

FORM 51-101F1  
STATEMENT OF RESERVES DATA  
AND OTHER OIL AND GAS INFORMATION

Oil and Gas Reserves and Net Present Value of Future Net Revenue

In accordance with National Instrument 51-101 – Standard of Disclosure for Oil and Gas Activities, MKM Engineering (“**MKM**”), independent petroleum engineering consultants, prepared a report (the “**MKM Report**”) dated February 21, 2025. This statement of reserves data and other oil and gas information in this Statement is in US dollars (“\$”). This statement was prepared on February 21, 2025 and is effective December 31, 2024.

The MKM Report evaluated, as of December 31, 2024, Sonoro Energy’s (the “**Company**”) Canadian conventional heavy oil and natural gas reserves. The tables below are a summary of the conventional heavy oil and natural gas reserves, as evaluated in the MKM Report utilizing forecast price and cost assumptions. The tables summarize the data contained in the MKM Report and as a result may contain slightly different numbers due to rounding. The net present value of future net revenue attributable to the Company’s reserves is stated without provision for interest costs and out of the country general and corporate administrative costs, but after providing for estimated royalties, production costs, development costs, other income, future capital expenditures, and well abandonment costs for only the wells assigned reserves by MKM. It should not be assumed that the undiscounted or discounted net present value of future net revenue attributable to the Company’s reserves estimated by MKM represent the fair market value of those reserves. Other assumptions and qualifications relating to the costs, prices for future production and other matters are summarized herein. The recovery and reserve estimates of the Company’s heavy oil and natural gas reserves provided herein are estimates only and there is not guarantee that the estimated reserves will be recovered. Actual reserves may be greater than or less than the estimates provided herein.

The MKM report is based on certain factual data supplied by the Company and MKM’s opinion of reasonable practice in the industry. The extent and character of ownership and all factual data pertaining the Company’s petroleum properties and contracts (except for certain information residing in the public domain) were supplied by Sonoro Energy to MKM and accepted without any further investigation. MKM accepted this data as presented and neither title searches nor filed inspections were conducted.

## Reserves Data – Forecast Prices and Costs

### Summary of Oil and Gas Reserves

#### Company Gross and Net Reserves

Reserves Category	Heavy Oil		Natural Gas		Natural Gas Liquids	
	Gross (Mbbbl)	Net (Mbbbl)	Gross (MMcf)	Net (MMcf)	Gross (Mbbbl)	Net (Mbbbl)
PROVED						
Developed Producing	19	18	0	0	0	0
Developed Non-Producing	0	0	0	0	0	0
Undeveloped	0	0	0	0	0	0
TOTAL PROVED	19	18	0	0	0	0
PROBABLE	12	11	0	0	0	0
TOTAL PROVED PLUS PROBABLE	31	29	0	0	0	0

### Net Present Value of Future Net Revenue of Oil and Gas Reserves

Reserves Category	Before Income Taxes Discounted at (% / year)				
	0% (\$US thousands)	5% (\$US thousands)	10% (\$US thousands)	15% (\$US thousands)	20% (\$US thousands)
PROVED					
Developed Producing	284	272	233	200	174
Developed Non-Producing	0	0	0	0	0
Undeveloped	0	0	0	0	0
TOTAL PROVED	284	272	233	200	174
PROBABLE	308	236	184	147	121
TOTAL PROVED PLUS PROBABLE	592	508	417	347	295

Reserves Category	After Income Taxes Discounted at (% / year)				
	0% (\$US thousands)	5% (\$US thousands)	10% (\$US thousands)	15% (\$US thousands)	20% (\$US thousands)
PROVED					
Developed Producing	281	269	231	198	173
Developed Non-Producing	0	0	0	0	0
Undeveloped	0	0	0	0	0
TOTAL PROVED	281	269	231	198	173
PROBABLE	305	234	182	146	119
TOTAL PROVED PLUS PROBABLE	586	503	413	344	292

Notes:

1. The crude oil and natural gas reserve estimates presented in the MKM Report have been based on the definitions and guidelines prepared by the Standing Committee on Reserves Definitions of the CIM (Petroleum Society) as presented in the Canadian Oil and Gas Evaluation (the “**COGE Handbook**”). A summary of those definitions is presented below.
2. Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulation, from a given date forward, based on (i) analysis of drilling, geological, geophysical and engineering data, (ii) the use of established technology, and (iii) specified economic conditions, which are generally accepted as being reasonable, and shall be disclosed.
3. Reserves are classified according to the degree of certainty associated with the estimates:
  - (a) Proved reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.
  - (b) Probable reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.
  - (c) Other criteria that must also be met for the categorization of reserves are provided in Section 1.4 7.2.1 of the COGE Handbook.
4. Each of the reserve categories (proved and probable) may be divided into developed and undeveloped categories.
  - (a) Developed reserves are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (for example, when compared to the cost of drilling a well) to put the reserves on production. The developed category may be subdivided into producing and non-producing.
  - (b) Developed producing reserves are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.
  - (c) Developed non-producing reserves are those reserves that either have not been on production, or have previously been on production, but are shut in, and the date of resumption of production is unknown.
  - (d) Undeveloped reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (for example, when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves classification (proved, probable) to which they are assigned.
5. The qualitative certainty levels referred to in the definition above are applicable to individual reserves entities (which refers to the lowest level at which reserves calculations are performed) and to reported reserves (which refers to the highest level sum of individual entity estimates for which reserves estimate are presented). Reported reserves should target the following levels of certainty under a specific set of economic conditions.
  - a. at least a 90 percent probability that the quantities actually recovered will equal or exceed the estimated proved reserves; and
  - b. at least a 50 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable reserves.
6. Additional clarification of certainty levels associated with reserves estimates and the effect of aggregation is provided in Section 5 of the COGE Handbook.
7. “Company Gross Reserves” are the total of the Company’s working and/or royalty interest share before deduction of royalties owned by others. It represents the Company’s percentage effective ownership interest in the property gross reserve.
8. “Company Net Reserves” are the total of the Company’s working interest share in reserves after deduction the amounts attributable to royalties plus the Company’s royalty interests in such reserves.

Additional Information Concerning Future Net Revenue – (Undiscounted)

Reserves Category	Revenue (M\$)	Royalties (M\$)	Operating Costs (M\$)	Development Costs (M\$)	Abandonment and Reclamation Costs (M\$)	Future Net Revenue Before Tax (M\$)	Income Tax (M\$)	Future Net Revenue After Tax (M\$)
Total Proved	1,034	58	585	0	107	284	3	281
Proved + Probable	1,642	94	772	71	112	592	6	586

*Future Net Income by Production Group*

	Future Net Revenue Before Future Income Tax Expenses Discounted at 10% (US\$M)	Net Unit Value Before Income Taxes Discounted at 10%, (US\$/Bbl., US\$/Mcf)
<b>Proved</b>		
Heavy Crude Oil	233	12.70
Conventional Natural Gas	-	-
<b>Proved plus Probable</b>		
Heavy Crude Oil	417	14.38
Conventional Natural Gas	-	-

**Pricing Assumptions – Forecast Prices, Costs and Oil and Gas Sales**

MKM employed the following oil and natural gas pricing and inflation rate assumptions as of January 1, 2025 in estimating the Company’s reserves data using forecast prices and costs. The Company received an average heavy oil price of US\$55.52 in 2024.

Year	Alberta Heavy Crude Oil (US\$/Bbl)	Natural Gas U.S. Henry Hub (US\$/MMBtu)	Inflation Rate %/Year
2024	54.95	3.50	0
2025	54.95	3.50	0
2026	55.65	3.83	2
2027	56.35	3.90	2
2028	57.48	3.98	2
2029	58.63	4.06	2
2030	59.80	4.14	2
2031	61.00	4.22	2
2032	62.22	4.31	2
2033	63.46	4.39	2
2034	64.73	4.48	2
2035	66.03	4.57	2
Thereafter	2%/yr.	2%/yr.	2

**RECONCILIATIONS OF CHANGES IN RESERVES AND FUTURE NET REVENUE**

**Reserves Reconciliation**

No reconciliation of Company Net Reserves, as at December 31, 2024, was done as the properties were drilled and commenced production in 2024.

**UNDEVELOPED RESERVES**

The following table sets forth the Company’s undeveloped reserves for the year ended December 31, 2024.

As of December 31, 2024  
**PROVED UNDEVELOPED RESERVES**

Period	Heavy Oil (Mbbbl)		Natural Gas (MMcf)	
	First Attributed	Booked at Year End	First Attributed	Booked at Year End
2024	0	0	0	0

**PROBABLE UNDEVELOPED RESERVES**

Period	Heavy Oil (Mbbbl)		Natural Gas (MMcf)	
	First Attributed	Booked at Year End	First Attributed	Booked at Year End
2024	0	0	0	0

Note: Booked refers to reserves assigned as undeveloped in the MKM report.

The following discussion generally describes the basis on which the Company attributes proved undeveloped reserves and its plans for developing those undeveloped reserves.

**Proved Undeveloped Reserves**

Sonoro Energy does not have any undeveloped reserves in this report.

## SIGNIFICANT FACTORS OR UNCERTANTITIES AFFECTING RESERVES DATA

The process of estimated reserves is complex. It requires significant judgments and decisions based on available geological, geophysical, engineering, and economic data. These estimates may change substantially as additional data from ongoing development activities and production performance becomes available and as economic conditions impacting oil and gas prices and costs change. The reserve estimates contained herein are based on current production forecasts, prices, and economic conditions. The Company's reserves are evaluated by MKM, an independent petroleum engineering firm.

As circumstances change and additional data become available, reserve estimates also change. Estimates made are reviewed and revised, either upward or downward, as warranted by the new information. Revisions are often required due to changes in well performance, prices, economics conditions, and governmental restrictions.

Although every reasonable effort is made to ensure that reserve estimates are accurate, reserve estimation is an inferential science. As a result, the subjective decisions, new geological or production information and a changing environment may impact these estimates. Revisions to reserve estimates can arise from changes in year-end oil and gas prices, and reservoir performance. Such revisions can be positive or negative.

## FUTURE DEVELOPMENT COSTS

The table below sets of the Company's share of the development costs deducted in the estimation of future net revenues attributable to proved and probable reserves using forecast prices and costs.

	Future Development Costs Forecast Prices and Costs	
Year	Proved US\$M	Proved Plus Probable US\$M
2024	0	0
2025	0	71
2026	0	0
2027	0	0
2028	0	0
2029	0	0
2030	0	0
Remaining Years	0	0
<b>Total</b>	<b>0</b>	<b>71</b>

## Land Holdings

The following table sets out the developed and undeveloped land holdings in acres of the Company as at December 31, 2024.

	Developed		Undeveloped		Total	
	Gross	Net	Gross	Net	Gross	Net
Canada	197	197	448	448	645	645
Totals	197	197	448	448	645	645

### Notes:

1. "Gross" refers to the total acres of the properties in which the Company has an interest.
2. "Net" refers to the total acres of the properties in which the Company has an interest, multiplied by the Company's ownership in each of the properties.

## OIL AND GAS PROPERTIES AND WELLS

The following table summarizes the Company's interest as at December 31, 2024 in wells that are producing and non-producing.

Producing Wells		Non-Producing Wells	
Oil and Natural Gas		Oil and Natural Gas	
Gross	Net	Gross	Net
1	1	0	0

### Notes:

1. "Gross" refers to the aggregate number of the wells in which the Company has an interest.
2. "Net" refers to the total number of the wells in which the Company has an interest, multiplied by the Company's ownership in each of the wells.

## Producing Wells

As at December 31, 2024, there is 1 producing oil well in the Kindersley Field located in Canada.

## Non-Producing Wells

As at December 31, 2024, there are no non-producing wells in the Kindersley Field located in Canada.

## PROPERTIES WITH NO ATTRIBUTED RESERVES

There are no properties with no attributed Reserves as at December 31, 2024.



## COSTS INCURRED

The following table summarizes the Company's property acquisition costs, exploration costs, and development costs for the year ended December 31, 2024.

	Year ended December 31, 2024 <u>US\$M</u>
Lease acquisition and retention	-
Geology and geophysical	-
Drilling and completion	79
Production equipment	-
Infrastructure	85
Capitalized general and administrative	-
Development	-
Decommissioning asset	-
<b>Company Gross</b>	<u>164</u>

### Cost by Category

Acquisition of proved properties	-
Acquisition of unproved properties	-
Exploration costs	-
Development costs	79
Other costs	85
<b>Company Gross</b>	<u>164</u>

### Further analysis of capital expenditures

The tables below summarize the Company's quarterly capital expenditures for the year ended December 31, 2024.

	Mar. 31, 2024	Quarter ended June 30, 2024	Sept. 30, 2024	Dec. 31, 2024
Property acquisition and retention	-	-	-	-
Geological and geophysical including Drilling and completion and production Equipment	76	3	-	-
Development and facilities	78	7	-	-
Power development	-	-	-	-
<b>Total</b>	<u>154</u>	<u>10</u>	<u>-</u>	<u>-</u>

## PRODUCTION ESTIMATES

The following table discloses for each product type the total volume of production estimated by MKM for 2025 in the of future net revenue from proved and proved plus probable reserves disclosed above under the heading “*Net Present Value of Future Net Revenue of Oil and Gas Reserves*”. Such volumes below reflect estimated production from Company Gross Reserves and Company Net Reserves (see notes 7 and 8 on page 2 above).

### 2025 Future Production

	Forecast Prices & Costs (Undiscounted)	
	Proved Reserves	Proved plus Probable Reserves
2025 Production (Gross)		
Heavy Oil (MBbm)	4	6
Gas(MMcf)	0	0
NGL(Mbbl)	0	0
Mboe*	4	6
2025 Production (Net)		
Light and Medium Oil(Mbbl)	4	6
Gas(MMcf)	0	0
NGL(Mbbl)	0	0
Mboe*	4	6

Note:

1. \*Boe conversion ratio of 6 MCF to 1 barrel of crude oil is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

## PRODUCTION HISTORY

The following tables disclose the Company's share of quarterly average gross daily production and the Company's net production for the year ended December 31, 2024.

		Q1 (March 2024)	Q2 (June 2024)	Q3 (September 2024)	Q4 (December 2024)	Total
<b>Average Daily Production</b>						
Company share of daily production	(bbl./d)	23	34	13	10	21
Company share of daily production	(mcf/d)	0	0	0	0	0
<b>Total Gross Production</b>						
Company share of gross production	(bbl.)	1,374	3,118	1,197	583	6,272
Company share of gross production	(Mcf)	0	0	0	0	0
<b>Average (\$/boe)</b>						
Average Sales Price Received	(US\$/bbl.)	57.55	60.60	52.00	51.16	57.41
Royalties Paid	(US\$/bbl.)	1.38	1.48	1.18	0.44	1.37
Operating Expenses	(US\$/bbl.)	47.86	38.17	58.53	71.63	47.29
Netback Received	(US\$/bbl.)	8.30	20.95	(7.71)	(20.91)	8.76