

**FORM 62-103F1  
EARLY WARNING REPORT**

**Item 1 – Security and Reporting Issuer**

**1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.**

This report relates to common shares ("**Common Shares**") and common share purchase warrants ("**Warrants**") of Lycos Energy Inc. ("**Lycos**")

The head office of Lycos is located at:

215 – 2<sup>nd</sup> Street SW, Suite 1900  
Calgary, AB T2P 1M4

**1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.**

Not applicable. The Common Shares and Warrants were disposed of pursuant to a distribution to the partners of CIP Energy Fund 1-A LP ("**Fund 1-A**") in connection with the dissolution of Fund 1-A pursuant to the terms of the limited partnership agreement of Fund 1-A and not through the facilities of a market.

See Items 2.2 and 3.1 below.

**2. Identity of the Acquiror**

**2.1 State the name and address of the acquiror.**

Carbon Infrastructure Partners Corp. ("**CIP**") is the investment advisor to each of Fund 1-A and JOG Limited Partnership No. VI ("**Fund VI**", and collectively with Fund 1-A, the "**Funds**") and in such capacity has discretionary investment management authority over the investment portfolio of each Fund and has control or direction over the securities held by each of them.

The address of CIP is as follows:

Carbon Infrastructure Partner Corp.  
440 2<sup>nd</sup> Ave SW, Suite 2370  
Calgary, AB T2P 5E9

The address of each of the Funds is as follows:

c/o Carbon Infrastructure Partner Corp.  
440 2<sup>nd</sup> Ave SW, Suite 2370  
Calgary, AB T2P 5E9

**2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.**

On May 15, 2024, Fund 1-A disposed of 3,571,429 Common Shares and 446,428 Warrants, representing all Common Shares and Warrants held by Fund 1-A. The disposition was the result of a distribution (the "**Distribution**") to the partners of Fund 1-A in connection with the dissolution of Fund 1-A pursuant to the terms of the limited partnership agreement of Fund 1-A.

**2.3 State the names of any joint actors.**

CIP and the Funds may be considered to be joint actors.

**Item 3 – Interest in Securities of the Reporting Issuer**

**3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror's securityholding percentage in the class of securities.**

Immediately prior to the Distribution, Fund 1-A held 446,428 Warrants, each such Warrant entitling the holder thereof to purchase one Common Share at an exercise price of \$2.24 per Common Share, subject to the terms and conditions attached to the Warrants. Immediately following the completion of the Distribution, Fund 1-A held no Warrants.

Immediately prior to the Distribution, Fund 1-A held 3,571,429 Common Shares and Fund VI held 2,343,750 Common Shares, for an aggregate of 5,915,179 Common Shares, representing in total approximately 12.0% of the issued and outstanding Common Shares (assuming exercise of all Warrants held by Fund 1-A immediately prior to the Distribution). Immediately following the completion of the Distribution, Fund 1-A held no Common Shares and Fund VI holds 2,343,750 Common Shares, representing in total approximately 4.4% of the issued and outstanding Common Shares.

**3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.**

See Items 2.2 and 3.1 above.

**3.3 If the transaction involved a securities lending arrangement, state that fact.**

Not applicable.

**3.4 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.**

See Item 3.1 above.

**3.5 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which**

**(a) the acquiror, either alone or together with any joint actors, has ownership and control,**

See Item 3.1 above.

**(b) the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and**

Not applicable.

- (c) **the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.**

Not applicable.

- 3.6 If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.**

Not applicable.

- 3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.**

Not applicable.

**State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.**

Not applicable.

- 3.8 If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.**

Not applicable.

#### **Item 4 – Consideration Paid**

- 4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.**

Not applicable.

- 4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.**

Not applicable.

**4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.**

The Distribution was effected in connection with the dissolution of Fund 1-A, pursuant to the terms of the limited partnership agreement of Fund 1-A. Pursuant to such agreement, each partner is entitled to receive its pro-rata interest in the assets of Fund 1-A in equal proportions upon dissolution.

**Item 5 – Purpose of the Transaction**

**State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer.**

**Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:**

- (a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;**
- (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;**
- (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;**
- (d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;**
- (e) a material change in the present capitalization or dividend policy of the reporting issuer;**
- (f) a material change in the reporting issuer's business or corporate structure;**
- (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;**
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;**
- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;**
- (j) a solicitation of proxies from securityholders;**
- (k) an action similar to any of those enumerated above.**

The Common Shares and Warrants were acquired by the Funds for investment purposes and have been disposed of as described herein by Fund 1-A in accordance with the dissolution and distribution provisions of the limited partnership agreement of Fund 1-A. CIP expects to review from time to time the investments of Fund VI in Lycos and may, depending on the market and other conditions: (i) cause an investment entity advised by it to acquire additional Common Shares in privately negotiated transactions or otherwise; and (ii) arrange for a disposition by Fund VI of all or

a portion of the Common Shares over which Fund VI now or hereafter controls or directs.

**Item 6 – Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer**

**Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.**

Pursuant to administration agreements between CIP and the general partners of each of the Funds, CIP has been delegated authority to manage each of the Funds' investments, including as to voting and disposition of securities held by each Fund.

**Item 7 – Change in Material Fact**

**If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities.**

CIP's early warning report dated May 19, 2023, reported that the Funds had acquired, pursuant to a business combination agreement and not through the facilities of a market, an aggregate of 47,321,428 Common Shares and 3,571,428 Warrants, representing in total approximately 15.8% of the issued and outstanding Common Shares, on a fully diluted basis.

As a result of certain transactions, including the Distribution, Fund 1-A holds no Common Shares or Warrants and Fund VI holds 2,343,750 Common Shares, representing in total approximately 4.4% of the issued and outstanding Common Shares.

**Item 8 – Exemption**

**If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.**

Not applicable.

*[Remainder of page intentionally left blank]*

## Item 9 – Certification

### Certificate

I, as the acquiror, or I, as the agent filing this report on behalf of an acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

**DATED** this 15<sup>th</sup> day of May, 2024.

**CARBON INFRASTRUCTURE PARTNERS  
CORP.**, as advisor to the general partners of  
each of of **CIP ENERGY FUND 1-A LP** and **JOG  
LIMITED PARTNERSHIP NO. VI**

By: (signed) "Craig Golinowski"  
Name: Craig Golinowski  
Title: President