) a director or executive officer of the Company;

(b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;

(c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company, or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company, other than voting securities held by the person or company as underwriter in the course of a distribution; and

(d) the Company if it has purchased, redeemed, or otherwise acquired any of its own securities, for so long as it holds any of its securities.

Other than as disclosed below and elsewhere in this Information Circular, no informed person, no proposed director of the Company and no associate or affiliate of any such informed person or proposed director, has any material interest, direct or indirect, in any material transaction since the commencement of the Company's last completed financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries.

**Farmout Agreement with Standard Energy**

The Company's wholly owned subsidiary, Exxel Energy (USA), Inc. ("**Exxel**"), entered into a Farmout Agreement with Standard Energy ("**Standard**") dated effective the 1st day of July, 2017, and executed on October 30, 2017 (the "**Farmout Agreement**"). Under the Farmout Agreement which closed on September 20, 2018, Exxel acquired the right to earn working interests ranging from 18.75% to 21.25% in to up to 70 wells to be drilled on oil and gas leases on approximately 1,794.6 net acres located in the Warbonnet area of Pinedale Field, Sublette County, Wyoming (the "**Transaction**"). To earn the interests, Exxel agreed to bear the entire cost of drilling, testing, completing, and operating the wells on a well-by-well basis. Upon testing and completion of a well as a commercial producer, Standard will assign 100% of its interest in the well and appurtenant lease rights to Exxel. With respect to each well assigned to Exxel, Standard will retain a 3% overriding royalty interest, subject to its right to convert the royalty on a well-by-well basis to a 25% working interest upon the successful completion of the well and the return to Exxel of its actual costs of drilling, completing, and operating the well. Should Exxel determine that any well is incapable of production and should be plugged and abandoned, Standard may elect to have Exxel plug and abandon the well at Exxel's cost or receive a re-assignment of its interest in that well. Under the Farmout Agreement, Standard has agreed to fund Exxel's initial costs of each well, secured against title to the wells. Funds borrowed by Exxel under this arrangement bear interest at the rate of 10.0% per annum.

Standard is wholly owned by John R. Hislop, the Company's President, CEO, a director, and a significant shareholder. The Transaction was approved by the Company's shareholders at an Annual General and Special Meeting held February 23, 2018. Further particulars of the Transaction are contained in Company news releases dated October 4, 2017, February 9, 2018, and March 7, 2018, and in the Information Circular circulated in connection with the 2018 Meeting, all of which have been filed on SEDAR+ at www.sedarplus.ca.

## STATEMENT OF EXECUTIVE COMPENSATION

### General

For the purpose of this Information Circular:

"**CEO**" of the Company means each individual who acted as chief executive officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;

"**CFO**" of the Company means each individual who acted as chief financial officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;

"**Compensation securities**" includes stock options, convertible securities, exchangeable securities and similar instruments, including stock appreciation rights, deferred share units and restricted stock units, granted or issued by the Company or any of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries;

"**Named Executive Officer**" or "**NEO**" means each of the following individuals:

(a) a CEO;

(b) a CFO;

(c) the most highly compensated executive officer, or the most highly compensated individual acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation exceeded $150,000 calculated as prescribed; or

(d) any individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of the most recently completed financial year;

### Compensation Excluding Compensation Securities

Particulars of compensation, excluding compensation securities, paid to each NEO and Director in the two most recently completed financial years is set out in the table below:

| Name and position | Year ending | Salary, consulting fee, retainer or commission ($) | Bonus ($) | Committee or meeting fees ($) | Value of perquisites ($) | Value of all other compen-sation ($) | Total compen-sation ($) |
|---|---|---|---|---|---|---|---|
| John R. Hislop<br>President, CEO & Director | 12/31/23<br>12/31/22 | Nil<br>Nil | Nil<br>Nil | Nil<br>Nil | Nil<br>Nil | 120,000(1)<br>120,000(2) | 120,000<br>120,000 |

| Name and position | Year ending | Salary, consulting fee, retainer or commission ($) | Bonus ($) | Committee or meeting fees ($) | Value of perquisites ($) | Value of all other compen-sation ($) | Total compen-sation ($) |
|---|---|---|---|---|---|---|---|
| Alistair Palmer<br>Director | 12/31/23<br>12/31/22 | 6,000<br>6,000 | Nil<br>Nil | Nil<br>Nil | Nil<br>Nil | Nil<br>Nil | 6,000<br>6,000 |
| Fletcher FitzGibbon<br>Director | 12/31/23<br>12/31/22 | 6,000<br>6,000 | Nil<br>Nil | Nil<br>Nil | Nil<br>Nil | Nil<br>Nil | 6,000<br>6,000 |
| Scott R. Hislop (3)<br>CFO and Secretary | 12/31/23<br>12/31/22 | 6,000<br>6,000 | Nil<br>Nil | Nil<br>Nil | Nil<br>Nil | Nil<br>Nil | 6,000<br>6,000 |

**Notes:**

(1) In 2023, the Company paid to Caravel Management Corp., a private external management company wholly owned by John R. Hislop, $120,000 in administration fees. See "Employment, Consulting and Management Agreements" below.

(2) In 2022, the Company paid to Caravel Management Corp, a private external management company wholly owned by John R. Hislop, $120,000 in administration fees. See "Employment, Consulting and Management Agreements" below.

(3) Scott R. Hislop was appointed as Chief Financial Officer and Secretary effective January 1, 2017. Scott R. Hislop is also an employee of Caravel Management Corp. since September 4, 2018.

### Stock Options and Other Compensation Securities

Particulars of compensation securities granted or issued to each NEO and Director in the most recently completed financial year for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries is set out in the table below:

| Name and Position | Type of compensation security | Number of compensation securities, number of underlying securities, and percentage of class | Date of issue or grant | Issue, conversion or exercise price ($) | Closing price of security or underlying security on date of grant ($) | Closing price of security or underlying security at year end ($) | Expiry date ($) |
|---|---|---|---|---|---|---|---|
| John R. Hislop<br>President, CEO and Director | N/A | Nil | N/A | N/A | N/A | N/A | N/A |
| Scott R. Hislop<br>CFO and Secretary | N/A | Nil | N/A | N/A | N/A | N/A | N/A |
| Alistair Palmer<br>Director | N/A | Nil | N/A | N/A | N/A | N/A | N/A |

| Name and Position | Type of compensation security | Number of compensation securities, number of underlying securities, and percentage of class | Date of issue or grant | Issue, conversion or exercise price ($) | Closing price of security or underlying security on date of grant ($) | Closing price of security or underlying security at year end ($) | Expiry date ($) |
|---|---|---|---|---|---|---|---|
| Fletcher FitzGibbon Director | N/A | Nil | N/A | N/A | N/A | N/A | N/A |

**Notes:**

(1) No compensation securities were held by any NEO or Director on the last day of the most recently completed financial year.
(2) No compensation securities were re-priced, cancelled or replaced, extended, or otherwise materially modified during the most recently completed financial year.

### Exercise of Compensation Securities by Directors and NEO's

Particulars of compensation securities exercised by each NEO and Director in the most recently completed financial year is set out in the table below:

| Name and Position | Type of compensation security | Number of underlying securities exercised | Exercise price per security ($) | Date of exercise ($) | Closing price per security on date of exercise ($) | Difference between exercise price and closing price on date of exercise ($) | Total value on exercise date ($) |
|---|---|---|---|---|---|---|---|
| John R. Hislop President, CEO and Director | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Scott R. Hislop CFO and Secretary | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Alistair Palmer Director | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Fletcher FitzGibbon Director | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

### Stock Option Plan

The Company has adopted a Stock Option Plan dated June 30, 2022 pursuant to which stock options may be granted to employees, directors and officers of the Company and other persons providing ongoing services to the Company (the "**2022 Plan**"). A copy of the 2022 Plan is available on SEDAR (www.sedar.com) under the Company's profile as Schedule "B" to the Management Information Circular dated June 30, 2022.

*Purpose of the 2022 Plan*: The purpose of the 2022 Plan is to promote the long-term success of the Company and the creation of shareholder value by: (i) encouraging the attraction and retention of eligible persons; (ii) encouraging such eligible persons to focus on critical long-term objectives; and (iii) promoting greater alignment of the interests of such eligible persons with the interests of the Company by providing opportunities for such eligible persons to acquire an ownership interest in the Company.

*Shares Subject to the 2022 Plan;* The 2022 Plan is a "fixed" stock option plan, whereby the aggregate number of Shares reserved for issuance, together with any other Shares reserved for issuance under any other plan or agreement of the Company, shall not exceed 1,450,588 being 20% of the total number of issued Shares (calculated on a non-diluted basis) on the record date for the shareholders meeting held on June 30, 2022 at which the 2022 Plan was approved. There are no stock options outstanding pursuant to the 2022 Plan. A total of 1,450,588 stock options are available for grant under the 2022 Plan, being the maximum number of options permitted for grant under the 2022 Plan. In the event that a stock option granted under the Option Plan or the 2022 Plan expires unexercised, is terminated or is otherwise lawfully cancelled prior to the exercise of the stock option, the Shares that were issuable thereunder will be returned to the 2022 Plan and will be available again for an option grant under the 2022 Plan.

*Administration of the 2022 Plan:* The 2022 Plan shall be administered by the Board and the Board has full authority to administer the 2022 Plan, including the authority to interpret and construe any provision of the 2022 Plan and to adopt, amend and rescind such rules and regulations for administering the 2022 Plan as the Board may deem necessary in order to comply with the requirements of the 2022 Plan and applicable TSXV Policies. The 2022 Plan provides that the Board may, from time to time, in its discretion, grant to directors, officers, employees, consultants, other personnel of the Company and its subsidiaries or affiliates and such other Participants (as that term is defined in the policies of the TSXV), options to purchase Shares.

*Eligible Persons Under the 2022 Plan:* The 2022 Plan provides that directors, officers, employees, consultants, and other Eligible Persons (as defined in the 2022 Plan) of the Company and its subsidiaries or affiliates are eligible to be granted stock options pursuant to the 2022 Plan.

*Type of Award:* The 2022 Plan only provides for the grant of stock options. All stock options granted by the Board are subject to the conditions, limitations, restrictions, exercise price, vesting and other terms, determined by the Board in its sole discretion at the time of grant, subject to such limitations provided in the 2022 Plan and TSXV Policies, and will generally be evidenced by a stock option agreement. The following is a brief description of some of the key terms of stock option grants made pursuant to the 2022 Plan and is qualified in its entirety by the full text of the 2022 Plan.

*Exercise Price:* An option entitles a holder thereof to purchase a prescribed number of Shares at an exercise price determined by the Board at the time of grant, provided that the exercise price of an option granted under the 2022 Plan shall be subject to the following conditions:

(a) if the Shares are listed on the TSXV, the exercise price will not be less than the minimum prevailing price permitted by TSXV policies;

(b) if the Shares are not listed, posted and trading on any stock exchange or bulletin board, then the exercise price will be determined by the Board at the time of granting;

(c) if an option is granted within 90 days of a distribution by a prospectus by the Company, the exercise price will not be less than the price that is the greater of the minimum prevailing price permitted by TSXV policies and the per Share price paid by public investors for Shares acquired under the distribution by the prospectus, with the 90-day period beginning on the date a final receipt is issued for the prospectus; and

(d) in all other cases, the exercise price shall be determined in accordance with the rules and regulations of any applicable regulatory bodies.

The 2022 Plan permits cashless or net exercises of options, subject to TSXV policies, in limited circumstances as more particularly described in the 2022 Plan.

*Term*: No option granted under the 2022 Plan may have an expiry date exceeding ten years from the date on which the option is granted (unless automatically extended as a result of a blackout period as described in the 2022 Plan).

*Blackout Period and Extension of Term*: The expiry date of each option will be automatically extended if the expiry date falls within a period during which the Company prohibits optionees from exercising their options, provided that:

(a) the blackout period has been formally imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information (as defined in the policies of the TSXV). For greater certainty, in the absence of the Company formally imposing a blackout period, the expiry date of any options will not be automatically extended in any circumstances;

(b) the blackout period expires upon the general disclosure of the undisclosed Material Information (as defined in the 2022 Plan) and the expiry date of the affected options is extended to no later than ten (10) business days after the expiry of the blackout period;

(c) the automatic extension will not be permitted where the optionee or the Company is subject to a cease trade order (or similar order under applicable securities laws) in respect of the Company's securities; and

(d) the automatic extension is available to all eligible Optionees under the Plan under the same terms and conditions.

*Non-Transferable:* Options granted under the 2022 Plan shall not be assignable or transferable by an option holder.

*Vesting*: No option shall be exercisable until it has vested. The Board shall establish a vesting period or periods at the time each Option is granted to Eligible Persons. If no vesting schedule is specified at the time of grant and the Optionee is not performing Investor Relations Activities (as defined in the 2022 Plan), the Option shall vest as to 25% on each of the 6-, 12-, 18- and 24-

month anniversaries of its grant. Options granted to Investor Relations Service Providers will vest in stages over 12 months with no more than one quarter of the options vesting in any three-month period. If there is a Change of Control (as defined in the 2022 Plan), then all outstanding options (other than options held by Investor Relations Service Providers) whether fully vested and exercisable or remaining subject to vesting provisions or other limitations on exercise, shall be exercisable in full to enable the options Shares subject to such options to be issued and tendered to such bid. No acceleration of the vesting of any options shall be permitted without prior TSXV review and acceptance for options issued to Investor Relations Service Providers.

*Participation Limits Under the 2022 Plan*: Options granted pursuant to the 2022 Plan are subject to certain limits on participation.

(a) Individuals. The aggregate number of Optioned Shares that may be reserved for issuance pursuant to Options granted to any one individual, together with Common Shares reserved for issuance to such Optionee (and to Companies wholly-owned by that Optionee) under all of the Company's other Security Based Compensation Arrangements, if any, must not exceed 5% of the issued Common Shares of the Company (determined as at the Grant Date) in a 12-month period, unless the Company has obtained Disinterested Shareholder Approval.

(b) Insiders. The maximum aggregate number of Common Shares of the Company that are issuable pursuant to the Plan and all of the Company's other Security Based Compensation Arrangements granted or issued:

(i) to Insiders (as a group) must not exceed 10% of the issued and outstanding Common Shares of the Company at any point in time (unless the Company has obtained Disinterested Shareholder Approval; and

(ii) in any 12-month period, to Insiders (as a group) must not exceed 10% of issued and outstanding Common Shares of the Company, calculated as at the date any Security Based Compensation is granted or issued to any Insider (unless the Company has obtained Disinterested Shareholder Approval.

(c) Investor Relations Service Provider. The aggregate number of Options granted to all Investor Relations Service Providers, together with Common Shares issuable to Persons performing Investor Relations Activities under all of the Company's other Security Based Compensation Arrangements, if any, in a 12-month period must not exceed 2% of the issued Common Shares of the Company (determined as at the Grant Date) without the prior consent of TSXV. Persons performing Investor Relations Activities are only eligible to receive Options under this Plan, and are not eligible to receive any other type of securities based compensation under any other Security Based Compensation Arrangement that may be adopted by the Company.

(d) Consultants. The aggregate number of Options granted to any one Consultant, together with Common Shares reserved for issuance to such Optionee under all of the Company's other Security Based Compensation Arrangements, if any, in a 12-month period must not exceed 2% of the issued Common Shares of the Company (determined as at the Grant Date) without the prior consent of TSXV.

*Termination of Options*: Unless the Board determined otherwise, options will terminate in the following circumstances:

(a) *Termination of Services for Cause:* If the engagement of the Optionee as a Director, Employee or Consultant is terminated for cause (as determined by common law), any Option granted hereunder to such Optionee shall terminate and cease to be exercisable immediately upon the Optionee ceasing to be a Director, Employee or Consultant by reason of termination for cause.

(b) *Termination of Services Without Cause or Upon Resignation:* If the engagement of the Optionee as a Director, Employee or Consultant of the Company is terminated for any reason other than cause (as determined by common law), disability or death, or if such Director, Employee, or Consultant resigns, as the case may be, the Optionee may exercise any Option granted hereunder to the extent that such Option was exercisable and had vested on the date of termination until the date that is the earlier of (i) the Expiry Date, and (ii) the date that is 90 days after the effective date of the Optionee ceasing to be a Director, Employee or Consultant for that other reason.

(c) *Termination of Investor Relations Services:* If the engagement of the Optionee as an Investor Relations Services Provider is terminated for any reason other than cause, disability or death, the Optionee may exercise any Option granted hereunder to the extent that such Option was exercisable and had vested on the date of termination until the date that is the earlier of (i) the Expiry Date, and (ii) the date that is 30 days after the effective date of the Optionee ceasing to be an Eligible Person.

(d) *Death*: If the Optionee dies, the Optionee's lawful personal representatives, heirs or executors may exercise any Option granted hereunder to the Optionee to the extent such Option was exercisable and had vested on the date of death until the earlier of (i) the Expiry Date, and (ii) one year after the date of death of such Optionee.

(e) *Disability*: If the Optionee ceases to be an Eligible Person, due to his Disability, or, in the case of an Optionee that is a company, the Disability of the person who provides management or consulting services to the Company or to an Affiliate of the Company, the Optionee may exercise any Option granted hereunder to the extent that such Option was exercisable and had vested on the Date of Disability until the earlier of (i) the Expiry Date, and (ii) the date that is one year after the Date of Disability.

(f) *Changes in Status of Eligible Person*: If the Optionee ceases to be one type of Eligible Person but concurrently is or becomes one or more other type of Eligible Person, the Option will not terminate but will continue in full force and effect and the Optionee may exercise the Option until the earlier of (i) the Expiry Date, and (ii) the applicable date set forth in accordance with the 2022 Plan where the Optionee ceases to be any type of Eligible Person. If the Optionee is an Employee, the Option will not be affected by any change of the Optionee's employment where the Optionee continues to be employed by the Company or an Affiliate of the Company.

*Cashless Exercise:* Subject to the provisions of the 2022 Plan and upon prior approval of the Board, once an Option has vested and become exercisable, an Optionee may elect to exercise such Option by either a "net exercise" procedure or a broker assisted "cashless exercise". In the event of a cashless exercise or net exercise, the number of Common Shares actually issued by the Company, must be included in calculating the limits set forth in the 2022 Plan.

*Withholding Obligations*: The Company may withhold from any amount payable to an optionee, either under the 2022 Plan or otherwise, such amount as it reasonably believes is necessary to enable the Company to comply with applicable tax and withholding obligations, and to take such actions as permitted in this regard by the 2022 Plan.

*Amendments to the Plan*: The Board may at any time or from time to time, in its sole and absolute discretion and without the approval of shareholders of the Company, amend, suspend, terminate or discontinue the 2022 Plan and may amend the terms and conditions of any options granted thereunder, subject to:

(a) any required disinterested shareholder approval to reduce the exercise price of or extend the expiry date of an option issued to an insider in accordance with the policies of the TSXV while the Shares are listed on the TSXV;

(b) any required approval of any applicable regulatory authority or the TSXV; and

(c) any approval of shareholders of the Company as required by the rules of the TSXV or applicable law, provided that shareholder approval shall not be required for the following amendments and the Board may make any changes which may include but are not limited to:

(i) amendments of a "housekeeping nature";

(ii) amendments for the purpose of curing any ambiguity, error or omission in this Plan or to correct or supplement any provision of the 2022 Plan that is inconsistent with any other provision of the 2022 Plan;

(iii) amendments which are necessary to comply with applicable law or the requirements of the TSXV;

(iv) amendments respecting administration and eligibility for participation under the 2022 Plan;

(v) amendments to the terms and conditions on which options may be or have been granted pursuant to the 2022 Plan including amendments to the vesting provisions and terms of any options;

(vi) with the exception of options granted to Investor Relations Service Providers, amendments which alter, extend or accelerate the terms of vesting applicable to any options; and

(vii) changes to the termination provisions of an option or the 2022 Plan which do not entail an extension beyond the original fixed term.

If the 2022 Plan is terminated, prior options shall remain outstanding and in effect in accordance with their applicable terms and conditions.

**Employment, Consulting and Management Agreements**

The Company is party to a management services agreement (the "**Management Agreement**") with Caravel Management Corp. ("**Caravel**"), a privately held management company, of RPO Box 60610 Granville Park, Vancouver, British Columbia, Canada V6H 4B9. Pursuant to the Management Agreement, the Company is invoiced by Caravel $10,000 per month plus out-of-pocket expenses for management and administrative services provided to the Company as well as certain specific specialized management services. Caravel is wholly owned by John R. Hislop of PO Box 7814, Ringwood, United Kingdom, BH24 9FF, who is an informed person of Caravel as a director, executive officer, and greater than 10% shareholder of the Company.

Pursuant to the Management Agreement, Caravel makes Mr. Hislop available to provide management services to the Company; Mr. Hislop acted as President, CEO, and director of the Company during the most recently completed financial year. Pursuant to the Management Agreement, Caravel provides a variety of services to the Company, as required, including administering the Company's day to day affairs, liaising with auditors, accountants and legal counsel, developing financial plans for the exploration of the Company's oil and gas properties, assisting with the negotiation of acquisitions of additional resource properties, negotiating financings, coordinating the dissemination of material information respecting the Company to the public and the Company's shareholders in accordance with securities laws, and ensuring regulatory compliance by coordinating all appropriate regulatory filings with the Company's auditors and legal counsel.

Caravel also provides standard office and administrative services to the Company pursuant to the Management Agreement, including the provision of head office space, telephone, fax, copying and other standard office services. Provided that Caravel is not in default under the Management Agreement, the agreement will automatically renew for additional monthly terms unless Caravel or the Company gives 30 days' notice to the other party that it does not intend to renew the agreement. Otherwise, the Management Agreement contains no provisions with respect to change of control, severance, termination, or constructive dismissal. The Management Agreement contains confidentiality provisions which prohibit Caravel, except as authorized or required by its duties, from divulging any trade secrets, secret or confidential operations, processes or dealings or any information concerning the organization, business, finances, transactions, or other affairs of the Company.

During the Company's most recently completed financial year, Caravel invoiced a total of $120,000 for administration services provided. Since the end of the most recently completed financial year, Caravel has continued to invoice the Company at the rate of $10,000 per month for administration services provided. Other than as disclosed elsewhere in this Information Circular, neither Mr. Hislop nor his associates or affiliates was indebted to the Company or its subsidiaries or party to any other transaction or arrangement with the Company or its subsidiaries, at any time since the commencement of the last completed financial year.

**Oversight and Description of Director and Named Executive Officer Compensation**

The Company does not have a Compensation Committee. All decisions relating to compensation of the Company's directors and executive officers are made by the full Board. Compensation is determined based on factors considered relevant and appropriate, including the level of service provided, the background and expertise of the individual director or officer, amounts paid by other companies in similar industries at similar stages of development, and compensation levels necessary to attract, retain and develop management of a high calibre. Decisions as to compensation are not made at any regularly scheduled interval but are reviewed on an ad hoc basis as the need arises.

The Company's compensation structure has two primary components, cash compensation and share-based compensation in the form of incentive stock options. For the most recently completed financial year, John R. Hislop, the Company's President and CEO, was paid $10,000 per month, being $120,000 for the year, to his wholly owned company, Caravel. The amounts paid to Caravel are based on the Board's subjective assessment of the value to the Company of the range of services provided by Caravel. See "Employment, Consulting and Management Agreements" for further particulars of the Company's agreement with Caravel. For the most recently completed financial year, Scott R. Hislop, the Company's CFO, received $500 per month, being $6,000 for the year, again based on the Board's subjective assessment of fair compensation for the services provided. Otherwise, the compensation paid to NEOs is not based on any specific performance criteria or goals.

The Company may pay bonuses or grant stock options to directors and officers on an ad hoc basis, based on the same subjective performance criteria referred to in the foregoing and other performance criteria considered relevant by the Board. No bonuses or stock options were paid or granted during the most recently completed financial year.

Although it does not currently have stock options issued and outstanding in favour of its directors or officers, the Company regards the strategic use of incentive stock options as a significant component of its compensation structure. In evaluating option grants, the Board evaluates a number of factors including, but not limited to: (i) the number of options already held by an individual; (ii) a fair balance between the number of options held by an individual and those held by other directors or officers, in light of their responsibilities and objectives; and (iii) the value of the options (generally determined using a Black-Scholes analysis) as a component of the individual's overall compensation.

No significant events occurred during the most recently completed financial year that significantly affected compensation. While the Board considers amounts paid by other companies in similar industries at similar stages of development in determining compensation, no specifically selected peer group has been identified as a comparable. No significant changes were made to the Company's compensation policies since the commencement of the most recently completed financial year.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details of the Company's compensation plans as of December 31, 2023, under which common shares are authorized for issuance, aggregated as follows:

| Plan Category | Number of securities to be issued upon exercise of outstanding options, warrants and rights | Weighted-average exercise price of outstanding options, warrants and rights | Number of securities remaining available for future issuance under equity compensation plans |
|---|---|---|---|
| Equity compensation plans approved by securityholders | Nil | N/A | 1,450,588 |
| Equity compensation plans not approved by securityholders | Nil | N/A | N/A |
| Total | Nil | N/A | 1,450,588 |

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No executive officer, director, employee, former executive officer, former director, former employee, proposed nominee for election as a director, or associate of any such person has been indebted to the Company or its subsidiaries at any time since the commencement of the Company's last completed financial year. No guarantee, support agreement, letter of credit or other similar arrangement or understanding has been provided by the Company or its subsidiaries at any time since the beginning of the most recently completed financial year with respect to any indebtedness of any such person.

## AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

### Audit Committee Charter

National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators ("**NI 52-110**") requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee (the "**Audit Committee**") and its relationship with its independent auditor.

The Company's Audit Committee is governed by an Audit Committee charter (the "**Charter**"), the text of which is attached as Schedule A to this Information Circular.

### Composition of the Audit Committee

The Company's Audit Committee is comprised of three Directors: John R. Hislop, Alistair Palmer, and Fletcher FitzGibbon. Two of the three Directors meet the independence requirement set out in NI 52-110. John R. Hislop is not independent by virtue of being an executive officer of the Company, while Alistair Palmer and Fletcher FitzGibbon are independent.

All of the Audit Committee members are “financially literate” within the meaning of NI 52-110 and have the ability to understand and evaluate 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 Company’s financial statements.

**Relevant Education and Experience**

Mr. Hislop is a Chartered Professional Accountant, Canada, with a Bachelor of Commerce from the University of British Columbia and McGill University. Mr. Hislop has been serving as an officer and director on various emerging growth companies in the natural resource and technology sector.

Mr. Palmer has a Bachelor of Arts degree from the University of Victoria. Mr. Palmer was the President and owner of J. A. Palmer and Associates Inc., a consulting and marketing, graphic design and branding company. Mr. Palmer is currently a director of Strikewell Energy Corp., a TSX Venture Exchange listed company, and has served as a director of Patriot Petroleum Corp. and NRG Investments Inc. Mr. Palmer also worked as a sales and account manager for Detroit Creative Design, a graphic design company.

Mr. FitzGibbon is a Chartered Professional Accountant, Canada, with experience in the energy, greenhouse gas, and emerging technology sectors. Mr. FitzGibbon is currently a consultant with clients in both the public and private sectors. Previous roles held by Mr. FitzGibbon include Director of Finance at AYO Energy Solutions, a Vancouver-based energy firm, and Manager at KPMG LLP, an international accounting firm. Mr. FitzGibbon has a Masters of Professional Accounting from the University of Saskatchewan and a Bachelor of Commerce from the University of Victoria.

**Audit Committee Oversight**

Since the commencement of the Company’s most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

**Reliance on Certain Exemptions**

Since the commencement of the Company’s most recently completed financial year, the Company has not relied on exemptions in relation to “*De Minimis Non-Audited Services*” or any exemptions provided in Part 8 of NI 52-110.

**Pre-Approval Policies and Procedures**

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Company’s Board, and where applicable the Audit Committee, on a case-by-case basis.

### External Auditor Service Fees

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice, and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The fees billed by the Company's auditor in each of the last two fiscal years, by category, are as follows:

| Financial Year Ending | Audit Fees ($) | Audit Related Fees (1) ($) | Tax Fees (2) ($) | All Other Fees ($) |
|---|---|---|---|---|
| December 31, 2023 | 50,000 | Nil | 3,500 | Nil |
| December 31, 2022 | 50,000 | 793 | Nil | Nil |

**Notes:**

(1) Canadian Public Accounting Board fees.
(2) Preparation of T2 corporation income tax returns and related schedules.

### Exemption

The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

## CORPORATE GOVERNANCE DISCLOSURE

Under National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("**NI 58-101**"), the Company is required to disclose information relating to its corporate governance practices. The following is a summary of the Company's Corporate Governance Practices.

### Board of Directors

The Board has determined that two (2) out of three (3) of the current Directors are independent for the purposes of NI 58-101. The Company's independent Directors are Alistair Palmer and Fletcher FitzGibbon, as they have no direct or indirect material relationship with the Company. John R. Hislop is not considered to be independent Director by virtue of being an executive officer of the Company.

### Directorships

In addition to serving as Director, the following Directors are also directors of the reporting issuers or equivalent, as set out beside such Director's name:

- Alistair Palmer – Strikewell Energy Corp.

**Orientation and Continuing Education**

Due to the size of the Company's current Board, the Board does not have a formal process of orientation or education program for the new members of the Board.

**Ethical Business Conduct**

The Board currently has a written Code of Business Conduct for its directors, officers and employees and views good corporate governance as an integral component to the success of the Company. Additionally, the Board has found that the fiduciary duties placed on individual directors of the Company's governing corporate legislation, and the common law and the restrictions placed by the applicable corporate legislation on an individual directors' participation in decisions of the Board in which the director has an interest also ensures that the Board operates independently of management and in the best interests of the Company.

In considering a transaction in which a director or executive officer has a material interest, the director or executive officer is required to disclose the nature and extent of his interest to the Board and to abstain from voting on any resolution pertaining to the transaction. The Company will not proceed with a proposed transaction unless it is first approved by a majority of its directors that do not have a conflict of interest with respect to the transaction.

The Board may establish an independent committee from time-to-time to consider transactions or agreements in respect of which a director or executive officer has a material interest.

**Compensation and Nomination of Directors**

All decisions relating to compensation and nominations are made by the Board. The Board undertakes an annual review of compensation issues and practices as they affect the Company during each calendar year.

**Other Board Committees**

The Board has an Audit Committee which is comprised of John R. Hislop as the Chairman of the Committee, Alistair Palmer, and Fletcher FitzGibbon. The Company's Audit Committee is governed by an Audit Committee Charter.

**Assessments**

Due to the size of the Company's current Board, the Board does not formally review individual members of the Board or committee members and their contributions. However, the Company does have a Board Effectiveness Survey in place.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### RECEIPT OF FINANCIAL STATEMENTS

The directors will place before the Meeting the audited consolidated financial statements for the financial year ended December 31, 2023, together with the auditors' reports thereon.

### ELECTION OF DIRECTORS

Management intends to propose for adoption an ordinary resolution that the number of directors of the Company be fixed at three, subject to such increase as may be permitted by the articles of the Company.

Each director of the Company is elected annually and holds office until the next Annual General Meeting of the shareholders unless that person ceases to be a director before then. In the absence of instructions to the contrary, the shares represented by proxy will, on a poll, be voted for the nominees herein listed. Management does not contemplate that any of the nominees will be unable to serve as a director.

The following table sets out the names of the persons to be nominated for election as directors, the positions, and offices which they presently hold with the Company, their respective principal occupations, and the number of common shares which each beneficially owns, directly or indirectly, or over which control or direction is exercised, as of the date of this Information Circular:

| Name of Nominee, Residence and Present Positions Held | Principal Occupation | Director Since | Number of Common Shares Beneficially Owned or Controlled |
|---|---|---|---|
| **John R. Hislop** (1)<br>Hampshire, England<br><br>President, CEO, Chairman of the Board and Director | Director, President, CEO and Chairman of the Board of the Company. | October 15, 2001 | 2,390,801 |
| **Alistair Palmer** (1)<br>British Columbia, Canada<br><br>Director | Director of the Company; Director of Strikewell Energy Corp. (TSX-V: SKK) since June 2011; President and Owner of J.A. Palmer & Associates Inc., a consulting marketing, graphic design and branding company from 1989 to 2019. | September 8, 2010 | Nil |
| **Fletcher FitzGibbon** (1)<br>British Columbia, Canada<br><br>Director | Director of the Company; Principal at Arrowmaker Advisory & Accounting, a private financial and accounting consulting firm. | October 24, 2014 | Nil |

**Note:**
(1) Member of the Audit Committee.

The terms of office of those nominees who are presently Directors will expire as of the date of the Meeting. All of the Directors who are elected at the Meeting will have their term of office expire at the next annual general meeting of the Company.

To the best of the Company's knowledge, no proposed director of the Company is, or within the 10 years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company that:

(a) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to an order 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 of director, chief executive officer or chief financial officer.

For the purposes of the preceding paragraph, "order" means a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, and which, in each case, was in effect for a period of more than 30 consecutive days.

No proposed director of the Company is, at the date of this Information Circular, or has been within the 10 years before the date of this Information Circular, a director or executive officer of any company that, while that person was acting in that capacity, or within one 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.

Other than as set out below, no proposed director of the Company or personal holding company of a proposed director has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director. On March 19, 2024, Mr. Alistair Palmer appointed a trustee and filed a Notice to Creditors of Consumer Proposal pursuant to Paragraph 66.14(b) of the Act. Mr. Alistair Palmer has not made any declarations of bankruptcy and is not an undischarged bankrupt.

No proposed director of the Company, or personal holding company of a proposed director, has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) 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.

The above information was provided by management of the Company.

## APPOINTMENT OF AUDITOR

Management recommends that Geib & Company ("**Geib**"), 10201 Southport Rd SW, Suite 1020, Calgary, AB, T2Q 4X9, to serve as the auditor of the Company until the close of the next annual general meeting of the Shareholders and the authorization of directors of the Company to fix the auditor's remuneration.

Geib was first appointed on September 7, 2023, following the resignation of the Company's former auditor, Smythe LLP.

The Notice of Change of Auditor required pursuant to National Instrument 51-102 and response letters from the former auditor and the successor auditor are attached hereto as Schedule "B".

In the absence of instructions to the contrary, the shares represented by proxy will, on a poll, be voted for the re-appointment of Geib, as auditor of the Company to hold office until the next annual general meeting of Shareholders and the authorization of the directors of the Company to fix the auditor's remuneration.

## OTHER MATTERS TO BE ACTED UPON

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment thereof. The Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice. Should any other matters properly come before the Meeting, the shares represented by the Proxy solicited hereby will be voted on such matter in accordance with the best judgement of the persons voting by Proxy.

## ADDITIONAL INFORMATION

Additional Information concerning the Company is available on SEDAR+ at www.sedarplus.ca. Financial Information concerning the Company is provided in the Company's comparative financial statements and Management's Discussion and Analysis for the financial year ended December 31, 2023. Shareholders wishing to obtain a copy of the Company's financial statements and Management's Discussion and Analysis may contact the Company as follows:

XXL Energy Corp.
RPO Box 60610 Granville Park
Vancouver, British Columbia
Canada, V6H 4B9
Telephone: (604) 331-3396
Fax: (604) 688-4712
E-mail: info@xxlenergy.ca

## BOARD APPROVAL

*The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.*

The contents of this Information Circular have been approved and its delivery to the Shareholders has been authorized by the Directors.

**DATED** at Vancouver, British Columbia, the 18th day of June, 2024.

**By Order of the Board**

***"John R. Hislop"***

John R. Hislop
President, CEO and Chairman of the Board

## SCHEDULE A

## XXL ENERGY CORP.
## (the "Corporation")

## Audit Committee Charter

### PURPOSE OF THE COMMITTEE

The purpose of the Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of the Corporation is to provide an open avenue of communication between management, the Corporation's independent auditor and the Board and to assist the Board in its oversight of:

- the integrity, adequacy and timeliness of the Corporation's financial reporting and disclosure practices;
- the Corporation's compliance with legal and regulatory requirements related to financial reporting; and
- the independence and performance of the Corporation's independent auditor.

The Committee shall also perform any other activities consistent with this Charter, the Corporation's articles and governing laws as the Committee or Board deems necessary or appropriate.

The Committee's role is one of oversight. Management is responsible for preparing the Corporation's financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with International Financial Reporting Standards ("**IFRS**"). Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The independent auditor's responsibility is to audit the Corporation's financial statements and provide its opinion, based on its audit conducted in accordance with generally accepted auditing standards, that the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Corporation in accordance with IFRS.

The Committee is responsible for recommending to the Board the independent auditor to be nominated for the purpose of auditing the Corporation's financial statements, preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, and for reviewing and recommending the compensation of the independent auditor. The Committee is also directly responsible for the evaluation of and oversight of the work of the independent auditor. The independent auditor shall report directly to the Committee.

### COMPOSITION

The Committee shall consist of at least three directors. Members of the Committee shall be appointed by the Board and may be removed by the Board in its discretion. The members of the Committee shall elect a Chairman from among their number. A majority of the members of the Committee must not be officers or employees of the Corporation or of an affiliate of the Corporation. The quorum for a meeting of the Committee is a majority of the members who are not officers or employees of the Corporation or of an affiliate of the Corporation. With the exception of the foregoing quorum requirement, the Committee may determine its own procedures.

**AUTHORITY AND RESPONSIBILITIES**

In addition to the foregoing, in performing its oversight responsibilities, the Committee shall:

1. Monitor the adequacy of this Charter and recommend any proposed changes to the Board.
2. Review the appointments of the Corporation's Chief Financial Officer and any other key financial executives involved in the financial reporting process.
3. Review with management and the independent auditor the adequacy and effectiveness of the Corporation's accounting and financial controls and the adequacy and timeliness of its financial reporting processes.
4. Review with management and the independent auditor the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related documents, prior to filing or distribution, including matters required to be reviewed under applicable legal or regulatory requirements.
5. Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.
6. Review the Corporation's financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.
7. Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by the Corporation, including consideration of the independent auditor's judgement about the quality and appropriateness of the Corporation's accounting policies. This review may include discussions with the independent auditor without the presence of management.
8. Review with management and the independent auditor significant related party transactions and potential conflicts of interest.
9. Pre-approve all non-audit services to be provided to the Corporation by the independent auditor.
10. Monitor the independence of the independent auditor by reviewing all relationships between the independent auditor and the Corporation and all non-audit work performed for the Corporation by the independent auditor.
11. Establish and review the Corporation's procedures for the:
    - receipt, retention and treatment of complaints regarding accounting, financial disclosure, internal controls or auditing matters; and
    - confidential, anonymous submissions by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.
12. Conduct or authorize investigations into any matters that the Committee believes is within the scope of its responsibilities. The Committee has the authority to retain independent counsel, accountants or other advisors to assist it, as it considers necessary, to carry out its duties, and to set and pay the compensation of such advisors at the expense of the Corporation.
13. Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting company in Parts 2 and 4 of Multilateral Instrument 52-110 of the Canadian Securities Administrators, the *Business Corporations* Act (British Columbia) and the articles of the Corporation.
14. Meet with the Corporation's officers, external auditors, or outside counsel, as necessary.

RPO Box 60610 GRANVILLE PARK
Vancouver, British Columbia
Canada V6H 4B9
Tel: 604-331-3396
Fax: 604-688-4712

## SCHEDULE "B"

# XXL Energy Corp.
# Notice of Change of Auditor

**To:** Geib & Company
Michelle So, Partner, Smythe LLP

**And To:** British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
Manitoba Securities Commission
Ontario Securities Commission
Nova Scotia Securities Commission
TSX Venture Exchange

**Re:** Notice of Change of Auditor (the "**Notice**") pursuant to Section 4.11 of National Instrument 51-102 -*Continuous Disclosure Obligations* ("**NI 51-102**")

This notice is prepared and delivered in accordance with section 4.11 of NI 51-102. We confirm that we have received the consent of Geib & Company ("**Geib**") effective September 6, 2023 to act as auditor of XXL Energy Corp. ("**XXL**").

In accordance with NI 51-102, XXL hereby states that:

1. Smythe LLP ("**Smythe**") issued a resignation letter on its own initiative as auditors of the Company effective August 10, 2023;
2. the resignation of Smythe has been approved by the audit committee of the Company and the board of directors of the Company;
3. the appointment of Geib was approved by the audit committee and the board of directors of the Company;
4. there was no modified opinion expressed in Smythe's report on any of the Company's financial statements relating to the period commencing at the beginning of the Company's two most recently completed financial years and ending on the date of resignation of Smythe; and
5. there have been no "reportable events" within the meaning assigned under subsection 4.11(1) of NI 51-102.

We thank you for your cooperation.

RPO Box 60610 GRANVILLE PARK
Vancouver, British Columbia
Canada V6H 4B9
Tel: 604-331-3396
Fax: 604-688-4712

DATED this 7th day of September, 2023.

**XXL ENERGY CORP.**

By: *"Scott R. Hislop"*

Name: Scott R. Hislop
Title: Chief Financial Officer

smythe

August 15, 2023

**Private and Confidential**

British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
The Manitoba Securities Commission
Ontario Securities Commission
Nova Scotia Securities Commission
TSX Venture Exchange

Dear Sirs/Mesdames:

**RE: XXL ENERGY CORP. (THE "COMPANY")**
**CHANGE OF AUDITOR**

We are writing in accordance with Section 4.11(5)(a) of National Instrument 51-102 *Continuous Disclosure Obligations* ("NI 51-102"). We wish to confirm that we have read the Notice of Change of Auditor of the Company dated August 15, 2023 and that based on our current knowledge we are in agreement with the information contained in such Notice.

Yours very truly,

Smythe LLP

Chartered Professional Accountants

SMYTHE LLP | **smythecpa.com**

**VANCOUVER**
1700–475 Howe St
Vancouver, BC V6C 2B3
T: 604 687 1231
F: 604 688 4675

**LANGLEY**
600–19933 88 Ave
Langley, BC V2Y 4K5
T: 604 282 3600
F: 604 357 1376

**NANAIMO**
201–1825 Bowen Rd
Nanaimo, BC V9S 1H1
T: 250 755 2111
F: 250 984 0886

GEIB & COMPANY
PROFESSIONAL CORPORATION
CHARTERED PROFESSIONAL ACCOUNTANTS

September 16, 2023

British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
The Manitoba Securities Commission
Ontario Securities Commission
Financial and Consumer Services Commission, New Brunswick
Nova Scotia Securities Commission
Prince Edward Island Securities Office
Government of Newfoundland and Labrador Financial Services Regulation Division
Office of the Superintendent of Securities, Government of the Northwest Territories
Office of the Superintendent of Securities, Government of Yukon, Department of Community Services
Government of Nunavut, Department of Justice

Dear Sir/Madam,

**Re: Change of Auditor of XXL Energy Corp.**

As required by subparagraph (6)(a)(ii) of section 4.11 of National Instrument 51-102, we have reviewed the change of auditor notice of XXL Energy Corp. dated September 16, 2023 (the "Notice") and based on our knowledge of such information at this time, we confirm that we are in agreement with the statements contained in the Notice as they relate to us.

Geib & Company
Professional Corporation

Geib & Company Professional Corporation
Chartered Professional Accountants

KD/mm

A member of Nexia International
Southland Park I, Suite 1020, 10201 Southport Road SW, Calgary AB T2W 4X9
P: 403.259.4519 • F: 403.255.0745 • W: geibco.com

THIS PAGE INTENTIONALLY LEFT BLANK

THIS PAGE INTENTIONALLY LEFT BLANK