

FORM 51-102F3
Material Change Report

Item 1 Name and Address of Company

Alvopetro Energy Ltd. (“Alvopetro” or the “Company”)
Suite 401, 255 – 17th Avenue SW
Calgary, Alberta, Canada
T2S 2T8

Item 2 Date of Material Change

November 28, 2025

Item 3 News Release

A news release was issued on December 1, 2025 through the facilities of Cision newswire service and filed on SEDAR+ describing the material change.

Item 4 Summary of Material Change

Alvopetro’s wholly-owned subsidiary, Alvopetro S.A. Extração de Petróleo e Gás Natural (“Alvopetro S.A.”) entered into a US\$20 million loan agreement (as amended, the “Credit Facility”) with Itaú BBA International plc (“Itaú International”). Proceeds from the Credit Facility will be used to fund planned capital programs and for general corporate purposes. The Credit Facility and related agreements bear interest and other charges totaling 7% per annum, payable quarterly, including 6.02% interest per annum on the Credit Facility and 0.98% per annum in connection with an international guarantee agreement (“Standby Letter of Credit”) entered into between Alvopetro S.A. with Itaú Unibanco S.A. (“Itaú Brazil”).

Item 5 Full Description of Material Change

The following description of certain material provisions of the Credit Facility is a summary only, is not comprehensive and is qualified in its entirety by reference to the full text of the Credit Facility, a copy of which has been filed on SEDAR+ at www.sedarplus.ca.

Term and Repayment Schedule

The Credit Facility was issued and all proceeds funded on November 28, 2025. Amounts under the Credit Facility shall be repaid quarterly commencing on November 30, 2026 and ending on November 29, 2027 as per the following repayment schedule:

Date of Principal Payment	Amount of Principal Payment
November 30, 2026	US\$4,000,000.00
February 1, 2027	US\$4,000,000.00
June 1, 2027	US\$4,000,000.00
August 30, 2027	US\$4,000,000.00
November 29, 2027	US\$4,000,000.00

The Credit Facility includes standard events of default and acceleration provisions that require early repayment in advance of the above noted dates. In addition, the Credit Facility may be

optionally repaid at an earlier date at the discretion of Alvopetro S.A. subject to early payment penalties.

Interest

The Credit Facility bears interest at a rate of 6.02% per annum, including applicable withholding taxes. Interest owing is to be paid on a quarterly basis, commencing on February 27, 2026.

Standby Letter of Credit and Parent Company Guarantee

In connection with the Credit Facility, Alvopetro S.A. also entered into the Standby Letter of Credit with Itaú Brazil which guarantees compliance by Alvopetro S.A. with all payment obligations to Itaú International under the Credit Facility. An annual fee of 0.98% per annum applies to the Standby Letter of Credit with fees payable on a quarterly basis, with payment dates in alignment with interest payment dates under the Credit Facility.

Alvopetro has also agreed to enter into a parent company guarantee agreement (“Parent Company Guarantee”) within 60 days of the execution of the Credit Facility, guaranteeing the obligations of Alvopetro S.A. under both the Credit Facility and the Standby Letter of Credit.

Covenants

The Credit Facility contains certain customary covenants related to the payment of dividends by Alvopetro. Specifically, all dividends and reductions or returns of capital within the corporate group are allowed without limit. Dividends declared by Alvopetro are permitted to the extent the following conditions are satisfied:

- There has not been an event of default or one that will occur as a result of the declaration of the dividend or subsequent payment;
- There has not been an event of acceleration or one that will occur as a result of the declaration of the dividend or subsequent payment thereof;
- The total amount of dividends declared by Alvopetro in the four fiscal quarters immediately preceding the date of declaration of the dividend does not exceed the Adjusted Cash Flow from Operation in the same period (where Adjusted Cash Flow from Operations means the Cash Flow from Operating Activities calculated on a consolidated basis, before changes in non-cash working capital, less the total of all interest accrued during the period and principal payments due under the Credit Facility during the same period); and
- On a consolidated basis, Alvopetro maintained a minimum cash (including cash equivalents) balance of US\$3 million on the closing date of the fiscal quarter immediately preceding the declaration of the dividend.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable

Item 7 Omitted Information

Not applicable

Item 8 Executive Officer

For further information, please contact Corey Ruttan, President and Chief Executive Officer at 587-794-4213 or Alison Howard, Chief Financial Officer at 587-794-4215.

Item 9 Date of Report

December 8, 2025