

*This short form prospectus is a base shelf prospectus. This short form base shelf prospectus has been filed under legislation in each of the provinces of Canada (other than Québec) that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities, except where an exemption from such delivery requirements is available.*

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form base shelf prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.*

**Information has been incorporated by reference in this short form base shelf prospectus from documents filed with securities commissions or similar authorities in Canada.** Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of Westgate Energy Inc. at Suite 420, 2020 4 Street S.W., Calgary, Alberta, T2S 1W3 (Telephone: (403) 984-6724) and are also available electronically at [www.sedarplus.ca](http://www.sedarplus.ca).

## SHORT FORM BASE SHELF PROSPECTUS

New Issue

September 23, 2024



### WESTGATE ENERGY INC.

Common Shares  
Warrants  
Debt Securities  
Subscription Receipts  
Units

**\$30,000,000**

Westgate Energy Inc. (“**Westgate**” or the “**Corporation**”) may offer and issue, from time to time, common shares (“**Common Shares**”), Common Share purchase warrants (“**Warrants**”), debt securities (“**Debt Securities**”), subscription receipts (“**Subscription Receipts**”), or units (“**Units**”) comprised of one or more of the other securities described in this short form base shelf prospectus (the “**Prospectus**”) (all of the foregoing collectively, the “**Securities**”), or any combination thereof, for up to an aggregate initial offering price of \$30,000,000 (or the equivalent thereof in other currencies) during the 25-month period that this Prospectus, including any amendments hereto, remains effective. Securities may be offered separately or together, in amounts, at prices and on terms to be determined based on market conditions at the time of sale and set forth in an accompanying prospectus supplement (a “**Prospectus Supplement**”).

The specific terms of the Securities with respect to a particular offering will be set out in the applicable Prospectus Supplement. Where required by law, and where Securities are offered in currencies other than Canadian dollars, appropriate disclosure of foreign exchange rates applicable to the Securities will be included in the Prospectus Supplement describing the Securities.

This Prospectus does not qualify for issuance Securities that would constitute novel specified derivatives as defined in National Instrument 44-102, *Shelf Distributions* including Debt Securities, or Securities convertible or exchangeable into Debt Securities, in respect of which the payment of principal and/or interest may be determined, in whole or in part, by reference to one or more underlying interests including, for example, an equity or debt security, a statistical measure of economic or financial performance including, but not limited to, any currency, consumer price or mortgage index, or the price or value of one or more commodities, indices or other items, or any other item or formula, or any combination or basket of the foregoing items, other than as required to provide for an interest rate that is adjusted for inflation. For greater certainty, this Prospectus may qualify for issuance Debt Securities, or Securities convertible or exchangeable into Debt Securities, in respect of which the payment of principal and/or interest may be determined, in whole or in part, by reference to published rates of a central banking authority or one or more financial institutions, such as a prime rate or a bankers' acceptance rate, or to recognized market benchmark interest rates and/or convertible into or exchangeable for Common Shares.

All information permitted under applicable law to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be delivered to purchasers together with this Prospectus to the extent required under applicable securities laws. Each Prospectus Supplement will be incorporated by reference into this Prospectus for the purposes of securities legislation as of the date of the Prospectus Supplement and only for the purposes of the distribution of the Securities to which the Prospectus Supplement pertains.

The Corporation may offer and sell the Securities to or through underwriters or dealers purchasing as principals and may also sell directly to one or more purchasers or through agents or pursuant to applicable statutory exemptions. See "*Plan of Distribution*". The Prospectus Supplement relating to a particular offering of Securities will identify, if applicable, each underwriter, dealer or agent, as the case may be, engaged by the Corporation in connection with the offering and sale of the Securities, and will set forth the terms of the offering of such Securities, including, to the extent applicable, any fees, discounts or any other compensation payable to underwriters, dealers or agents in connection with the offering, the method of distribution of the Securities, the initial issue price (in the event that the offering is a fixed price distribution), the proceeds that the Corporation will, or expects to receive and any other material terms of the plan of distribution.

The Securities may be sold from time to time in one or more transactions at a fixed price or prices or at non-fixed prices.

If offered on a non-fixed price basis, the Securities may be offered at market prices prevailing at the time of sale, at prices determined by reference to the prevailing price of a specified Security in a specified market or at prices to be negotiated with purchasers. If offered on a non-fixed price basis, the compensation payable to an underwriter, dealer or agent in connection, if applicable, with any such sale will be decreased by the amount, if any, by which the aggregate price paid for Securities by the purchasers is less than the gross proceeds paid by the underwriter, dealer or agent to the Corporation. The price at which the Securities will be offered and sold may vary from purchaser to purchaser and during the period of distribution.

In connection with any offering of Securities, unless otherwise specified in a Prospectus Supplement, the underwriters, dealers or agents, as the case may be, may over-allot or effect transactions which stabilize, maintain or otherwise affect the market price of the Securities at a level other than those which otherwise might prevail on the open market. Such transactions may be commenced, interrupted or discontinued at any time. A purchaser who acquires Securities forming part of the underwriters', dealers' or agents' over-allocation position acquires those Securities under this Prospectus and the Prospectus Supplement relating to the particular offering of Securities, regardless of whether the over-allocation position is ultimately filled through the exercise of the over-allotment option or secondary market purchases. See "*Plan of Distribution*".

**The outstanding Common Shares are listed on the TSX Venture Exchange ("TSXV") under the trading symbol "WGT". Unless otherwise specified in the applicable Prospectus Supplement, no Securities, other than Common Shares, will be listed on any securities exchange.**

The Corporation's head office is located at Suite 420, 2020 4 Street S.W., Calgary, Alberta, T2S 1W3 and its registered and records office is located at 4600, 525 8 Avenue S.W., Calgary, Alberta, T2P 1G1.

Prospective purchasers should be aware that the acquisition of the Securities may have tax consequences in Canada. Prospective purchasers should read the tax discussion, if any, contained in the applicable Prospectus Supplement with respect to a particular offering of Securities.

**All dollar amounts in this Prospectus are expressed in Canadian dollars, except as otherwise indicated.**

**No underwriter has been involved in the preparation of this Prospectus nor has any underwriter performed any review of the contents of this Prospectus.**

**Investing in the Securities involves certain risks. Prospective purchasers should carefully consider all the information in this Prospectus and the documents incorporated by reference herein. See "*Risk Factors*".**

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## CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

Certain statements and information contained in this Prospectus and the documents incorporated by reference herein constitute forward-looking statements or forward-looking information (collectively “**forward-looking statements**”) within the meaning of applicable securities laws. All statements other than statements of historical fact are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words or phrases such as “will”, “may”, “is expected to”, “anticipates”, “estimates”, “intends”, “plans”, “projection”, “could”, “vision”, “goals”, “objective”, “outlook” or similar words suggesting future outcomes or language suggesting an outlook. In particular, this Prospectus and the documents incorporated by reference herein contain forward-looking statements with respect to, among other things, the following:

- the performance characteristics of the Corporation’s oil and natural gas properties;
- the proposed executive compensation of the directors and officers of the Corporation;
- oil, natural gas liquids (“NGLs”) and natural gas production levels;
- capital expenditure programs;
- the quantity of oil, natural gas and NGLs reserves;
- projections of market prices and operating costs;
- supply and demand for oil, natural gas and NGLs;
- expectations as to the intended business activities of the Corporation;
- the Corporation’s anticipated financial performance and available funds;
- expectations regarding the ability to raise capital and to continually add to reserves through acquisitions, exploration and development;
- treatment under governmental regulatory and royalty regimes and tax laws; and
- the ability to remediate sites and remedy spills, releases or emissions of various substances that may be produced in association with the Corporation’s petroleum and natural gas operations.

With respect to forward-looking statements contained in this Prospectus and the documents incorporated by reference herein, the Corporation had made assumptions regarding, among other things:

- commodity prices and royalty regimes (including royalty rates);
- availability of skilled labour;
- timing and amount of capital expenditures;
- the performance characteristics of oil and natural gas properties;
- the size of oil and natural gas reserves;
- future exchange rates;
- the impact of increasing competition;
- conditions in general economic and financial markets;
- access to capital;
- availability of drilling and related equipment;
- effects of regulation by governmental agencies;

- the continuation of current tax law and regulation; and
- future operating costs.

Although management of the Corporation believes that the expectations reflected in its forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. The actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this Prospectus and the documents incorporated by reference herein:

- failure of the Corporation to operate and grow its business effectively;
- the market price of the Common Shares at any given point in time may not accurately reflect the long-term value of the Corporation;
- the availability of financial resources to fund the Corporation's expenditures;
- volatility in market prices for oil and natural gas;
- liabilities inherent in oil and natural gas operations;
- uncertainties associated with estimating oil and natural gas reserves;
- competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel;
- geological, technical, drilling and processing problems;
- fluctuations in foreign exchange or interest rates and stock market volatility;
- changes in income tax laws and incentive programs relating to the oil and natural gas industry;
- the ability to effectively anticipate and assess changes to government policies and regulations, including those related to the environment;
- failure to realize anticipated benefits of acquisitions;
- global health crises, such as pandemics and epidemics, and the unexpected impacts related thereto;
- the forward-looking statements in this Prospectus or the documents incorporated by reference herein may prove inaccurate; and
- the other factors discussed under "Risk Factors".

Statements relating to "reserves" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions that the reserves described can be profitably produced in the future.

The above summary of assumptions and risks related to forward-looking statements are provided in this Prospectus and the documents incorporated by reference herein in order to provide prospective purchasers with a more complete perspective on the Corporation's current and future operations and such information may not be appropriate for other purposes. Prospective purchasers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking statements contained in this Prospectus and the documents incorporated by reference herein are expressly qualified by this cautionary statement. Except as required by applicable securities laws, the Corporation does not undertake any obligation or is under any duty to publicly update or revise any forward-looking statements. Prospective purchasers should also carefully consider the matters discussed under the heading "*Risk Factors*" in this Prospectus, the Filing Statement (as defined below) and the other documents incorporated by reference herein.

Prospective purchasers should read this entire Prospectus and consult their own professional advisors to ascertain and assess the income tax, legal, risk factors and other aspects of their investment in the Securities.

## FINANCIAL INFORMATION

All dollar amounts set forth in this Prospectus and the documents incorporated by reference herein are in Canadian dollars unless otherwise indicated, references to “dollars”, or “\$” are to Canadian dollars. All financial information in this Prospectus and the documents incorporated by reference herein has, unless stated otherwise, been derived from the financial statements presented in accordance with International Financial Reporting Standards.

### NOTES ON RESERVES DATA AND OTHER OIL AND GAS INFORMATION

All oil and natural gas reserve information contained in this Prospectus or the documents incorporated by reference herein has been prepared and presented in accordance with National Instrument 51-101, *Standards of Disclosure for Oil and Gas Activities* (“NI 51-101”).

#### Abbreviations

Oil and Natural Gas Liquids	
bbl	barrel
bbls	barrels
Mbbls	thousand barrels
bbbls/d	barrels per day

Natural Gas	
Mcf	thousand cubic feet
MMcf	million cubic feet
Mcf/d	thousand cubic feet per day
MMbtu	million British thermal units

Other	
boe	barrel of oil equivalent of natural gas and crude oil on the basis of 1 boe for 6 Mcf of natural gas (this conversion factor is an industry accepted norm and is not based on either energy content or current prices)
boe/d	barrel of oil equivalent per day
m <sup>3</sup>	cubic metres
Mboe	thousand barrels of oil equivalent

#### Caution Respecting Reserves Information

The determination of oil and natural gas reserves involves the preparation of estimates that have an inherent degree of associated uncertainty. Categories of proved and probable reserves have been established to reflect the level of these uncertainties and to provide an indication of the probability of recovery. The estimation and classification of reserves requires the application of professional judgment combined with geological and engineering knowledge to assess whether or not specific reserves classification criteria have been satisfied. Knowledge of concepts including uncertainty and risk, probability and statistics, and deterministic and probabilistic estimation methods is required to properly use and apply reserves definitions.

The recovery and reserve estimates of oil, NGLs and natural gas reserves provided herein are estimates only. Actual reserves may be greater than or less than the estimates provided herein. The estimated future net revenue from the production of the disclosed oil, NGLs and natural gas reserves does not represent the fair market value of these reserves.

## Caution Respecting Boe

This Prospectus and the documents incorporated by reference herein disclose certain estimated production information on a boe basis with natural gas converted to barrels of oil equivalent using a conversion factor of six Mcf to bbl of oil (6 Mcf:1 bbl). Condensate and other NGLs are converted to boe at a ratio of 1 bbl:1 bbl. Boe may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf:1 bbl is based roughly on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at sales point. This conversion conforms with NI 51-101 disclosure standards. Although the 6:1 conversion ratio is an industry-accepted norm, it is not reflective of price or market value differentials between product types. Based on current commodity prices, the value ratio between crude oil, NGLs and natural gas is significantly different from the 6:1 energy equivalency ratio. Accordingly, using a conversion ratio of 6 Mcf:1 bbl may be misleading as an indication of value.

## Definitions

Certain terms used in this Prospectus and the documents incorporated by reference herein describing reserves and other oil and natural gas information are defined below. Certain other terms and abbreviations used in this Prospectus and the documents incorporated by reference herein, but not defined or described, are defined in NI 51-101, CSA Staff Notice 51-324, *Revised Glossary to NI 51-101 Standards of Disclosure for Oil and Gas Activities* (“**CSA 51-324**”) or the Canadian Oil and Gas Evaluation Handbook (“**COGE Handbook**”) and, unless the context otherwise requires, shall have the same meanings herein as in NI 51-101, CSA 51-324 or the COGE Handbook.

## Reserves

Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on: (a) analysis of drilling, geological, geophysical and engineering data; (b) the use of established technology; and (c) specified economic conditions, which are generally accepted as being reasonable and shall be disclosed. Reserves are classified according to the degree of certainty associated with the estimates as follows:

“**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.

“**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.

“**possible reserves**” are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves.

Each of the reserves categories (proved, probable and possible) may be divided into developed and undeveloped categories as follows:

“**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.

“**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.

“**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.

“**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 category (proved, probable, possible) to which they are assigned.

In multi-well pools it may be appropriate to allocate total pool reserves between the developed and undeveloped categories or to subdivide the developed reserves for the pool between developed producing and developed non-producing. This allocation should be based on the estimator’s assessment as to the reserves that will be recovered from specific wells, facilities, and completion intervals in the pool and their respective development and production status.

The qualitative certainty levels referred to in the definitions 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 estimates are presented. Reported reserves should target the following levels of certainty under a specific set of economic conditions:

- at least a 90 percent probability that the quantities actually recovered will equal or exceed the estimated proved reserves;
- at least a 50 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable reserves; and
- at least a 10 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable plus possible reserves.

A quantitative measure of the certainty levels pertaining to estimates prepared for the various reserves categories is desirable to provide a clearer understanding of the associated risks and uncertainties. However, the majority of reserves estimates are prepared using deterministic methods that do not provide a mathematically derived quantitative measure of probability. In principle, there should be no difference between estimates prepared using probabilistic or deterministic methods.

### **Interests in Reserves, Production, Wells and Properties**

“**gross**” means: (i) in relation to a reporting issuer’s interest in production or reserves, its “company gross reserves”, which are the reporting issuer’s working interest (operating or non-operating) share before deduction of royalties and without including any royalty interests of the reporting issuer; (ii) in relation to wells, the total number of wells in which a reporting issuer has an interest; and (iii) in relation to properties, the total area of properties in which a reporting issuer has an interest.

“**net**” means: (i) in relation to a reporting issuer’s interest in production or reserves, the reporting issuer’s working interest (operating or non-operating) share after deduction of royalty obligations, plus the reporting issuer’s royalty interests in production or reserves; (ii) in relation to a reporting issuer’s interest in wells, the number of wells obtained by aggregating the reporting issuer’s working interest in each of its gross wells;

and (iii) in relation to a reporting issuer's interest in a property, the total area in which the reporting issuer has an interest multiplied by the working interest owned by the reporting issuer.

“**working interest**” means the percentage of undivided interest held by an issuer in the oil and/or natural gas or mineral lease granted by the mineral owner, Crown or freehold, which interest gives the reporting issuer the right to “work” the property (lease) to explore for, develop, produce and market the leased substances.

## **DOCUMENTS INCORPORATED BY REFERENCE**

Information has been incorporated by reference in this Prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of Westgate at Suite 420, 2020 4 Street S.W., Calgary, Alberta, T2S 1W3 (Telephone: (403) 984-6724) and are also available electronically at [www.sedarplus.ca](http://www.sedarplus.ca).

The following documents of the Corporation, which have been filed with Canadian securities commissions or similar authorities are specifically incorporated by reference in, and form an integral part of, this Prospectus:

- (a) the unaudited interim condensed consolidated interim financial statements of the Corporation for the three and six months ended June 30, 2024 and 2023 (the “**Q2 Financial Statements**”);
- (b) the management’s discussion and analysis of the Corporation for the three and six months ended June 30, 2024 (the “**Q2 MD&A**”);
- (c) the management information circular of the Corporation dated June 18, 2024 with respect to the annual and special meeting of shareholders of the Corporation held on July 17, 2024;
- (d) the audited annual consolidated financial statements of 763997 Alberta Ltd. (formerly, Target Capital Inc.) (“**TCI**”) for the years ended March 31, 2024 and 2023, together with the notes thereto and the independent auditor’s report thereon;
- (e) the management’s discussion and analysis of TCI for the year ended March 31, 2024;
- (f) the material change report of the Corporation dated June 3, 2024 with respect to the completion of the Transaction (as defined below);
- (g) the filing statement dated May 15, 2024 with respect to the Transaction (the “**Filing Statement**”) and which includes, amongst other things:
  - (i) the unaudited interim condensed consolidated financial statements of TCI for the three and nine months ended December 31, 2023;
  - (ii) the management’s discussion and analysis of TCI for the three and nine months ended December 31, 2023;
  - (iii) the audited annual consolidated financial statements of TCI for the years ended March 31, 2023 and 2022;
  - (iv) the management’s discussion and analysis of TCI for the year ended March 31, 2023;

- (v) the audited annual consolidated financial statements of Grafton Ventures Energy Holdings Corp. (“**Grafton**”) for the years ended December 31, 2023 and 2022;
  - (vi) the management’s discussion and analysis of Grafton for the year ended December 31, 2023;
  - (vii) the audited operating statements in respect of Grafton’s assets located in east-central Alberta in the Killam area for the nine months ended September 30, 2023 and for the year ended December 31, 2022;
  - (viii) the unaudited pro forma balance sheet as at December 31, 2023 for Grafton and TCI; and
  - (ix) the Form 51-101F1, *Statement of Reserves Data and Other Oil and Gas Information*, the Form 51-101F2, *Report on Reserves Data by Independent Qualified Reserves Evaluator or Auditor* and the Form 51-101F3, *Report of Management and Directors on Oil and Gas Disclosure* of Grafton, in each case, in respect of Grafton’s assets located in east-central Alberta in the Killam and Richdale areas (the “**Grafton Assets**”); and
- (h) the material change report of TCI dated March 25, 2024 with respect to the signing of the amalgamation agreement dated March 14, 2024 among TCI, Grafton and 2595456 Alberta Ltd., a wholly-owned subsidiary of TCI, in respect of the Transaction.

Any document of the type referred to in Section 11.1 of Form 44-101F1 (“**Form 44-101F1**”) of National Instrument 44-101, *Short Form Prospectus Distributions* (other than confidential material change reports, if any) filed by the Corporation with the securities commissions or similar regulatory authorities in Canada after the date of this Prospectus and all Prospectus Supplements, disclosing additional or updated information filed pursuant to the requirements of applicable securities legislation in Canada and during the period that this Prospectus is effective, shall be deemed to be incorporated by reference in this Prospectus. In addition, any “template version” of “marketing materials” (as defined in National Instrument 41-101, *General Prospectus Requirements*) filed after the date of a Prospectus Supplement and prior to the termination of the offering of Securities to which such Prospectus Supplement relates, shall be deemed to be incorporated by reference into such Prospectus Supplement. The documents incorporated or deemed to be incorporated herein by reference contain meaningful and material information relating to the Corporation and prospective purchasers of Securities should review all information contained in this Prospectus and the documents incorporated or deemed to be incorporated herein by reference.

Upon an annual information form and related annual consolidated financial statements being filed by the Corporation with the applicable securities regulatory authorities during the duration that this Prospectus is effective, the Filing Statement, the previous annual consolidated financial statements and all interim consolidated financial statements, and in each case the accompanying management’s discussion and analysis, any information circular (other than relating to an annual meeting of shareholders of the Corporation) filed prior to the commencement of the financial year of the Corporation in which the new annual information form is filed and material change reports filed prior to the commencement of the financial year of the Corporation in which the annual information form is filed shall be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of Securities under this Prospectus. Upon interim consolidated financial statements and the accompanying management’s discussion and analysis being filed by the Corporation with the applicable securities regulatory authorities during the duration that this Prospectus is effective, all interim consolidated financial statements and the accompanying management’s discussion and analysis filed prior to the new interim consolidated financial statements shall be deemed no longer to be incorporated by reference into this Prospectus for purposes of future offers and sales of Securities under this Prospectus. Upon a new information circular relating to an

annual meeting of shareholders of the Corporation being filed by the Corporation with the applicable securities regulatory authorities during the duration that this Prospectus is effective, the information circular for the previous annual meeting of shareholders of the Corporation shall be deemed no longer to be incorporated by reference into this Prospectus for purposes of future offers and sales of Securities under this Prospectus.

A Prospectus Supplement containing the specific terms of an offering of Securities and other information relating to the Securities will be delivered to prospective purchasers of such Securities together with this Prospectus to the extent required under applicable securities laws. Each Prospectus Supplement will be incorporated by reference into this Prospectus for the purposes of securities legislation as of the date of the Prospectus Supplement and only for the purposes of the distribution of the Securities to which the Prospectus Supplement pertains.

**Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained herein, or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein, modifies or supersedes such statement. Any statement so modified or superseded shall not constitute a part of this Prospectus, except as so modified or superseded. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of such a modifying or superseding statement shall not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.**

#### AVAILABLE INFORMATION

Prospective purchasers should rely only on information contained in this Prospectus or the documents incorporated by reference herein and any applicable Prospectus Supplement. The Corporation has not authorized anyone to provide prospective purchasers with different information. The Corporation is not making an offer of the Securities in any jurisdiction where the offer is not permitted. Prospective purchasers should not assume that the information contained in this Prospectus is accurate as of any date other than the date on the front of this Prospectus, unless otherwise noted herein or as required by law. It should be assumed that the information appearing in this Prospectus, or any Prospectus Supplement and the documents incorporated herein and therein by reference are accurate only as of their respective dates. The business, financial condition, results of operations and prospects of the Corporation may have changed since those dates.

The Corporation's website can be found at [www.westgateenergy.ca](http://www.westgateenergy.ca). The information on the Corporation's website is not incorporated by reference into this Prospectus and should not be considered a part of this Prospectus, and the reference to the Corporation's website in this Prospectus is an inactive textual reference only.

#### WESTGATE ENERGY INC.

Westgate is a Calgary based resources company engaged in the development and production of oil and natural gas in western Canada with operations in the Killam and Richdale areas of Alberta. The Corporation was formed on May 23, 2024, following the completion of a reverse takeover transaction whereby TCI and Grafton combined their respective businesses (the "**Transaction**"). Grafton was considered the reverse takeover acquirer for purposes of the Transaction.

Westgate is focused on the emerging Mannville Stack fairway located in East-Central Alberta and West-Central Saskatchewan. This fairway is characterized by known accumulations of medium and heavy oil and are being “unlocked” via the application of modern drilling techniques utilizing multi-lateral horizontal drilling. The application of these modernized multi-lateral drilling techniques has yielded some of the strongest oil economics throughout Western Canada.

Please refer to the Filing Statement for more information with respect to the business of the Corporation and its development.

## CONSOLIDATED CAPITALIZATION

The following table sets forth the unaudited consolidated capitalization of the Corporation as at June 30, 2024. This table should be read in conjunction with the Q2 Financial Statements and Q2 MD&A incorporated by reference herein.

Designation (authorized)	As at June 30, 2024 (unaudited)
Common Shares (unlimited)	\$14,442,601 (50,328,051 Common Shares)
Warrants <sup>(1)</sup>	16,485,068
Options <sup>(2)</sup>	Nil
RSUs <sup>(3)</sup>	Nil
DSUs <sup>(4)</sup>	Nil

Notes:

- (1) As of the date hereof, there were 16,485,068 Warrants outstanding. See “*Prior Sales*”.
- (2) As of the date hereof, there were 3,600,000 options (“**Options**”) outstanding pursuant to the Corporation’s omnibus equity incentive plan (the “**Omnibus Plan**”), with each Option entitling the holder to purchase one Common Share at an exercise price of \$0.30 per Common Share.
- (3) As of the date hereof, there were 1,674,000 restricted share units (“**RSUs**”) outstanding pursuant to the Omnibus Plan.
- (4) As of the date hereof, there were 126,000 deferred share units (“**DSUs**”) outstanding pursuant to the Omnibus Plan.

## USE OF PROCEEDS

Unless otherwise indicated in a Prospectus Supplement relating to a particular offering, the Corporation currently intends to use the net proceeds from the sale of the Securities to fund the acquisition of oil and gas properties in Western Canada, for capital expenditures related to the exploration, development and production of oil and gas properties and for other corporate purposes.

More detailed information regarding the use of proceeds from the sale of Securities, including any determinable milestones at the applicable time, will be described in a Prospectus Supplement and will include reasonable detail of the principal purposes of the proposed use of net proceeds in accordance with the requirements of Section 4.2 of Form 44-101F1, as well as the business objectives expected to be accomplished using the net proceeds of such offering and each significant event that must occur to accomplish such business objective, including the cost thereof, in accordance with Section 4.7 of Form 44-101F1. All expenses relating to an offering of Securities and any compensation paid to underwriters, dealers or agents, as the case may be, will be paid out of the proceeds from the sale of such Securities, unless otherwise stated in the applicable Prospectus Supplement. The Corporation may also, from time to time, issue securities otherwise than pursuant to a Prospectus Supplement.

## PLAN OF DISTRIBUTION

The Corporation may, from time to time, during the 25-month period that this Prospectus, including any amendments thereto, remains valid, offer for sale and issue up to an aggregate of \$30,000,000 in Securities hereunder.

The Corporation may offer and sell the Securities to or through underwriters or dealers purchasing as principals and may also sell directly to one or more purchasers or through agents or pursuant to applicable statutory exemptions. The Prospectus Supplement relating to a particular offering of Securities will identify each underwriter, dealer or agent, as the case may be, engaged by the Corporation in connection with the offering and sale of the Securities, and will set forth the terms of the offering of such Securities, including, to the extent applicable, any fees, discounts or any other compensation payable to underwriters, dealers or agents in connection with the offering, the method of distribution of the Securities, the initial issue price, the proceeds that the Corporation will receive and any other material terms of the plan of distribution. Any initial offering price and discounts, concessions or commissions allowed or reallocated or paid to dealers may be changed from time to time.

In addition, Securities may be offered and issued in consideration for the acquisition of other businesses, assets or securities by the Corporation or one of its subsidiaries. The consideration for any such acquisition may consist of the Securities separately, a combination of Securities or any combination of, among other things, Securities, cash and assumption of liabilities.

Securities may be sold from time to time in one or more transactions at a fixed price or prices or at prices which may be changed or at market prices prevailing at the time of sale, at prices related to such prevailing prices or at negotiated prices. The price at which the Securities will be offered and sold may vary from purchaser to purchaser and during the period of distribution.

In connection with the sale of the Securities, underwriters, dealers or agents may receive compensation from the Corporation or from other parties, including in the form of underwriters', dealers' or agents' fees, commissions or concessions. Underwriters, dealers and agents that participate in the distribution of the Securities may be deemed to be underwriters for the purposes of applicable Canadian securities legislation and any such compensation received by them from the Corporation and any profit on the resale of the Securities by them may be deemed to be underwriting commissions.

In connection with any offering of Securities, except as otherwise set out in a Prospectus Supplement relating to a particular offering of Securities, the underwriters, dealers or agents, as the case may be, may over-allot or effect transactions intended to fix, stabilize, maintain or otherwise affect the market price of the Securities at a level other than those which otherwise might prevail on the open market. Such transactions may be commenced, interrupted or discontinued at any time.

Underwriters, dealers or agents who participate in the distribution of the Securities may be entitled, under agreements to be entered into with the Corporation, to indemnification by the Corporation against certain liabilities, including liabilities under Canadian securities legislation, or to contributions with respect to payments which such underwriters, dealers or agents may be required to make in respect thereof. Such underwriters, dealers and agents may be customers of, engage in transactions with, or perform services for, the Corporation in the ordinary course of business.

**Unless otherwise specified in the applicable Prospectus Supplement, each series or issue of Securities (other than Common Shares) will be a new issue of Securities with no established trading market. Accordingly, there is currently no market through which the Securities (other than Common Shares) may be sold and purchasers may not be able to resell such Securities purchased**

**under this Prospectus. This may affect the pricing of such Securities in the secondary market, the transparency and availability of trading prices, the liquidity of such Securities and the extent of issuer regulation. See “Risk Factors”.**

This Prospectus constitutes a public offering of these Securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such Securities.

## **EARNINGS COVERAGE RATIO**

Earnings coverage ratios will be provided in the applicable Prospectus Supplement relating to any offering of Debt Securities having a term to maturity in excess of one year, as required by applicable securities laws.

## **DESCRIPTION OF SECURITIES**

### **Common Shares**

Westgate is authorized to issue an unlimited number of Common Shares. As of the date of this Prospectus, there were 50,328,051 Common Shares issued and outstanding. Each Common Share carries the right to one vote. Holders of Common Shares are entitled to receive any dividends declared by the board of directors of the Corporation in respect of the Common Shares. In the event of the liquidation, dissolution or winding-up of the Corporation, holders of Common Shares are also entitled to receive, on a *pro rata* basis, the remaining property and assets of the Corporation available for distribution after payment of all its liabilities. The outstanding Common Shares are listed on the TSXV under the trading symbol “WGT”.

### **Warrants**

The following description of Warrants sets forth certain general terms of Warrants that may be offered under this Prospectus and in respect of which a Prospectus Supplement may be filed. The Corporation will provide particular terms of a series of Warrants and a description of how the general terms described below may apply to that series in the Prospectus Supplement relating to such series. Prospective purchasers should rely on information in the applicable Prospectus Supplement if it is different from the following information.

Warrants will be issued under one or more indentures (each, a “**Warrant Indenture**”), in each case, between the Corporation and an appropriately qualified institution authorized to carry on business as a warrant agent (each, a “**Warrant Agent**”). The description below is not exhaustive and is subject to, and qualified in its entirety by reference to, the detailed provisions of the applicable Warrant Indenture. Accordingly, reference should also be made to the applicable Warrant Indenture, a copy of which will be filed by the Corporation with applicable securities commissions or similar regulatory authorities in Canada after it has been entered into, and will be available electronically at [www.sedarplus.ca](http://www.sedarplus.ca).

Warrants may be offered separately or in combination with one or more other Securities.

A Prospectus Supplement relating to Warrants will describe the terms of the Warrants being offered including, where applicable, the following:

- the designation of the Warrants;
- the aggregate number of Warrants offered and the offering price;

- the currency or currencies in which the Warrants will be offered and in which the exercise price is payable;
- the designation, number and terms of the Common Shares and/or other Securities purchasable upon exercise of the Warrants, and procedures that will result in the adjustment of those numbers;
- the exercise price of the Warrants;
- the dates on which the Warrants will expire, including any provision for the extension or reduction of an expiry date, or the method of determining such dates;
- whether the Warrants will be listed on any securities exchange;
- the identity of the Warrant Agent;
- whether the Warrants and the Securities underlying the Warrants will be issued in registered form or in the form of temporary or permanent global securities, and the basis of, and limitations relating to, the exercise, exchange, transfer and ownership thereof and the Securities underlying the Warrants;
- provisions applicable to amendment of the Warrant Indenture; and
- any other material terms, conditions or other provisions (including covenants) applicable to the Warrants.

A Prospectus Supplement may include specific variable terms pertaining to the Warrants that are not within the alternatives and parameters described in this Prospectus.

## **Debt Securities**

The following description of Debt Securities sets forth certain general terms of Debt Securities that may be offered under this Prospectus and in respect of which a Prospectus Supplement may be filed. The Corporation will provide particular terms of a series of Debt Securities and a description of how the general terms described below may apply to that series in the Prospectus Supplement relating to such series. Prospective purchasers should rely on information in the applicable Prospectus Supplement if it is different from the following information.

Debt Securities will be issued under one or more indentures (each, a “**Debt Indenture**”), in each case, between the Corporation and one or more appropriately qualified institutions authorized to carry on business as a debenture trustee (each, a “**Debenture Trustee**”). The description below is not exhaustive and is subject to, and qualified in its entirety by reference to, the detailed provisions of the applicable Debt Indenture, a copy of which will be filed by the Corporation with applicable securities commissions or similar regulatory authorities in Canada after it has been entered into, and will be available electronically at [www.sedarplus.ca](http://www.sedarplus.ca).

Debt Securities may be offered separately or in combination with one or more other Securities. The Corporation may also, from time to time, issue Debt Securities and incur additional indebtedness other than pursuant to Debt Securities issued under this Prospectus.

Debt Securities may be issued from time to time in one or more series. The Corporation may specify a maximum aggregate principal amount for the Debt Securities of any series and, unless otherwise provided in the applicable Prospectus Supplement, a series of Debt Securities may be reopened for issuance of additional Debt Securities of that series.

A Prospectus Supplement relating to Debt Securities will describe the terms of the Debt Securities being offered including, where applicable, the following:

- the designation of the Debt Securities;
- the aggregate principal amount of Debt Securities offered and the offering price (at par, at a discount or at a premium);
- the currency or currencies in which the Debt Securities will be offered and in which the principal and any premium or interest is payable;
- the dates on which the Debt Securities will mature, including any provision for the extension or reduction of a maturity date, or the method of determining such dates;
- the rates per annum (either fixed or floating) at which the Debt Securities will bear interest (if any) and, if floating, the method of determining such rates;
- the dates from which any interest obligation (if any) will accrue and on which interest will be payable, and the record dates for the payment of interest or the method of determining such dates;
- any provisions for subordination of the Debt Securities to other indebtedness of the Corporation;
- any redemption terms, or terms under which the Debt Securities may be defeased prior to maturity;
- any repayment or sinking fund provisions;
- any events of default;
- any conversion terms, including the conversion price, and the designation, number and terms of the Common Shares and/or other Securities that may be obtained upon conversion of the Debt Securities, and procedures that will result in the adjustment of those numbers;
- any ability of the Corporation to satisfy all or a portion of any redemption of the Debt Securities, payment of any premium or interest thereon, or repayment of the principal owing upon the maturity through the issuance of securities of the Corporation or of any other entity, and any restrictions on the persons to whom such securities may be issued;
- whether the Debt Securities will be listed on any securities exchange;
- the identity of the Debenture Trustee;
- whether the Debt Securities and any Securities underlying the Debt Securities will be issued in registered form or in the form of temporary or permanent global securities, and the basis of, and limitations relating to, the conversion (if applicable), exchange, transfer and ownership thereof and any Securities underlying the Debt Securities;
- provisions applicable to amendment of the Debt Indenture; and
- any other material terms, conditions or other provisions (including covenants) applicable to the Debt Securities.

A Prospectus Supplement may include specific variable terms pertaining to the Debt Securities that are not within the alternatives and parameters described in this Prospectus.

Unless otherwise indicated in the applicable Prospectus Supplement, the Debt Securities will be direct unsecured obligations of the Corporation. The Debt Securities will be senior or subordinated indebtedness of the Corporation as described in the applicable Prospectus Supplement. If the Debt Securities are senior indebtedness, they will rank equally and rateably with all other unsecured indebtedness of the Corporation from time to time issued and outstanding which is not subordinated. If the Debt Securities are subordinated indebtedness, they will be subordinated to senior indebtedness of the Corporation as described in the applicable Prospectus Supplement, and they will rank equally and rateably with other subordinated indebtedness of the Corporation from time to time issued and outstanding as described in the applicable Prospectus Supplement. The Corporation reserves the right to specify in a Prospectus Supplement whether

a particular series of subordinated Debt Securities is subordinated to any other series of subordinated Debt Securities.

### **Subscription Receipts**

The following description of Subscription Receipts sets forth certain general terms of Subscription Receipts that may be offered under this Prospectus and in respect of which a Prospectus Supplement may be filed. The Corporation will provide particular terms of a series of Subscription Receipts and a description of how the general terms described below may apply to that series in the Prospectus Supplement relating to such series. Prospective purchasers should rely on information in the applicable Prospectus Supplement if it is different from the following information.

Subscription Receipts will be issued under one or more subscription receipt agreements (each, a “**Subscription Receipt Agreement**”), in each case, between the Corporation and one or more appropriately qualified institutions authorized to carry on business as an escrow agent (each, an “**Escrow Agent**”). The description below is not exhaustive and is subject to, and qualified in its entirety by reference to, the detailed provisions of the applicable Subscription Receipt Agreement, a copy of which will be filed by the Corporation with applicable securities commissions or similar regulatory authorities in Canada after it has been entered into, and will be available electronically at [www.sedarplus.ca](http://www.sedarplus.ca).

Subscription Receipts may be offered separately or in combination with one or more other Securities.

A Subscription Receipt will entitle the holder thereof to receive a Common Share and/or other Securities, for no additional consideration, upon the completion of a particular transaction or event, typically an acquisition of the assets or securities of another entity by the Corporation or one or more of its subsidiaries. The subscription proceeds from an offering of Subscription Receipts will be held in escrow by an Escrow Agent pending the completion of a transaction or the termination time (the time at which the escrow terminates regardless of whether the transaction or event has occurred). Holders of Subscription Receipts will receive Common Shares and/or other Securities upon the completion of the particular transaction or event or, if the transaction or event does not occur by the termination time, a return of the subscription funds for their Subscription Receipts together with any interest or other income earned thereon.

A Prospectus Supplement relating to Subscription Receipts will describe the terms of the Subscription Receipts being offered including, where applicable, the following:

- the designation of the Subscription Receipts;
- the aggregate number of Subscription Receipts offered and the offering price;
- the currency or currencies in which the Subscription Receipts will be offered;
- the designation, number and terms of the Common Shares and/or other Securities that may be obtained upon conversion of the Subscription Receipts, and procedures that will result in the adjustment of those numbers;
- the conditions that must be met for holders of such Subscription Receipts to receive, for no additional consideration, Common Shares and/or other Securities;
- the terms relating to the holding and release of the gross proceeds from the sale of the Subscription Receipts plus any interest and income earned thereon;
- whether the Subscription Receipts will be listed on any securities exchange;
- the identity of the Escrow Agent;

- whether the Subscription Receipts and the Securities underlying the Subscription Receipts will be issued in registered form or in the form of temporary or permanent global securities, and the basis of, and limitations relating to, the conversion (if applicable), exchange (if applicable), transfer and ownership thereof and the Securities underlying the Subscription Receipts; and
- any other material terms, conditions or other provisions (including covenants) applicable to the Subscription Receipts.

A Prospectus Supplement may include specific variable terms pertaining to the Subscription Receipts that are not within the alternatives and parameters described in this Prospectus.

## Units

The Corporation may issue Units comprised of one or more of the other Securities. A Prospectus Supplement relating to Units will describe the terms of the Units being offered including, where applicable, the following:

- the designation of the Units and the Securities comprising the Units;
- the aggregate number of Units offered and the offering price;
- the currency or currencies in which the Units will be offered;
- the terms of the Securities comprising the Units;
- whether the Units and the Securities comprising the Units will be issued in registered form or in the form of temporary or permanent global securities, and the basis of, and limitations in relation to, the exercise (if applicable), conversion (if applicable), exchange, transfer and ownership thereof and the Securities comprising the Units; and
- any other material terms, conditions or other provisions (including covenants) applicable to the Units and the Securities comprising the Units.

A Prospectus Supplement may include specific variable terms pertaining to the Units that are not within the alternatives and parameters described in this Prospectus.

## TRADING PRICE AND VOLUME

The Common Shares are listed for trading on the TSXV under the symbol “WGT”. The following table sets forth the monthly range of high and low prices per Common Share at the close of market on the TSXV, as well as total monthly volumes of the Common Shares traded on the TSXV for the periods indicated.

Month	High (\$)	Low (\$)	Volume
June 11 - 30, 2024 <sup>(1)</sup>	0.32	0.25	2,787,018
July 2024	0.305	0.21	2,602,637
August 2024	0.29	0.235	1,548,958
September 1 – 20, 2024	0.26	0.20	626,830

Note:

- (1) The Common Shares resumed trading on the TSXV on June 11, 2024 following the completion of the Transaction and a reinstatement to trade review by the TSXV. Please refer to the heading “*Information Concerning TCI - Stock Exchange Price*” in the Filing Statement for more information with respect the trading of the Common Shares prior to the closing of the Transaction.

## PRIOR SALES

The following table sets forth all the Corporation’s issuances of Common Shares in the 12-month period preceding the date of this Prospectus.

Date of Issuance	Number of Common Shares	Issuance Price / Deemed Price Per Common Share (\$)
May 23, 2024	30,963,659 <sup>(1)</sup>	0.29
May 23, 2024	7,770,496 <sup>(2)</sup>	0.29
May 23, 2024	8,379,009 <sup>(3)</sup>	0.29
May 23, 2024	547,090 <sup>(4)</sup>	0.29

Notes:

- (1) Represents Common Shares issued in exchange for class “A” common shares in the capital of Grafton (the “**Grafton Shares**”), other than the Grafton Shares originally issued in connection with the Grafton Non-Brokered Private Placement (as defined below) and the Grafton Brokered Private Placement (as defined below), pursuant to the Transaction.
- (2) Represents Common Shares issued in exchange for the Grafton Shares, originally issued in connection with a non-brokered private placement (the “**Grafton Non-Brokered Private Placement**”) of units of Grafton (the “**Grafton Non-Brokered Units**”) at a price of \$0.44 per Grafton Non-Brokered Unit (such price reflecting the exchange ratio of Grafton Shares for Common Shares), pursuant to the Transaction. Each Grafton Non-Brokered Unit consisted of one Grafton Share and one Grafton Share purchase warrant (each, a “**Grafton Non-Brokered Warrant**”).
- (3) Represents Common Shares issued in exchange for the Grafton Shares, originally issued in connection with a brokered private placement (the “**Grafton Brokered Private Placement**”) of subscription receipts of Grafton (the “**Grafton Subscription Receipts**”) at a price of \$0.44 per Grafton Subscription Receipt (such price reflecting the exchange ratio of Grafton Shares for Common Shares), pursuant to the Transaction. Each Grafton Subscription Receipt was converted into one unit of Grafton (each, a “**Grafton Brokered Unit**”) immediately prior to the completion of the Transaction. Each Grafton Brokered Unit consisted of one Grafton Share and one Grafton Share purchase warrant (each, a “**Grafton Brokered Warrant**”).
- (4) Represents Common Shares issued pursuant to compensation settlement agreements entered into with certain former officers and directors of TCI to settle outstanding compensation owed under their respective consulting agreements and/or for outstanding directors’ or officers’ fees.

The following table sets forth all the Corporation’s issuances of Warrants, Options, RSUs, DSUs in the 12-month period preceding the date of this Prospectus.

Date of Issuance	Type of Security	Number of Securities	Issue Price / Deemed Price / Exercise Price Per Security (\$)
May 23, 2024	Warrant <sup>(1)</sup>	7,770,496	0.44
May 23, 2024	Warrants <sup>(2)</sup>	8,379,009	0.58
May 23, 2024	Warrants <sup>(3)</sup>	335,563	0.44
August 14, 2024	Options	3,600,000	0.30
August 14, 2024	RSUs	1,674,000	N/A
August 14, 2024	DSUs	126,000	N/A

Notes:

- (1) Represents Warrants issued in exchange for the Grafton Non-Brokered Warrants pursuant to the Transaction, with each such Warrant entitling the holder to acquire one Common Share at an exercise price of \$0.44 until May 23, 2029.
- (2) Represents Warrants issued in exchange for the Grafton Brokered Warrants pursuant to the Transaction, with each such Warrant entitling the holder to acquire one Common Share at an exercise price of \$0.58 until May 23, 2026.
- (3) Represents Warrants issued in exchange for the Grafton Share purchase warrants, originally issued as compensation to the agents to the Grafton Brokered Private Placement, pursuant to the Transaction, with each such Warrant entitling the holder to acquire one Common Share at an exercise price of \$0.44 until March 15, 2026.

## CERTAIN INCOME TAX CONSIDERATIONS

The applicable Prospectus Supplement will describe certain material Canadian federal income tax consequences to an investor of the acquisition, ownership and disposition of any Securities offered thereunder.

## RISK FACTORS

Before deciding to invest in any Securities, prospective purchasers should consider carefully the risk factors and the other information contained and incorporated by reference herein, including the Filing Statement, and the applicable Prospectus Supplement relating to a specific offering of Securities. An investment in the Securities offered hereunder is speculative and involves a high degree of risk. Information regarding the risks affecting the Corporation and its business is provided in the documents incorporated by reference herein. Additional risks and uncertainties not known to the Corporation or that management currently deems immaterial may also impair the Corporation's business. See "*Documents Incorporated by Reference*".

### *Discretion Over Use of Proceeds*

The Corporation intends to allocate the net proceeds it will receive from an offering under this Prospectus as described under "*Use of Proceeds*" in this Prospectus and the applicable Prospectus Supplement; however, the Corporation will have discretion in the actual application of the net proceeds. The Corporation may elect to allocate the net proceeds differently from that described in "*Use of Proceeds*" in this Prospectus and the applicable Prospectus Supplement if the Corporation believes it would be in the Corporation's best interests to do so. The failure by the Corporation to apply these funds effectively could have a material adverse effect on the business of the Corporation.

### *No Existing Trading Market (Other than for Common Shares)*

There is no market through which the Warrants, Debt Securities, Subscription Receipts, or Units may be sold and purchasers may not be able to resell such securities purchased under this Prospectus and any Prospectus Supplement. There can be no assurance that an active trading market will develop for the Warrants, Debt Securities, Subscription Receipts, or Units after an offering or, if developed, that such market will be sustained. This may affect the pricing of such Securities in the secondary market, the transparency and availability of trading prices, the liquidity of the Securities, and the extent of issuer regulation.

The public offering prices of the Securities may be determined by negotiation between the Corporation and the underwriters or dealers based on several factors and may bear no relationship to the prices at which the Securities will trade in the public market subsequent to such offering. See "*Plan of Distribution*".

## LEGAL MATTERS

There are no legal proceedings that the Corporation is or was a party to, or that any of its property is or was a subject of, that were or are material to the Corporation, nor are any such legal proceedings known to the Corporation to be contemplated which could be deemed material to the Corporation.

To the knowledge of management of the Corporation, there have not been any penalties or sanctions imposed against the Corporation by a court relating to securities legislation or by a securities regulatory authority, nor have there been any other penalties or sanctions imposed by a court or regulatory body against the Corporation that would likely be considered important to a reasonable investor in making an investment

decision, and the Corporation has not entered into any settlement agreement before a court relating to securities legislation or with a securities regulatory authority.

### **INTEREST OF EXPERTS**

MNP LLP, the auditors of the Corporation, TCI and Grafton, confirmed that they are independent of the Corporation, TCI and Grafton within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Alberta.

Sproule Associates Limited, a qualified reserves evaluator, prepared an independent engineering evaluation of the oil, NGLs and natural gas interests attributable to the Grafton Assets effective December 31, 2023 (the “**Grafton Asset Report**”). The Corporation’s Form 51-101F1, *Statement of Reserves Data and Other Oil and Gas Information* is based upon the Grafton Asset Report. As at the date hereof, the partners and associates of Sproule Associates Limited, as a group, beneficially own, directly or indirectly, less than 1% of the outstanding Common Shares.

Certain legal matters relating to the offering of the Securities hereunder will be passed upon by Torys LLP on behalf of the Corporation. As at the date hereof, the partners and associates of Torys LLP and its designated professionals, as a group, beneficially own, directly or indirectly, less than 1% of the outstanding Common Shares.

### **TRANSFER AGENT AND REGISTRAR**

The registrar and transfer agent for the Common Shares is Odyssey Trust Company at its Calgary office located at 1230, 300 5 Avenue S.W., Calgary, Alberta, T2P 3C4.

### **PURCHASERS’ STATUTORY AND CONTRACTUAL RIGHTS**

Unless provided otherwise in a Prospectus Supplement, the following is a description of a purchaser’s statutory rights. Securities legislation in some provinces of Canada provides purchasers of securities with the right to withdraw from an agreement to purchase securities and with remedies for rescission or, in some jurisdictions, revisions of the price, or damages if the prospectus, prospectus supplement, and any amendment relating to securities purchased by a purchaser are not sent or delivered to the purchaser. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. Securities legislation in some provinces of Canada further provides purchasers with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus, prospectus supplement, and any amendment relating to securities purchased by a purchaser contains a misrepresentation. Those remedies must be exercised by the purchaser within the time limit prescribed by securities legislation.

Original Canadian purchasers of Securities which are convertible, exchangeable or exercisable into other securities of the Corporation will have a contractual right of rescission against the Corporation in respect of the conversion, exchange or exercise of such Securities. The contractual right of rescission will entitle such original Canadian purchasers to receive the amount paid for such Securities (and any additional amount paid upon conversion, exchange or exercise), upon surrender of the underlying securities acquired upon such conversion, exchange or exercise, in the event that this Prospectus, the applicable Prospectus Supplement or any amendment contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this Prospectus; and (ii) the right of rescission is exercised within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this Prospectus. This contractual right of rescission will be consistent with the statutory right of rescission described under

Section 203 of the *Securities Act* (Alberta), and is in addition to any other right or remedy available to original purchasers under Section 203 of the *Securities Act* (Alberta) or otherwise at law. In an offering of Securities which are convertible, exchangeable or exercisable into other securities of the Corporation, prospective purchasers are cautioned that the statutory right of action for damages for a misrepresentation contained in a prospectus is limited, in certain provincial securities legislation, to the amount paid for the Securities. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion, exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. This contractual right of rescission does not extend to holders of Securities who acquire such Securities from an initial purchaser, on the open market or otherwise. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal advisor.

## CERTIFICATE OF THE CORPORATION

Dated: September 23, 2024

This short form prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the securities legislation of each of the provinces of Canada (other than Québec).

(signed) "*Daniel Brown*"  
Daniel Brown  
Chief Executive Officer

(signed) "*Nicholas Grafton*"  
Nicholas Grafton  
Chief Financial Officer

On behalf of the Board of Directors

(signed) "*Richard Grafton*"  
Richard Grafton  
Director

(signed) "*Kelly Ogle*"  
Kelly Ogle  
Director