



Bonterra.

BONTERRA ENERGY CORP.

ANNUAL MEETING OF SHAREHOLDERS

To Be Held On May 21, 2025

**NOTICE OF MEETING AND
MANAGEMENT INFORMATION CIRCULAR**

April 10, 2025



BONTERRA ENERGY CORP.

901, 1015 – 4th Street S.W.
Calgary, Alberta T2R 1J4

NOTICE OF ANNUAL MEETING OF THE SHAREHOLDERS OF BONTERRA ENERGY CORP.

TAKE NOTICE that the Annual Meeting (the “**Meeting**”) of the holders of common shares of **BONTERRA ENERGY CORP.** (the “**Corporation**”) will be held in the Bow Glacier Room/Bow River Room, 3rd Floor, Centennial Place, West Tower, 250 5th Street SW, Calgary, Alberta, on Wednesday, May 21, 2025, at the hour of 10:00 a.m. (Calgary time) for the purposes of:

1. Receiving and considering the audited financial statements of the Corporation for the fiscal year ended December 31, 2024 and the Report of the Auditor thereon;
2. Electing the Board of Directors for the ensuing year;
3. Appointing Deloitte LLP, Chartered Professional Accountants, Calgary, Alberta as the auditors of the Corporation for the ensuing year and to authorize the Board of Directors to fix their remuneration; and
4. Transacting such other business as may properly be brought before the Meeting or any adjournment thereof.

The specific details of the matters proposed to be put before the Meeting are set forth in the Information Circular dated April 10, 2025 accompanying this Notice and forming part hereof.

Only shareholders of record at the close of business on April 10, 2025 are entitled to notice of, and to attend and vote at, the Meeting or any adjournment thereof.

We encourage Shareholders to carefully read the Management Information Circular and vote in advance of the Meeting. Shareholders can vote online, by email, by telephone, or complete, date and sign the form of proxy or voting instruction form, and return by mail or fax as follows:

	<u>BENEFICIAL SHAREHOLDERS</u>	<u>REGISTERED SHAREHOLDERS</u>
	<i>Shares held with a broker, bank or other intermediary</i>	<i>Shares held in own name and represented by a physical certificate</i>
INTERNET	www.proxyvote.com	https://vote.odysseytrust.com
EMAIL OR FAX	Call or fax to the number(s) listed on your voting instruction form	Email: proxy@odysseytrust.com Fax: 1-800-517-4553
MAIL	Return the voting instruction form in the enclosed postage paid envelope	Return the form of proxy in the enclosed postage paid envelope

In order to be valid and acted upon at the Meeting, voting instructions must be transmitted online or forms of proxy must be returned to the aforesaid address not less than 48 hours, excluding Saturdays, Sundays and statutory holidays, preceding the date of the Meeting, or any adjournment thereof.

DATED at Calgary, Alberta, this 10th day of April, 2025.

BY ORDER OF THE BOARD OF DIRECTORS

(Signed) "*D. Michael G. Stewart*"

D. Michael G. Stewart

Chair

BONTERRA ENERGY CORP.

INFORMATION CIRCULAR

ANNUAL MEETING OF SHAREHOLDERS May 21, 2025

SOLICITATION OF PROXIES BY MANAGEMENT

This Information Circular is furnished in connection with the solicitation of proxies by the management of Bonterra Energy Corp. (the “**Corporation**”) for use at the annual meeting of the holders of common shares (“**Common Shares**”) of the Corporation to be held on Wednesday, May 21, 2025, at 10:00 a.m. (Calgary time) (the “**Meeting**”) or at any adjournment thereof, for the purposes set forth in the Notice of Meeting accompanying this Information Circular.

There is enclosed herewith a form of proxy for use at the Meeting. A copy of the Annual Report, which includes the audited financial statements of the Corporation for the fiscal year ended December 31, 2024, has previously been disseminated to the requesting shareholders. The holders of Common Shares of the Corporation (“**Shareholders**”) are entitled to vote and are encouraged to participate in the Meeting.

This solicitation is made on behalf of the management of the Corporation. The costs incurred in the preparation and mailing of the Notice of Meeting, form of proxy and this Information Circular will be borne by the Corporation. Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally, or by telephone or email by regular employees or agents of the Corporation.

In accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so.

APPOINTMENT AND REVOCATION OF PROXIES

A Shareholder has the right to appoint a nominee, other than the persons designated in the enclosed form of proxy (who need not be a Shareholder), to represent them at the Meeting, by inserting the name of their chosen nominee in the space provided for that purpose on the form of proxy or by completing another proper form of proxy. Such a Shareholder should notify the nominee of their appointment, obtain their consent to act as proxy and instruct them on how the Shareholder’s shares are to be voted. In any case, the form of proxy should be dated and executed by the Shareholder or their attorney authorized in writing. Registered Shareholders may also cast their vote online (<https://vote.odysseytrust.com>) by following the instructions provided on the form.

A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is completed and received by Odyssey Trust Company, Trader's Bank Building, 702 - 67 Yonge Street, Toronto, Ontario M5E 1J8, not less than 48 hours, excluding Saturdays, Sundays and statutory holidays, preceding the date of the Meeting, or any adjournment thereof.

In addition to revocation by any other manner permitted by law, a Shareholder who has given a proxy may revoke it, at any time before it is exercised, by instrument in writing executed by the Shareholder or by his attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized and deposited at the registered office of the Corporation at 901, 1015 - 4th Street SW, Calgary, Alberta T2R 1J4, Attention: Corporate Secretary, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used.

NOTICE TO BENEFICIAL HOLDERS OF SHARES

Only registered Shareholders or the persons they validly appoint as their proxies are permitted to vote at the Meeting. However, in many cases, Common Shares beneficially owned by a person (a "**Non-Registered Shareholder**") are registered either (i) in the name of an intermediary (an "**Intermediary**") (including banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans) that the Non-Registered Shareholder deals with in respect of the Common Shares, or (ii) in the name of a clearing agency (such as the Canadian Depository for Securities Limited), of which the Intermediary is a participant.

In accordance with the requirements of the Canadian Securities Administrators, the Corporation will distribute copies of the Notice of Meeting, this Information Circular, and the enclosed form of proxy (collectively, the "**Meeting Materials**") to the clearing agencies and Intermediaries for onward distribution to Non-Registered Shareholders.

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Non-Registered Shareholders in advance of Shareholder meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Non-Registered Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Non-Registered Shareholder by its broker (or the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to registered Shareholders by the Corporation. However, its purpose is limited to instructing the registered Shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Non-Registered Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in Canada. Broadridge typically prepares a machine-readable voting instruction form in lieu of the form of proxy. You are asked to complete and return the voting instruction form to them by mail or facsimile. Alternatively, you can use their website www.proxyvote.com or call their toll-free telephone number to instruct them how to vote your shares. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. Bonterra may utilize the Broadridge QuickVote™ service to assist Shareholders with voting their shares.

A Non-Registered Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of

Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.

Although a Non-Registered Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker, a Non-Registered Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. **Non-Registered Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder, should enter their own names in the blank space on the form of proxy or voting instruction form provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

VOTING OF PROXIES

The persons named in the enclosed form of proxy are directors and/or officers of the Corporation and have indicated their willingness to represent as proxy the Shareholders who appoint them. Each Shareholder may instruct his proxy how to vote his shares by completing the blanks on the form of proxy.

Common Shares represented by properly executed proxy forms in favour of the persons designated on the enclosed proxy form will be voted for or withheld from voting in accordance with the instructions made on the proxy forms, on any ballot that may be called for and, if Shareholders specify a choice as to any matters to be acted upon, such Shareholders' shares shall be voted accordingly. In the absence of such instructions or choices, such shares will be voted in favour of all matters identified in the Notice of Meeting accompanying this Information Circular.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments and variations to matters identified in the Notice of Meeting and with respect to any other matters which may properly come before the Meeting. The Common Shares represented by the proxy will be voted on such matters in accordance with the best judgment of the person voting such shares. At the time of printing of this Information Circular, management knows of no such amendments, variations or other matters to come before the Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS OF SHARES

The Corporation is authorized to issue an unlimited number of Common Shares, an unlimited number of Class A Redeemable Preferred Shares and an unlimited number of Class B Preferred Shares, issuable in series, all without par value. As of March 31, 2025, 37,324,880 Common Shares and nil preferred shares were issued and outstanding. On all matters to be considered and acted upon at the Meeting, holders of Common Shares are entitled to one vote for each Common Share held.

The Board of Directors (the "**Board**") has fixed April 10, 2025, as the record date (the "**Record Date**") for determining which Shareholders are entitled to receive notice of the Meeting. A Shareholder of record at the close of business on April 10, 2025, shall be entitled to vote the Common Shares registered in such Shareholder's name on that date, except to the extent that (a) such person transfers his Common Shares after the Record Date; and (b) the transferee of those Common Shares produces properly endorsed share certificates or otherwise establishes his ownership to the Common Shares, and makes a demand to the registrar and transfer agent of the Corporation, not later than 10 days before the Meeting, that his name be included on the Shareholders' list.

To the best of the knowledge of the directors and officers of the Corporation, as at April 10, 2025, no person or company beneficially owns or controls or directs, directly or indirectly, Common Shares carrying more than 10% of the voting rights of the Corporation except as set out in the table below:

<u>Name and Municipality of Residence</u>	<u>Number of Common Shares</u>	<u>Percentage</u>
George F. Fink Calgary, Alberta	4,809,712	12.9%

QUORUM FOR MEETING

At the Meeting, a quorum shall consist of at least two persons holding or representing by proxy not less than twenty-five percent (25%) of the outstanding Common Shares of the Corporation entitled to vote at the Meeting. If a quorum is not present at a meeting within a reasonable time after the time fixed for the holding of the meeting, the Shareholders present or represented at the meeting may adjourn the meeting to a fixed time and place but may not transact any other business.

MATTERS TO BE ACTED UPON AT THE MEETING

To the knowledge of the Corporation's directors, the only matters to be placed before the Meeting are those set forth in the accompanying Notice of Meeting and more particularly discussed below.

1. Financial Statements

The audited financial statements of the Corporation for the year ended December 31, 2024 and the report of the auditors thereon will be placed before the Meeting. These financial statements and the auditor's report are contained in the Annual Report which has previously been distributed to Shareholders.

2. Election of Directors

At the Meeting, it is proposed that six persons be elected as directors of the Corporation, to serve until the next annual meeting of Shareholders or until their successors are duly elected or appointed. There are currently six directors. Pursuant to the *Canada Business Corporations Act*, the current directors of the Corporation cease to hold office at the close of the Meeting.

The persons designated in the enclosed form of proxy, unless instructed otherwise, intend to vote for the election of the following nominees. Management does not contemplate that any of the nominees will be unable to serve as a director, but, if that should occur for any reason prior to the Meeting, the persons designated in the enclosed form of proxy reserve the right to vote for other nominees in their discretion.

The names and municipalities of residence of the six persons nominated for election as directors of the Corporation by Shareholders, the number of Common Shares of the Corporation beneficially owned or controlled or directed, directly or indirectly, the offices held by each in the Corporation, the period served as director of the Corporation, and the present principal occupation of each are as follows:

Name and Municipality of Residence	Common Shares Beneficially Owned or Controlled ⁽¹⁾	Time as Director	Principal Occupation
John J. Campbell, ICD.D ⁽²⁾⁽⁴⁾⁽⁵⁾ Calgary, Alberta Canada	53,575	Director since 2020	An independent director and consultant that has over 25 years of experience in private equity, energy services, banking and trust company services. Mr. Campbell also currently serves as Chair of Morcado Trust Company and Audit Committee Chair of Haw Capital 2 Corp. Mr. Campbell is also the former President and Co-Founder of Odyssey Trust Company. Holder of the Institute of Corporate Directors' Director designation.
David M. Humphreys, ICD.D ⁽³⁾⁽⁴⁾⁽⁵⁾ Calgary, Alberta Canada	100,000	Director since 2023	An independent director and retired Executive Vice President, Operations with 40 years of Canadian energy industry experience. Mr. Humphreys holds a designation with the Institute of Corporate Directors and the Association of Professional Engineers and Geoscientists of Alberta ("APEGA").
Stacey E. McDonald, ICD.D ⁽²⁾⁽³⁾⁽⁵⁾ Calgary, Alberta Canada	28,500	Director since 2021	An independent consultant that has over 15 years of experience in the energy and financial sectors. Ms. McDonald is also a Director of Birchcliff Energy Ltd.
Patrick G. Oliver ⁽³⁾ Calgary, Alberta Canada	110,700	Director since 2022	Chief Executive Officer and Director of the Corporation since September 2022. With a B.Com., and CPA (CA), Mr. Oliver has over 35 years of E&P experience in various executive roles in both the public and private sector. Over the past 20 years, the majority as CEO, Mr. Oliver was instrumental in the building and successful sale of four privately owned Birchill companies with operations in central Alberta. Mr. Oliver is also a Director of Enercapita Energy Ltd., a private oil and gas company.
Jacqueline R. Ricci ⁽²⁾⁽⁴⁾⁽⁵⁾ Toronto, Ontario Canada	79,306	Director since 2020	Ms. Ricci is Vice President and Partner at J Zechner Associates, managing discretionary funds focused on small/mid-cap equities including and oil and gas. She has held senior investment analyst roles at Ontario Teachers' Pension Plan Board and Gluskin Sheff & Associates. She serves on the boards of Wesdome

Gold Mines Ltd. and Pine Cliff Energy Ltd., chairing the latter's Governance, Nominations, and Compensation Committee. A recipient of multiple TopGun Investment Mind Awards, she holds an HBA from the University of Western Ontario and is a holder of a CFA designation.

D. Michael G. Stewart ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾ Calgary, Alberta Canada	40,000	Director since 2021	Director and Chair of the Board of the Corporation since March 2021. Director, TC Energy Corporation (oil and gas pipelines) from 2006 to 2022. Director, Pengrowth Energy Corporation (oil and gas exploration and production) from 2010 to 2020. Director, CES Energy Solutions Corp. (oilfield services) from 2010 to 2019.
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Notes:

- (1) The information as to the number of Common Shares beneficially owned or controlled by directors, not being within the knowledge of the Corporation, has been furnished to the Corporation by the individual nominees.
- (2) The Audit Committee currently consists of Ms. McDonald (Chair) and Ricci and Messrs. Campbell and Stewart.
- (3) The Reserves Committee currently consists of Messrs. Humphreys (Chair), Oliver and Stewart and Ms. McDonald.
- (4) The Human Resources and Compensation Committee currently consists of Messrs. Campbell (Chair), Humphreys and Stewart and Ms. Ricci.
- (5) The Governance and Nominating Committee currently consist of Ms. Ricci (Chair) and McDonald and Messrs. Campbell, Humphreys and Stewart.

Corporate Cease Trade Order or Bankruptcies

None of those persons who are proposed directors of the Corporation is, or has been, within the past ten years:

- (a) a director or chief executive officer or chief financial officer of any company, including the Corporation, that while such person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the company access to any exemption under securities legislation, for a period of more than 30 consecutive days, or was subject to an event that resulted, after the proposed director ceased to be a director or chief executive officer or chief financial officer, in the company being the subject of a cease trade or similar order or an order that denied the company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (b) a director or executive officer of any company, including the Corporation, that, while such person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold such person's assets.

None of those persons who are proposed directors of the Corporation have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

3. Appointment of Auditors

At the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote in favour of a resolution to appoint the firm of Deloitte LLP, Chartered Professional Accountants, Calgary, Alberta, to serve as auditors of the Corporation until the next annual meeting of shareholders and to authorize the Board of Directors to fix the remuneration of the auditors.

4. Other Matters to be Acted Upon

Management of the Corporation is not aware of any matters to come before the Meeting, other than as set forth in the Notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the Common Shares represented thereby in accordance with their best judgment on such matter.

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

The Corporation is not aware of any material interest of any director, executive officer, nominee for election as a director of the Corporation or of any associate or affiliate of any of the foregoing in respect of any matter to be acted on at the Meeting.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

There are no material interests, direct or indirect, of any “informed person” (as defined in National Instrument 51-102 – *Continuous Disclosure Obligations*) of the Corporation, any proposed nominee for election as a director of the Corporation or any associate or affiliate of any such person or proposed nominee in any transaction since the beginning of the most recently completed financial year, or in any proposed transaction, that has materially affected or would materially affect the Corporation or any of its subsidiaries.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES

No current or former directors, executive officers or employees of the Corporation, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any one of them, is or was indebted to the Corporation or any of its subsidiaries at any time since the beginning of the most recently completed financial year.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Governance

Composition of the Human Resources and Compensation Committee (the “HRCC”)

The Board has appointed a Human Resources and Compensation Committee of the Board (the “**HRCC**”). At year-end December 31, 2024, the HRCC was comprised of John J. Campbell (Chair), David M. Humphreys, Jacqueline R. Ricci and D. Michael G. Stewart. The Governance and Nominating Committee has determined that each of these directors is “independent” for the purposes of National Instrument 58-201-Corporate Governance Guidelines.

Each member of the HRCC has the relevant education, skill and experience that enables such member to make decisions on the suitability of the Corporation's compensation policies and practice as summarized below:

- Mr. Campbell's background in compensation includes the development and management of public and private company Equity Plan Administration services for Odyssey Trust Company and Valiant Trust Company. Additionally, Mr. Campbell also served on the Leadership and Risk Committees at the Canadian Western Bank, a Schedule 1 Bank. He was also Chair of the Compensation Committee for Mynd Life Sciences Inc. Bachelor of Commerce, Finance, holder of the Institute of Corporate Directors' designation, and completed the Institute of Corporate Directors' HR & Compensation Committee Effectiveness Course in 2021.
- Mr. Humphreys has over 38 years of leadership, governance, and technical expertise in the Canadian energy industry, of which over 20 years was in senior executive roles. Mr. Humphreys has extensive experience in employee recruitment, retention, compensation, and human resource management. He is a holder of the Institute of Corporate Director's Director designation, and as such, has received education specifically relating to the Board's role in enhancing human performance.
- Ms. Ricci obtained her CFA in 1991 and has over 35 years of experience in the financial sector assessing corporate performance. Ms. Ricci is Vice President and Director at J. Zechner Associates since 1997 and also Chairs the Governance, Nominating and Compensation Committee for Pine Cliff Energy Ltd.
- Mr. Stewart has been active in the Canadian energy industry for more than 50 years and has experience in the design and administration of compensation programs, having served on the Compensation Committee for several public companies. He is currently the Chair of the Board.

HRCC Mandate

The purpose of the HRCC of the Board of Directors is to recommend, review and approve corporate goals and objectives relevant to officer performance; to evaluate performance to determine compensation; and to make recommendations to the Board regarding compensation including incentive and equity-based compensation plans and review director and officer compensation disclosure prior to its public disclosure.

The HRCC is required to be comprised of not less than three directors. The Board shall appoint the members of the HRCC and designate the Chair. The Board may seek advice and assistance of the Governance and Nominating Committee in identifying qualified candidates. All members of the HRCC shall be directors who are independent within the meaning of National Instrument 58-101. Pursuant to the mandate and terms of reference, the HRCC shall convene a minimum of one meeting annually at such times and places as may be determined by the Chair of the Committee and whenever a meeting is requested by the Board, a member of the Committee or the Chief Executive Officer of the Corporation (the “**CEO**”).

The HRCC shall annually review and recommend to the Board:

- compensation policies, practices (including the annual KPI Corporate Scorecard) and overall compensation philosophy;
- officer and senior management compensation;
- bonus, incentive and equity-based compensation plans and grants and any non-standard remuneration plans;
- any significant changes in the Corporation's employee benefits plans; and
- the adequacy and form of Board compensation to ensure it realistically reflects the responsibilities and risks of membership on the Board.

In carrying out its duties and responsibilities, the Committee shall:

- annually assess and make a recommendation to the Board with regard to the competitiveness and appropriateness of the compensation package of the CEO, all other officers of the Corporation and such other key employees of the Corporation or any subsidiary of the Corporation as may be identified by the CEO and approved by the Committee (collectively the "**Designated Employees**");
- review and make a recommendation to the Board regarding any employment contracts or arrangements with any of the Designated Employees, including any retiring allowance arrangements or any similar arrangements to take effect in the event of a termination of employment;
- periodically review the compensation philosophy statement of the Corporation and make recommendations for changes to the Board as considered appropriate;
- from time to time review and make recommendations to the Board in respect of the design, benefit provisions, investment options and text of applicable pension, retirement and savings plans or related matters, to the extent applicable;
- annually, in conjunction with the Corporation's general and administrative budget process, review and make recommendations to the Board regarding compensation guidelines for the forthcoming budget period;
- when requested by the CEO, review and recommend the aggregate bonus pool to be made available under the Corporation's incentive compensation plans for senior management, executives and officers;
- review and make recommendations to the Board regarding short-term incentive or reward plans and, to the extent delegated by the Board, approve awards to eligible participants;
- review and make recommendations to the Board regarding the structure and implementation of incentive stock option plans, restricted share unit plans, performance share unit plans, or any other long term incentive plans and, to the extent delegated by the Board, approve grants to participants and the magnitude and terms of their participation;

- annually prepare or review the report on executive compensation and compensation discussion and analysis required to be disclosed in the Corporation's information circular or any other compensation matter required to be publicly disclosed by the Corporation;
- periodically review and make a recommendation to the Board regarding the compensation of the Board;
- as required, retain independent advice in respect of compensation matters and, if deemed appropriate by the Committee, meet separately with such advisors;
- annually evaluate the performance, contribution and effectiveness of the CEO in the context of the Corporation's goals and objectives, and report the results of its evaluation together with any recommendations to the Board; and
- make recommendations to the Board regarding the amount and form of compensation to award to directors, the Chair of the Board and the Chair of each committee.

Compensation Strategy and Process

The compensation policies for the Corporation are recommended to the Board of Directors by the HRCC which works with the CEO to propose total compensation packages for executives and employees that are in line with the Corporation's strategic priorities and objectives. Bonterra's compensation program for all employees and executive officers has been historically comprised of three principal components: base salary, an annual cash incentive program used to reward short-term corporate and individual performance, and long-term incentive compensation (historically in the form of Stock Options) to align plan participants with shareholder experience.

Following a review of our current compensation practices and upon recommendation from our Compensation Consultant, Lane Caputo, the Board approved new Restricted Share Unit and Deferred Share Unit plan texts on November 12, 2024. No grants under either plan were made in fiscal 2024. The recent changes to Canadian stock option income taxation limits the desirability of stock option awards and continue to drive many Canadian companies, including Bonterra's peer group (see below), away from stock options and towards Restricted Share Units (RSUs) and Performance Share Units (PSUs). Stock options will continue to be an effective part of a balanced approach to LTIP for the Corporation's executive team in combination with Restricted Share Units. Equally, Directors long term incentives will be switched from Stock Options to Deferred Share Units to better align plan participants with shareholder experience.

Directors and executive officers are now required to maintain a minimum equity investment to align their interests with those of our shareholders and mitigate against the likelihood of undue risk taking (please see the "Minimum Ownership Guidelines" below).

Base Salaries

Executive officers are paid a base salary to compensate them for providing the leadership and specific skills needed to fulfill their responsibilities. The base salaries for the named executive officers are reviewed annually by the HRCC and are determined by considering the personal contributions made by the officers, corporate performance and how their individual compensation levels compare to compensation packages that would be achievable by such officers from other opportunities. Other commercially available salary surveys and peer group data is also utilized. The HRCC annually reviews and recommends for approval to the Board of Directors the total employee-based salary pool for distribution at the discretion of the CEO.

Short-Term Incentive Compensation

The short-term incentive program (“STIP”) is designed to reward all employees for their direct contribution to the achievement of annual corporate and personal goals and objectives. Individual employee and executive STIP target awards are based on a Board approved percentage of base salary (see below) for each level within the Corporation. To determine bonus awards for senior personnel, including executive officers, the HRCC considers both the performance of the Corporation relative to its peers and the executive’s personnel performance. The amount of the bonus paid is, in part, the result of the Corporation’s annual assessment of the Corporation’s performance on both an absolute basis and relative to the Corporation’s objectives and pre-established key performance indicators. The Board, upon the recommendation from the HRCC, approves the total annual bonus pool, in addition to recommending the CEO and named executive officer STIP awards. The STIP pool for non-executive employees is based on their contribution to the achievement of their personal goals and Corporate objectives. Non-executive bonuses are disbursed by the CEO and reported to the HRCC for information purposes.

2024 Target cash bonus ranges (% of base salary):

CEO	65%
Executives	35-50%
Other Employees	5-45%

2024 Corporate and individual performance cash bonus weighting guidelines:

	<u>Corporate</u>	<u>Personal</u>
CEO & Executives	80%	20%
Other Employees	10-70%	30–90%

The program is designed to provide executives and employees with clear line-of-sight into their performance and the reward. The goal of this structure is to drive corporate strategy, employee engagement, execution, and individual performance to enhance shareholder returns, while also reducing upward pressure on base salaries. A Personal Performance Multiplier from 0 to 200% will be determined for each executive and employee based on objective and consistent annual performance reviews. Additionally, a Corporate Performance Multiplier of 0 – 200% will be determined from the Board reviewed results from the Annual Corporate Scorecard (“KPIs”). Subject to the Board’s discretion, an individual’s annual bonus will be calculated using the Target Award percentage, Personal Performance Multiplier, Corporate Performance Multiplier and Personal/Corporate weighting.

The following is a summary of the bonus calculation:

Target Bonus x (Corporate Scorecard Weighting x Corporate Performance Multiplier + Personal Performance Weighting x Personal Performance Multiplier).

Example, as follows:

Base salary:	\$100,000
Target Award:	\$10,000 (10% of base salary)
Corporate / Personal Weighting:	15% / 85%
Personal Performance Multiplier:	1.0
Corporate Performance Multiplier:	1.5
Calculated Bonus:	$(\$100,000 \times 10\%) \times (1.5 \times 15\% + 1.0 \times 85\%) = \$10,750$

All annual cash bonuses remain at the sole and absolute discretion of the Board and are not guaranteed. In awarding annual cash bonuses, the Board will also consider:

- overall Corporate performance including absolute and relative shareholder return; and
- market conditions (including but not limited to commodity prices, regulatory changes, epidemics, or other catastrophes).

Long-Term Compensation

- a. **Stock Options:** The Corporation has adopted a Stock Option Plan (the “**Plan**”), pursuant to which options to purchase Common Shares may be granted to directors, officers, employees and consultants of the Corporation. The Plan is designed, through the grant of options, to reward key individuals in relation to their overall contribution and to the appreciation of the Corporation’s share price during the term of the options. The Plan is an integral component of the Corporation’s total compensation program in terms of attracting and retaining key employees. It also enhances shareholder value by aligning the interests of executives and employees with share price increases and the growth and profitability of the Corporation. Option grants are typically reviewed and approved annually in December, except for internal promotions and new hires. Options will typically have a five-year term and three-year vesting, with pricing as prescribed in the Stock Option Plan.
- b. **Restricted & Deferred Share Units:** The Corporation has adopted Restricted Share Unit (“RSU”) and Deferred Share Unit (“DSU”) Plans. The new Plans are designed to reward individuals in relation to their overall contribution and to the appreciation of the Corporation’s share price. These new Plans will become an integral component of the Corporation’s total compensation program in terms of attracting and retaining key employees. They also enhance shareholder value by aligning the interests of executives, directors and employees with share price increases and the growth and profitability of the Corporation. RSU and DSU grants will be reviewed and approved annually. RSUs will typically have a 3-year term and three-year vesting schedule. For the Board of Directors, DSUs may be granted in respect of annual remuneration or on a discretionary basis. The Corporation may settle RSU and DSU awards either by causing an independent trustee to deliver Common Shares to the participant that were purchased on the open market or by payment in cash to the participant of the fair market value of the Common Shares underlying the RSU and DSU awards. The current RSU and DSU Plans do not provide for any issuance of Common Shares by the Corporation from treasury. No awards under either plan were issued in 2024.

Together, these four principal compensation components are designed to achieve the following key objectives:

- support Bonterra’s overall business strategy and objectives;
- provide market competitive compensation that is substantially performance-based;
- provide incentives which encourage superior corporate performance and retention of highly skilled and talented employees;
- align executive compensation with corporate performance and therefore shareholders’ interests; and
- drive long-term shareholder value.

The aggregate value of the principal compensation components and related benefits is used as a basis for assessing the overall competitiveness of Bonterra’s compensation package. When

determining total compensation, including the assessment of the competitiveness of Bonterra's compensation program, the executive team and the HRCC review the compensation practices of companies in Bonterra's peer group, with support from external consultants, where appropriate. The Corporation's peer group for these purposes is comprised of similar sized companies based upon such factors as production, revenue, total assets, free cash flow, capital expenditures and number of employees. These companies compete with Bonterra for executive talent, operate in a similar business environment and are of similar size, scope and complexity. Total compensation is market-based and performance driven, with individual executive annual cash and total compensation targeted at the median comparable position within the peer group. Individual executive and employee annual cash bonus compensation is performance-based, utilizing a Board approved weighting of corporate and personal goals, and percentage of base salary.

The CEO annually assesses the Board approved Corporate Scorecard, individual performance and personal development of each executive officer. The CEO then recommends to the HRCC any proposed base salary adjustment, short-term incentive award and long term incentive awards recommendation for each individual executive and the total annual cash bonus pool and long-term incentive awards for all non-executive employees. The HRCC reviews the CEO's recommendations, in conjunction with its own review of the Corporate Scorecard performance, consultant feedback, if any, and comparative market data. Thereafter, the HRCC recommends to the Board of Directors the compensation package payable to the executive officers and the aggregate annual cash bonus and long term incentive awards payable to non-executive employee pools for approval.

For 2024, the HRCC and the Board set specific performance targets in assessing the performance of the CEO and executive officers. The Corporate Scorecard performance measures used by the HRCC and the Board in assessing the 2024 performance included: (a) Corporate Annual Guidance; (b) environmental, health and safety and ESG reporting; (c) Shareholder Returns; and (d) development and execution of corporate objectives and near and long-term strategic plans. In determining the 2024 compensation of the executive officers and non-executive directors, the HRCC and the Board followed past practices, primarily involving discussion among the CEO and members of the Board and the executive team as to appropriate compensation in relation to the established peer group. The HRCC engaged an independent compensation consultant, Lane Caputo Compensation Inc. ("**Lane Caputo**"), in 2024 to assist with the review of compensation arrangements for the executive team, management, employees and non-executive directors. Lane Caputo benchmarked the Corporation's compensation practices against a group of peer companies reflecting Bonterra's current size and stage of development. Lane Caputo submitted their analysis and recommendations to the HRCC on December 2, 2024.

The following table sets out fees billed by the Corporation's compensation consultant (excluding GST) in each of the last two years for services provided to the Corporation:

Fiscal Year	Executive Compensation-Related Fees (\$)	All Other Fees (\$)
December 31, 2024	35,000	-
December 31, 2023	33,075	-

The following is a summary of the 2024 peer group used by Lane Caputo for the benchmarking of Bonterra's compensation structure and provides a proxy of the competitive market:

Cardinal Energy Ltd.	InPlay Oil Corp.	Petrus Resources Ltd.	Kiwetinohk Energy Corp.
Spartan Delta Corp.	Kelt Exploration Ltd.	Journey Energy Inc.	Surge Energy Inc.
Lucero Energy Corp.	Obsidian Energy Ltd.	Saturn Oil and Gas Inc.	Yangarra Resources Ltd.
Headwater Exploration Inc.			

No other consultants were engaged.

Stock Option Plan Details

The Plan reserves for the grant of options 10% of the total number of Common Shares outstanding (on a non-diluted basis). The exercise price of an option is determined at the time of grant and is to be not less than the closing price of the Common Shares on the TSX on the last trading day preceding the date of grant. The term of an option shall not be less than one year and shall not be more than five years from the date of grant. Unless otherwise specified, options vest as to one-third of the entitlement each year following the date of grant. Options are exercisable only during the term of employment or service of an optionee, provided that the exercise period is extended for 120 days in the event of the death of the optionee and ten days in the event of an optionee ceasing to be a director, officer or employee for any reason other than death or termination for cause and not otherwise continuing to be an eligible participant under the Plan. In the event of an option expiring during a blackout period, then the expiration date of the option is extended to the tenth business day after the expiry of the blackout period. Options are not transferable, except upon death or as authorized by the Board.

The number of Common Shares reserved for issuance to insiders of the Corporation pursuant to options and other security-based compensation arrangements shall not exceed 10% of the total number of Common Shares outstanding. Furthermore, the issuance of Common Shares to insiders of the Corporation pursuant to options and other security-based compensation arrangements shall not exceed or result in the issuance to insiders during a one year period of more than 10% of the total number of Common Shares outstanding, nor may the issuance to any one such insider and associates of such insider, within a one year period, exceed 5% of the total number of Common Shares outstanding. In addition, the number of Common Shares reserved for issuance to any one person pursuant to options shall not exceed 5% of the total number of Common Shares outstanding.

An optionee may exercise options by payment of the exercise price of the options in cash or the optionee may elect to effect a cashless exercise of any vested and exercisable options whereby the optionee would receive, without any cash payment (other than amounts due in respect of

taxes), a number of Common Shares determined by dividing the in-the-money value of the options by the market price of the Common Shares.

The Board may amend the Plan and may amend the terms and conditions of options granted pursuant to the Plan, without Shareholder approval, provided that the amendment does not change the number of options issuable under the Plan, change the class of eligible participants, change the amending provisions of the Plan, reduce the exercise price of options held by insiders or extend the term of options held by insiders. Amendments are subject to any required approval of any regulatory authority or stock exchange.

As at December 31, 2024, there were 3,105,500 options outstanding, representing 8.3% of the Common Shares outstanding as of that date and 626,988 Common Shares representing 1.7% of the outstanding Common Shares available for further option grants. A total of 71,628 Common Shares were issued during 2024 on the exercise of options. The Corporation granted an aggregate of 2,051,500 options in 2022; 1,171,000 options in 2023; and 147,000 options in 2024. Accordingly, the Corporation's annual option grant burn rate, calculated by dividing the number of options granted under the Plan during the relevant fiscal year by the weighted average number of Common Shares outstanding for the applicable fiscal year, was 5.7% in 2022; 3.1% in 2023; and 0.4% in 2024.

The Corporation also issued nil Common Shares on the exercise of warrants in 2024; nil Common Shares in 2023; and 551,000 Common Shares in 2022.

Restricted Share Units & Deferred Share Units Plan Details

The purpose of these Plans is to provide Participants with the opportunity to acquire RSUs/DSUs to enable them to participate in the long-term success of the Corporation and to promote a greater alignment of their interests with the interests of the Corporation's shareholders. The Board, in its sole discretion, shall determine, or shall delegate to the Committee the authority to determine, which individuals will participate in this Plan. Participation in the Plan may be varied, amended, or discontinued from time to time without advance notice of such changes to Participants and without compensation to Participants. Participation in this Plan is voluntary and is not a condition of employment of a Participant.

The Board or the Committee may, in its sole discretion, determine: (i) the time during which RSUs shall Vest and whether there shall be any other conditions or performance criteria that Vesting will be subject to; (ii) the method of Vesting; or (iii) that no Vesting restriction shall exist. In the absence of any determination by the Board or the Committee to the contrary as set forth in an applicable RSU Agreement, one-third of the RSUs (and any corresponding Dividend Equivalents) will Vest on each of the first, second and third anniversaries of the Award Date. Notwithstanding the foregoing, the Board or the Committee may, in its sole discretion at any time or in the RSU Agreement in respect of any RSUs granted, accelerate or provide for the acceleration of Vesting of RSUs previously granted. Subject to such Vesting conditions as may be determined by the Board or the Committee, the Vesting period for RSUs shall not exceed three years from the end of the year in which the RSUs are awarded.

Unless otherwise determined by the Board, DSUs granted to a Participant in respect of the Participant's Annual Remuneration shall vest as to one-quarter of the DSUs on the last day of each fiscal quarter of the fiscal year in which the Annual Remuneration is earned. Unless otherwise determined by the Board, any other discretionary grant of Deferred Share Units to a Participant shall vest on the first anniversary of the Award Date.

On the Entitlement Date, or within a reasonable period of time following an Entitlement Date, such day being the Settlement Date, the Corporation shall:

- (a) cause the Trustee to deliver to the Participant that number of Common Shares purchased on the open market that are equal to the number of Vested RSUs/DSUs as determined as of the Entitlement Date;
- (b) pay (or cause to be paid through an Affiliate) an amount in cash to the Participant equal to the Fair Market Value of a Common Share, multiplied by the number of Vested RSUs/DSUs, both as determined as of the Entitlement Date; or
- (c) a combination of (a) and (b).

The Board may amend, suspend or discontinue either Plan at any time without shareholder approval or the consent of a Participant. Subject to applicable securities laws, the Board may from time to time amend the terms of Awards made under the Plan without shareholder approval, but subject to the obtaining of any required regulatory or other approvals and, if any such amendment will materially adversely alter or impair the rights of a Participant with respect to any RSU or DSU Award previously granted under the Plan or any related RSU/DSU Agreement, the obtaining of the written consent of such Participant to such amendment. Notwithstanding the foregoing, the obtaining of the written consent of any Participant to an amendment which materially adversely affects the rights of such Participant with respect to an Award will not be required if such amendment is required to comply with Applicable Laws, regulations, rules, orders of governmental or regulatory authorities or the requirements of any stock exchange on which the Common Shares are listed.

Minimum Ownership Guidelines

The Board believes it is important that directors and senior officers demonstrate their commitment to our stewardship through common share ownership.

Guideline:

- Directors: 3 times annual base cash retainer
- CEO: 3 times base salary
- Executives: 2 times base salary

Individuals have a grace period of five (5) years to comply, either from initial adoption of the Guideline, or from the date of a Director or Executive's appointment should that occur subsequent to adoption. The share value calculation would be based on the greater of (a) cost or (b) fair market value (FMV) of acquired shares, with FMV determined by the simple average share price over the 2024 calendar year. Following the phase-in period, directors and named executive officers are expected to be in continuous compliance with these guidelines.

Name	Date Started	Year in Effect	Guideline	Current Shares Held	In Compliance
Executive Officers					
Brad A. Curtis	2005	2024	2 times	108,590	Yes
Scott A. Johnston	2024	2024	2 times	54,320	No*
Patrick G. Oliver	2022	2024	3 times	110,700	No*
Non-Executive Directors					

John J. Campbell	2020	2024	3 times	53,575	Yes
David M. Humphreys	2023	2024	3 times	100,000	Yes
Stacey E. McDonald	2021	2024	3 times	28,500	No*
Jacqueline R. Ricci	2020	2024	3 times	79,306	Yes
D. Michael G. Stewart	2021	2024	3 times	40,000	Yes

* 5-year grace period

Risks Associated with Compensation Policies and Practices

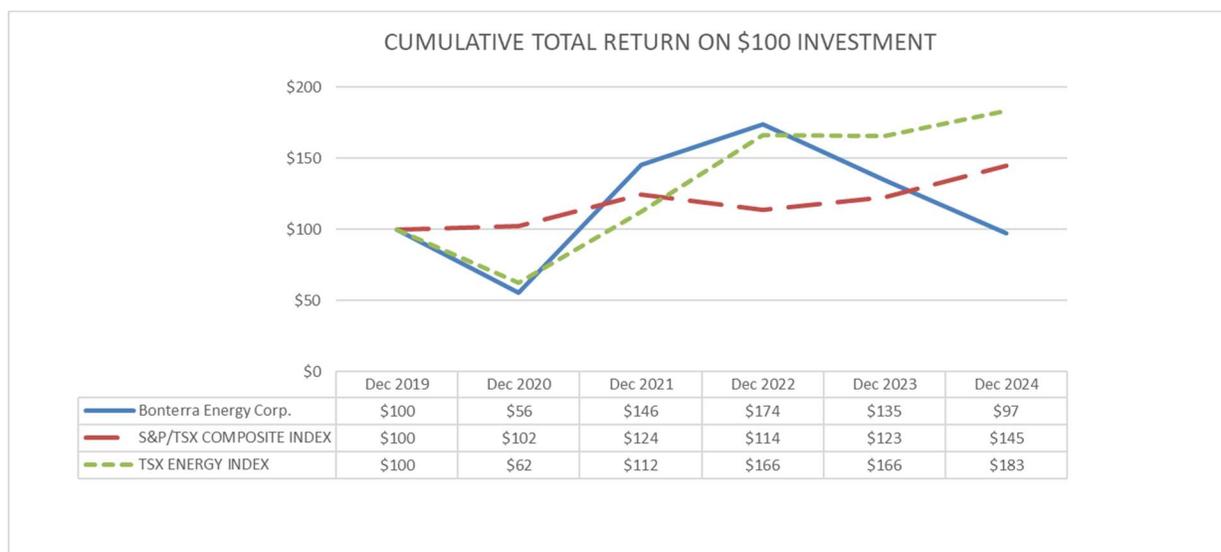
The oversight and administration of the Corporation's executive compensation program requires the HRCC to consider risks associated with the Corporation's compensation policies and practices. To evaluate the degree, if any, to which the Corporation's compensation policies and practices encourage or may be perceived as encouraging the taking of inappropriate or excessive risks on the part of management. Identify any risks that may reasonably lead to a material adverse effect on the Corporation, including retention of key employees from a compensation perspective. Potential risks associated with compensation policies and compensation awards are considered at annual reviews and throughout the year whenever it is deemed necessary.

Financial Instruments

The Corporation has a policy that would prohibit a named executive officer or director or employee from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the named executive officer or director or employee.

Performance Graph

The following graph compares the yearly percentage change in the cumulative shareholder return over the last five years of the Common Shares of the Corporation (assuming a \$100 investment was made on December 31, 2019 and the reinvestment of all dividends into Common Shares of the Corporation) and the cumulative total return of the S&P/TSX Composite Index and the TSX Energy Index.



Total Shareholder Return (“TSR”) and its Relationship to Executive Compensation

Executive compensation is defined as the aggregate of base salary, discretionary annual bonuses, long-term incentives, and any other miscellaneous types of benefits that may periodically be granted to an executive. When the HRCC of the Board determines overall compensation, it considers a number of factors and performance elements. Although TSR is one performance measure that is reviewed, it is not the only consideration. As a result, a direct correlation between TSR over a given period and executive compensation levels is not anticipated.

Process for Granting Option-Based Rewards

The process that the Corporation uses to grant option-based awards to executive officers, including the named executive officers, is for the Board to approve option grants based on recommendations made by the HRCC. Option grants can be made at any time and there are no specific periods for the issuance of options. Option awards are determined based on the factors described above under the heading “*Compensation Strategy and Process - Stock Options*”.

Process for Granting Restricted & Deferred Share Unit Rewards (“RSU & DSU”)

The process that the Corporation uses to grant RSU & DSU awards to is for the Board to approve RSU & DSU grants based on recommendations made by the HRCC. Any RSUs awarded pursuant to the Plan must be granted on or before December 15th in any fiscal year. Discretionary DSU grants may be granted at any time. A Participant in the DSU plan shall also have the right to elect in each calendar year the manner in which the Participant wishes to receive their upcoming Annual Remuneration (whether in cash, Deferred Share Units or a combination thereof) by completing, signing and delivering to the Chief Financial Officer the Election Notice:

(a) in the case of a current Director, by December 31 of such calendar year with such election to apply in respect of the Director’s Annual Remuneration for the following calendar year; or

(b) in the case of a new Director, within thirty (30) days after the Director’s first election or appointment to the Board with such Election Notice to apply in respect of the calendar year in

which such Participant was elected or appointed to the Board and only with respect to compensation for services to be performed after the date of delivery of the Election Notice. The Board may, from time to time, set limits on the manner in which the Participants may receive their Annual Remuneration and every election made by a Participant in his or her Election Notice shall be subject to such limits. Unless otherwise determined by the Board, Participant’s may elect to receive either 100 percent or 50 percent of their Annual Remuneration in DSUs.

The number of Deferred Share Units to be credited to a Director’s Account as of a particular Award Date shall be determined by dividing the 1/3 portion of that Director’s Annual Remuneration for the applicable period to be satisfied by Deferred Share Units by the Fair Market Value on the particular Award Date, rounded up to the nearest whole share.

RSU & DSU awards are determined based on the factors described above under the heading “Compensation Strategy and Process – Restricted Stock Units & Deferred Stock Units”.

Summary Compensation Table

The following table sets forth a summary of all compensation for services paid during the three most recently completed financial years for Patrick G. Oliver, Chief Executive Officer; Scott A. Johnston, Chief Financial Officer; Robb D. Thompson, former Chief Financial Officer; and Brad A. Curtis, Senior Vice President, Business Development (the “**Named Executive Officers**”). No other executive officer received total compensation of more than \$150,000 during the most recently completed financial year.

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation ⁽⁷⁾ (\$)		Pension value (\$)	All other compensation (\$) ⁽⁶⁾	Total compensation (\$)
					Annual incentive plans	Long term incentive plans			
Patrick G. Oliver, Chief Executive Officer ⁽¹⁾	2024	408,700	nil	nil	393,500	nil	nil	nil	802,200
	2023	393,000	nil	206,599 ⁽³⁾	334,800	nil	nil	nil	934,399
	2022	123,411	nil	745,766 ⁽⁴⁾	80,000	nil	nil	nil	949,177
Scott A. Johnston, Chief Financial Officer and Secretary ⁽²⁾	2024	108,333	nil	105,179 ⁽⁵⁾	80,200	nil	nil	nil	293,712
	2023	nil	nil	nil	nil	nil	nil	nil	nil
	2022	nil	nil	nil	nil	nil	nil	nil	nil
Robb D. Thompson, Former Chief Financial Officer and Secretary ⁽²⁾	2024	368,000	nil	nil	390,400 ⁽⁶⁾	nil	nil	nil	758,400
	2023	360,750	nil	90,904 ⁽³⁾	230,500	nil	nil	nil	682,154
	2022	351,950	nil	449,315 ⁽⁴⁾	205,000	nil	nil	nil	1,006,265
Brad A. Curtis, Senior Vice President, Business Development	2024	326,300	nil	nil	241,200	nil	nil	nil	567,500
	2023	319,000	nil	90,904 ⁽³⁾	190,000	nil	nil	nil	599,904
	2022	312,100	nil	449,315 ⁽⁴⁾	175,000	nil	nil	nil	936,415

Notes:

- (1) Mr. Oliver was appointed CEO effective September 6, 2022 upon the retirement of Mr. George Fink.
- (2) Mr. Johnston was appointed CFO effective September 3, 2024 upon the retirement of Mr. Thomspson.
- (3) Represents the compensation value of options granted on December 15, 2023 issued in three equal tranches. The grant was based on a share price of \$5.18, with a weighted average Black-Scholes volatility of 54% and a weighted average life of 2.0 years. All grants also have assumptions for risk-free rate and dividend yield.

- (4) Represents the compensation value of options granted on February 18, 2022, September 6, 2022 and December 15, 2022. Each grant was issued in three equal tranches. The February 18, 2022 grant was based on a share price of \$9.00, with a weighted average Black-Scholes volatility of 79% and a weighted average life of 2.0 years. The September 6, 2022 grant was based on a share price of \$8.51, with a weighted average Black-Scholes volatility of 70% and a weighted average life of 2.0 years. The December 15, 2022 grant was based on a share price of \$6.82, with a weighted average Black-Scholes volatility of 71% and a weighted average life of 2.0 years. All grants also have assumptions for risk-free rate and dividend yield.
- (5) Represents the compensation value of options granted on September 3, 2024 issued in three equal tranches. The grant was based on a share price of \$4.38, with a weighted average Black-Scholes volatility of 45% and a weighted average life of 2.0 years. All grants also have assumptions for risk-free rate and dividend yield.
- (6) Included in Mr. Thompson's non-equity incentive plan was \$200,000 for a retiring allowance.
- (7) The dollar amounts for non-equity incentive plan compensation in 2022 and 2023 have been restated to reflect the amounts earned for those financial years and paid subsequent to the applicable financial year end.
- (8) The value of perquisites and benefits for each Named Executive Officer is less than 10% of each Named Executive Officer's total salary for the financial year.
- (9) The Corporation maintains directors' and officers' liability insurance coverage for losses to the Corporation if it is required to reimburse directors and officers, where permitted, and for direct indemnity of directors and officers where corporate reimbursement is not permitted by law. This insurance protects the Corporation against liability (including costs), subject to standard policy exclusions, which may be incurred by directors and/or officers acting in such capacity for the Corporation. All directors and officers of the Corporation are covered by the policy and the amount of insurance applies collectively to all.

Incentive Plan Awards

Outstanding Option-Based Awards

The following table sets forth information in respect of all option-based awards outstanding at the end of the financial year ended December 31, 2024 to the Named Executive Officers of the Corporation.

Option-based Awards				
Name	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾
Patrick G. Oliver	125,000	5.18	Dec. 15/2028	Nil
	150,000	6.82	Dec. 15/2027	Nil
	150,000	8.51	Sep. 6/2027	Nil
Scott A. Johnston	100,000	4.38	Sep. 3/2029	Nil
Brad A. Curtis	55,000	5.18	Dec. 15/2028	Nil
	91,000	6.82	Dec. 15/2027	Nil
	75,000	9.00	Feb. 18/2027	Nil
Robb D. Thompson	55,000	5.18	Dec. 15/2028	Nil
	91,000	6.82	Dec. 15/2027	Nil
	75,000	9.00	Feb. 18/2027	Nil

Note:

- (1) Value is calculated based on the difference between the exercise price of the options and the closing price of the Corporation's Common Shares on the TSX on December 31, 2024 of \$3.77.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth information relating to the value vested or earned during the Corporation’s financial year ended December 31, 2024 in respect of option-based awards and non-equity incentive plan compensation for Named Executive Officers of the Corporation.

Name	Option-based awards – Value vested during the year (\$)⁽¹⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Patrick G. Oliver	Nil	Nil	393,500
Scott A. Johnston	Nil	Nil	80,200
Robb D. Thompson	Nil	Nil	390,400
Brad A. Curtis	Nil	Nil	241,200

Note:

(1) Value is calculated based on the difference between the exercise price of the options and the closing price of the Corporation’s Common Shares on the TSX on the vesting dates.

Gains Realized upon Exercise of Stock Options

No options were exercised by Named Executive Officers during the financial year ended December 31, 2024.

Termination and Change of Control Benefits

The Corporation has employment agreements with each of the Named Executive Officers, other than Robb Thompson who retired in September 2024.

The employment agreement with Mr. Curtis provides for certain payments to be made by the Corporation to the Mr. Curtis in the event of: (i) termination of the his employment by the Corporation without cause (“**Termination without Cause**”); or (ii) termination of employment by Mr. Curtis within 60 days of certain significant changes in his duties and responsibilities, compensation or location of employment or a breach by the Corporation of its obligations pursuant to the employment agreement (“**Termination for Good Reason**”). In addition, the employment agreement includes non-solicitation restrictions which restrict the officer from soliciting employees, consultants or officers of the Corporation to become engaged in any capacity with a competing business for a period of 12 months following termination of his employment.

In the event of Termination without Cause, Mr. Curtis is entitled to payment of an amount equal to his monthly salary (plus 12.5% on account of lost benefits) for a specified notice period less the number of months, if any, of working notice provided to the officer plus an amount equal to the average cash bonus paid to the officer in each of the last two calendar years. In the event of Termination for Good Reason, the officer is entitled to payment of an amount equal to his monthly salary (plus 12.5% on account of lost benefits) for a specified notice period plus an amount equal to the average cash bonus paid to the officer in each of the last two calendar years. The specified notice period for which the monthly salary plus benefits are payable is 22 months.

The employment agreement with Mr. Johnston provides for certain payments to be made by the Corporation to Mr. Johnston in the event of: (i) Termination without Cause; or (ii) the officer resigning and terminating the employment agreement within 30 days of the occurrence of an act of constructive dismissal or within 30 days of the occurrence of an act of constructive dismissal

that occurs within 60 days of the occurrence of a change of control of the Corporation (“**Termination for Constructive Dismissal**”). In addition, the employment agreement includes non-solicitation restrictions which restrict the officer from soliciting employees or consultants of the Corporation to leave their employment or engagement with the Corporation in order to accept employment of any kind with any other person in Alberta for a period of one year following conclusion of the officer’s employment with the Corporation.

In the event of Termination without Cause or Termination for Constructive Dismissal, Mr. Johnston is entitled to payment equal to the sum of one and one-half (1.5) times his annual base salary plus one and one-half (1.5) times the simple average of his annual cash performance bonuses for the three preceding calendar years, together with accrued and unpaid salary, a prorated portion of any annual cash performance bonus to his final day of active employment with the Corporation, an amount equal to 12.5% of his annual base salary as compensation for lost benefits and a per diem amount for all accrued and unpaid vacation entitlement.

The employment agreement with Mr. Oliver provide for certain payments to be made by the Corporation to Mr. Oliver in the event of: (i) Termination without Cause; or (ii) Termination for Constructive Dismissal. In addition, the employment agreement includes non-solicitation restrictions which restrict the officer from soliciting employees or consultants of the Corporation to leave their employment or engagement with the Corporation in order to accept employment of any kind with any other person in Alberta for a period of one year following conclusion of the officer’s employment with the Corporation.

In the event of Termination without Cause or Termination for Constructive Dismissal, Mr. Oliver is entitled to payment equal to the sum of two times his annual base salary plus two times the simple average of his annual cash performance bonuses for the three preceding calendar years, together with accrued and unpaid salary and a prorated portion of any annual cash performance bonus to his final day of active employment with the Corporation, an amount equal to 12.5% of his annual base salary as compensation for lost benefits and a per diem amount for all accrued and unpaid vacation entitlement.

The following table sets forth the amounts that would have been payable to each of the Named Executive Officers as of December 31, 2024 under the employment agreements in the case of the different triggering events.

<u>Name of Officer</u>	<u>Triggering Event</u>	<u>(\$)</u>
Patrick G. Oliver	Termination without Cause	\$1,565,108
	Termination for Constructive Dismissal	\$1,565,108
Scott A. Johnston	Termination without Cause	\$909,338
	Termination for Constructive Dismissal	\$909,338
Brad A. Curtis	Termination without Cause ⁽¹⁾	\$888,594
	Termination for Good Reason	\$888,594

Note:

- (1) Assumes that the Corporation elects to pay the officer the applicable termination payment without any period of working notice.
- (2) No payment will be made in the event of termination for Cause.

In addition, the Stock Option Plan provides for the exercise of unvested options in the event of a change of control of the Corporation. The value of unvested options held by each of the Named

Executive Officers at December 31, 2024 (based on the closing price of the Common Shares on the TSX on December 31, 2024) was \$Nil.

Director Compensation for Directors who are Not Named Executive Officers of the Corporation

Director Compensation Table

The following table sets forth information in respect of all amounts of compensation provided to the directors during the Corporation's financial year ended December 31, 2024. As Mr. Oliver was a Named Executive Officer during the year, his respective disclosure with respect to fees earned (if any) and option-based awards is included in the above sections.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
John J. Campbell	50,000	nil	nil	nil	n/a	nil	50,000
David M. Humphreys	50,000	nil	nil	nil	n/a	nil	50,000
Stacey E. McDonald	50,000	nil	nil	nil	n/a	nil	50,000
Jacqueline R. Ricci	50,000	nil	nil	nil	n/a	nil	50,000
D. Michael G. Stewart	70,000	nil	nil	nil	n/a	nil	70,000

Outstanding Option-Based Awards

The following table sets forth information in respect of all option-based awards outstanding at the end of the financial year ended December 31, 2024 to the directors of the Corporation.

Option-based Awards				
Name	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾
John J. Campbell	18,000	5.18	Dec. 15/28	nil
	18,000	6.82	Dec. 15/27	nil
	48,750	9.00	Feb. 18/27	nil
David M. Humphreys	6,000	5.18	Dec. 15/28	nil
	54,000	6.89	Aug. 21/28	nil
Stacey E. McDonald	18,000	5.18	Dec. 15/28	nil
	18,000	6.82	Dec. 15/27	nil
	11,250	9.00	Feb. 18/27	nil
	30,000	4.95	Aug. 16/25	nil
Jacqueline R. Ricci	18,000	5.18	Dec. 15/28	nil
	18,000	6.82	Dec. 15/27	nil
	48,750	9.00	Feb. 18/27	nil
D. Michael G. Stewart	18,000	5.18	Dec. 15/28	nil
	18,000	6.82	Dec. 15/27	nil

	26,250	9.00	Feb. 18/27	nil
	30,000	3.89	Mar. 16/25	nil

Note:

(1) Value is calculated based on the difference between the exercise price of the options and the closing price of the Corporation's Common Shares on the TSX on December 31, 2024 of \$3.77.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth information in respect of the value vested or earned during the Corporation's financial year ended December 31, 2024 of option-based awards, share-based awards and non-equity incentive plan compensation for directors of the Corporation.

Name	Option-based awards-Value vested during the year (\$) ⁽¹⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
John J. Campbell	nil	nil	nil
David M. Humphreys	nil	nil	nil
Stacey E. McDonald	nil	nil	nil
Jacqueline R. Ricci	nil	nil	nil
D. Michael G. Stewart	65,700	nil	nil

Note:

(1) Value is calculated based on the difference between the exercise price of the options and the closing price of the Corporation's Common Shares on the TSX on the vesting dates.

EQUITY COMPENSATION PLAN INFORMATION

As of December 31, 2024, equity securities are authorized for issuance as follows:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders – Stock Option Plan	3,105,500	\$6.90	626,988 ⁽¹⁾
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Total	3,105,500	\$6.90	626,988

Note:

(1) The Plan reserves for issuance a maximum of 10% of the 37,324,880 Common Shares outstanding at December 31, 2024.

DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES

Under National Instrument 58-101 *Disclosure of Corporate Governance Practices*, the Corporation is required to include in this Management Information Circular the disclosure required under Form 58-101F1 with respect to the matters set out under National Policy 58-201 *Corporate Governance Guidelines*.

Board of Directors

The Board is responsible for supervising the management of the business and affairs of the Corporation and is currently comprised of six directors, of which five are independent. The independent directors are John J. Campbell, David M. Humphreys, Stacey E. McDonald, Jacqueline R. Ricci and D. Michael G. Stewart. Patrick Oliver, being the present Chief Executive Officer of the Corporation, is not independent by virtue of being a member of the Corporation's management. Some of the Corporation's current directors serve as directors of other reporting issuers as indicated in the table below.

Director	Directorships Held
John J. Campbell, ICD.D	Haw Capital 2 Corp
Stacey E. McDonald, ICD.D	Birchcliff Energy Ltd.
Jacqueline R. Ricci	Pine Cliff Energy Ltd. Wesdome Gold Mines Ltd.

At the end of each meeting of the Board, the independent directors meet without management and the non-independent director to consider any matters arising from the meeting or otherwise that require consideration or discussion among the independent directors. There were seven such meetings held since the beginning of the last completed financial year.

The Board has appointed D. Michael G. Stewart, an independent director, as Chair of the Board. The primary responsibilities of the Chair of the Board are to serve as the Board's role model for responsible, ethical and effective decision making, provide leadership to the independent directors, to manage the affairs of the Board to ensure the Board is organized properly and functions effectively and to take reasonable steps to ensure that the members of the Board execute their duties pursuant to the Mandate of the Board. The Chair also ensures that the Board is able to function independently of management and considers, and allows for, when appropriate, meetings of independent directors so that meetings can take place without management being present. The Chair also endeavours to ensure that reasonable procedures are in place to allow directors to engage outside advisors at the expense of the Corporation in appropriate circumstances.

The table below outlines the members of each committee as of December 31, 2024, as well as the individual Director's attendance at the meetings held in 2024.

Director	Total Board and Committee Attendance		Board Meeting	Audit Committee	Human Resources and Compensation Committee	Governance and Nominating Committee	Reserves Committee
John J. Campbell	17/17	100%	Member (7/7)	Member (3/3)	Chair (2/2)	Member (4/4)	Member (1/1)
David M. Humphreys	16/16	100%	Member (7/7)		Member (2/2)	Member (4/4)	Chair (3/3)
Stacey E. McDonald	19/19	100%	Member (7/7)	Chair (5/5)		Member (4/4)	Member (3/3)
Patrick G. Oliver	9/9	100%	Member (7/7)				Member (2/2)
Jacqueline R. Ricci	18/18	100%	Member (7/7)	Member (5/5)	Member (2/2)	Chair (4/4)	
D. Michael G. Stewart	21/21	100%	Chair (7/7)	Member (5/5)	Member (2/2)	Member (4/4)	Member (3/3)
Rodger A. Tourigny	9/9	100%	Member (4/4)	Member (2/2)		Member (2/2)	Member (1/1)

During 2024 the following changes occurred to the Board and committee membership:

- Mr. Tourigny, former Chair of the Audit Committee and did not stand for re-election as a Director of the Corporation
- On May 22, 2024. Ms. McDonald was appointed Chair of the Audit Committee, that was previously held by Mr. Tourigny
- On May 22, 2024, Mr. Humphreys was appointed Chair of the Reserves Committee, that was previously held by Ms. McDonald

Board Mandate

The Mandate of the Board (the “**Board Mandate**”) is to plan the Corporation’s long-term objectives and goals on a continuous basis. The Board Mandate is attached hereto as Schedule “A”.

Board Committees

The Board has established the following Board Committees comprised of the members set out in the following table.

Committee	Members	Independent
Audit Committee	John J. Campbell Stacey E. McDonald - Chair Jacqueline R. Ricci D. Michael G. Stewart	Yes Yes Yes Yes
Human Resources and Compensation Committee	John J. Campbell - Chair David M. Humphreys Jacqueline R. Ricci D. Michael G. Stewart	Yes Yes Yes Yes

Committee	Members	Independent
Governance and Nominating Committee	John J. Campbell	Yes
	David M. Humphreys	Yes
	Stacey E. McDonald	Yes
	Jacqueline R. Ricci - Chair	Yes
	D. Michael G. Stewart	Yes
Reserves Committee	Stacey E. McDonald	Yes
	David M. Humphreys - Chair	Yes
	Patrick G. Oliver	No
	D. Michael G. Stewart	Yes

The function of the Governance and Nominating Committee is to recommend governance policies for adoption by the Corporation, to amend, administer and monitor compliance with the Corporation's governance policies and to identify and recommend candidates for election to the Board. In addition, the Corporation's Environmental, Social and Governance ("ESG") initiatives, strategies and reporting fall under the purview of the Committee.

The function of the Reserves Committee is to recommend the engagement of a reserves evaluator, ensure the reserves evaluator's independence, review the procedures for disclosure of reserves evaluation, meet independently with the reserves evaluator to review the scope of the annual review of reserves, discuss findings and disagreements with management, annually assess the work of the reserves evaluator and approve the Corporation's annual reserve report and consent forms of management and the reserves evaluator thereto.

Position Descriptions

The Board has developed written position descriptions for our Chair of the Board, our CEO and for the Chairs of each of the committees of the Board. The position descriptions are available under Corporate Responsibility/Governance on our website at www.bonterraenergy.com.

Environment, Social & Governance (ESG) Practices

Bonterra prioritizes the health and safety of our employees, contractors, stakeholders, and the public, along with the preservation of the environment and the integrity of our infrastructure. Our company culture encourages responsibility and accountability for health, safety and environmental performance across all levels of the organization

Management continuously evaluates our actual performance across many ESG areas, comparing it to our corporate objectives, regulatory requirements and industry peers. This information is then shared with the Governance and Nominating Committee and the Board on a quarterly basis, and we work collaboratively to identify areas for improvement. In addition to financial and operational measures, our employees and executives are compensated based on their performance in health, safety, and environmental areas. To support our focus on corporate responsibility, we have developed detailed policies for health and safety management, environmental management, and asset and infrastructure integrity management. These policies outline performance objectives, procedures and key accountabilities at all levels of the Corporation. Management and the Board review these policies annually and make necessary revisions.

Orientation and Continuing Education

The Corporation has developed an orientation program, administered by the Governance and Nominating Committee, for new directors which provide each new director with all applicable information regarding the roles and responsibilities of the Board, each Committee, the Board Chair, Chair of each Committee and the CEO. It provides information regarding the nature and operation of the Corporation's business, its organizational structure, governance policies including the Board Mandate and each Committee Mandate, the Whistle Blower Policy and the Code of Business Conduct, which is available on SEDAR+ at www.sedarplus.com and the Corporation's Disclosure Policy. The information is updated as the Corporation's business, governance documents and policies change.

The Corporation arranges for presentations to be made to the Board and each Committee of the Board to inform directors regarding corporate developments and changes in legal, regulatory and industry requirements affecting the Corporation. As well, directors are encouraged to visit the Corporation's facilities, to interact with management and employees and to stay abreast of industry developments and the evolving business of the Corporation. The Corporation encourages its Board and Committee members to continue to educate themselves through courses and discussions that will be paid for by the Corporation to ensure that its directors maintain the skills and knowledge necessary to meet their obligations.

Ethical Business Conduct

The Corporation has adopted a written Code of Business Conduct (the "**Code**"). The Governance and Nominating Committee takes reasonable steps to monitor compliance with the Code by requiring employees, on the commencement of their employment and as and when directed by management, to sign a copy of the Code acknowledging that they have read, understood and will comply with the Code. The Code applies to the Corporation's directors, executive officers, management, employees and consultants, each of whom is expected to ensure that his or her behaviour accords with the letter and the spirit of the Code. The Code also encourages all parties who engage in business with the Corporation to report any perceived and all actual breaches of the Code in accordance with the Corporation's Whistle Blower Policy. The Chair of the Audit Committee is responsible for investigating complaints, presenting complaints to the Committee and any other applicable Committee of the Board or the Board as a whole, and developing a plan for promptly and fairly resolving complaints. Upon conclusion of the investigation and resolution of a complaint, the Chair of the Committee will advise the complainant of the corrective measures that have been taken, or advise the complainant that the complaint has not been substantiated. The Code prohibits retaliation by the Corporation, its directors, executive officers and management, against complainants who raise concerns in good faith and requires the Corporation to maintain the confidentiality of complainants to the greatest extent practicable. Complainants may also submit their concerns anonymously in writing. However, complaints that are determined to be inaccurate or untruthful could result in suspension or dismissal.

In addition to the Code, the Corporation has an Audit Committee Charter regarding the collection and dissemination of accounting information, and a Whistle Blower Policy with respect to reporting accounting and auditing irregularities, as well as other corporate misconduct and breaches of the Code. Copies of these documents are available on the Corporation's website.

Since the beginning of the most recently completed financial year, no material change reports have been filed that pertain to any conduct of a director or executive officer that constitutes a departure from the Code.

Exercise of Independent Judgment

The Board encourages and promotes a culture of ethical business conduct by appointing directors who demonstrate integrity and high ethical standards in their business dealings and personal affairs. Directors are required to abide by the Code and are expected to make responsible and ethical decisions in discharging their duties, thereby setting an example of the standard to which management and employees should adhere. The Board is required by the Board Mandate to satisfy itself that the CEO and other executive officers are acting with integrity and fostering a culture of integrity throughout the Corporation.

The Governance and Nominating Committee is responsible for reviewing departures from the Code by executive officers, management, employees and consultants, reviewing and either providing or denying waivers from the Code, and disclosing any waivers that are granted in accordance with applicable law. The Board as a whole is responsible for responding to conflict of interest situations involving directors, particularly with respect to existing or proposed transactions and agreements in respect of which directors advise they have a material interest. No waivers were required nor granted.

Conflicts of Interest

The Board Mandate requires: (1) that directors and officers disclose any material interest in any transaction or agreement with the Corporation; (2) that an individual director, if requested by themselves or by the Board, excuse themselves from Board deliberations; and (3) that directors do not vote in respect of transactions in which they have an interest. The Corporation's directors and officers must also abide by the disclosure of conflict of interest provisions contained in the *Canada Business Corporations Act*. By taking these steps, the Board strives to ensure that directors at Board meetings exercise independent judgment, unclouded by the relationships of the directors and officers to each other and the Corporation, in considering transactions and agreements in respect of which directors and executive officers have an interest.

Director Nomination

Responsibility for identifying new candidates to join the Board belongs to the Governance and Nominating Committee. The Governance and Nominating Committee is comprised entirely of independent directors. This Committee is responsible for identifying qualified candidates, recommending nominees for election as directors and appointing directors to Committees. The Committee is required to consider a candidate's independence, financial acumen, skills, experience, background, diversity and available time to devote to the duties of the Board in making their recommendations for nomination. The Committee reviews the composition and size of the Board and tenure of directors in advance of annual general meetings when directors are most commonly elected by the Corporation's Shareholders, as well as when individual directors indicate that their terms may end or that their status may change.

In addition, the Governance and Nominating Committee is empowered to recommend candidates to fill any vacancy in the Board that arises between annual meetings. Subject to the Articles of the Corporation, the Governance and Nominating Committee also has the authority to recommend the appointment of additional directors between annual meetings.

Director Skills Matrix

The Board, led by the Governance and Nominating Committee, regularly reviews the experience, qualifications, and skills required of its Directors to ensure it can effectively meet current and future business challenges. The Director Skills Matrix is maintained as a tool to assess the Board's

composition, identify areas for enhancement, and address any gaps through the recruitment of new members.

The following Director Skills Matrix outlines the committees each Director serves on, their key areas of expertise, and their years of experience. It is aligned with Bonterra's strategic framework, ensuring that all current Board members bring relevant and complementary skills to support the company's priorities. Each Director's top seven areas of expertise are highlighted below.

	Director Nominees					
	John Campbell	David Humphreys	Stacey McDonald	Patrick Oliver	Jacqueline Ricci	Michael Stewart
Director of Bonterra Since:	May 2020	Aug 2023	Aug 2021	Sept 2022	May 2020	Mar 2021
Committees:						
Audit	✓		✓		✓	✓
Governance and Nominating	✓	✓	✓		✓	✓
Human Resources and Compensation	✓	✓			✓	✓
Reserves		✓	✓	✓		✓
Skills & Experience:						
Accounting & Audit	✓		✓	✓	✓	✓
Capital Markets	✓		✓	✓	✓	
Corporate Governance	✓	✓	✓		✓	✓
Energy Sector Markets & Economics			✓	✓	✓	✓
Enterprise Risk Management	✓				✓	✓
Health, Safety & Environment		✓				✓
Human Resources & Compensation	✓	✓				✓
Investor & Stakeholder Relations		✓	✓	✓	✓	
Mergers & Acquisitions	✓	✓	✓	✓		
Oil & Gas Development & Operations		✓		✓		
Strategy & Leading Growth	✓	✓	✓	✓	✓	✓
Years of Public Company Board Experience:	15	1.5	9	8	10	55+

Compensation

The HRCC annually recommends the compensation to be received by the Corporation's directors, the CEO and executive officers and evaluates the proposed compensation to be received by the executive officers and management. The HRCC is comprised entirely of independent directors. Compensation is determined in the context of the Corporation's goals, shareholder returns and other achievements, and considered in the context of position descriptions, goals and the performance of each individual director and officer. With respect to directors' compensation, the HRCC reviews the level and form of compensation received by the directors, members of each Committee, and the Chair of the Board and each Committee, considering the duties and responsibilities of each member, their past service and continuing duties in service to the Corporation.

Director Assessment

The Governance and Nominating Committee, at least annually, is responsible for conducting an annual evaluation and assessment of the performance, contribution, competencies and effectiveness of individual directors, each Committee, the Board Chair and the Board as a whole. The annual review also asks directors to provide feedback on the Corporation's Board and Committee mandates. The Governance and Nominating Committee discusses the information gathered pursuant to the annual assessment, the results of which are then presented to the Board in order to engage in a discussion regarding Board effectiveness and how it may be improved, including the appropriate size of the Board.

Term Limits

The Board has not adopted term limits for Board members, mandatory retirement policies or other mechanisms of Board renewal. However, the Governance and Nominating Committee has a process in place for the annual review of the performance of individual directors, the Board Chair, the Board as a whole and the Board Committees. Through this annual review process, the Governance and Nominating Committee determines whether an individual director is able to continue to make an effective contribution and recommend changes when appropriate. The Board is of the view that a regular review process is more effective than arbitrary term limits or other mechanisms of Board renewal such as a mandatory retirement age. The Governance and Nominating Committee also has the mandate and responsibility for annually reviewing the composition, skills and tenure of directors in advance of annual meetings of shareholders and whenever individual directors indicate that their status as members may change.

Representation of Designated Groups on the Board and in Executive Officer Positions

Policies Regarding Representation of Designated Groups on the Board

The Corporation has adopted a written diversity policy that is intended to promote diversity on the Board and includes policies relating to the identification and nomination of women, Aboriginal peoples, persons with disabilities and members of visible minorities (collectively, "**Designated Groups**") to serve as directors. In the Diversity Policy and this Information Circular, Aboriginal peoples, persons with disabilities and members of visible minorities have the meaning given in the *Employment Equity Act* (Canada). The Governance and Nominating Committee recommended, and the Board approved the diversity policy in recognition that diversity among the Corporation's directors supports balanced consideration of matters and fulsome debate, which enhances decision making and maximizes shareholder value. The policy provides that, although the Corporation remains committed to a merit-based system for Board composition, the Governance and Nominating Committee will seek to achieve an appropriate level of diversity on the Board by having regard to the differing skills, experience, education, gender, age, ethnicity and cultural background of Board members.

To ensure the Corporation taps into a broad pool of the best qualified individuals, an external search firm may be retained to help identify future openings for new directors with the mandate that the pool must take diversity into account, in addition to the other attributes desired. Any search, whether executed by an outside executive search firm or through an internal process, is directed to include a diverse set of candidates, including members of Designated Groups, in its list of potential nominees presented to the Board for its consideration. The final decision will be based on merit and the contribution that the chosen candidate brings to the Board.

The Governance and Nominating Committee measures the effectiveness of the policy by reviewing the number of members of Designated Groups considered or brought forward for Board positions, and the skills, background and experience of such candidates to ensure they are being fairly considered relative to other candidates.

Consideration of the Representation of Designated Groups in the Director Identification and Selection Process

The Governance and Nominating Committee considers the skills, experience and background that would enhance the overall effectiveness of the Board, and seeks candidates that are anticipated to bring those qualities to the Board. The representation of members of Designated Groups is one of many criteria that are considered; however, a candidate's skills and experience are the primary criteria. For more information on the director identification and selection process, please refer to "Director Nomination".

Consideration Given to the Representation of Designated Groups in Executive Officer Appointments

Executive appointments at Bonterra are determined based on merit and qualifications relevant for the specific role. Consideration is given to a broad range of skills, background and experience. Diversity is considered; however, the ultimate decision is determined based on the best candidate for the role. The representation of members of Designated Groups and the benefit of diversity are among many factors that are considered in assessing the contribution of an executive officer.

Targets Regarding the Representation of Designated Groups on the Board and in Executive Officer Positions

Except as set forth below, Bonterra has not adopted a specific target regarding the number of members of Designated Groups on the Board and in executive officer positions as the representation of members of Designated Groups and the benefits of diversity are among many factors that are considered in assessing the potential contribution of a prospective director or executive officer. Pursuant to its diversity policy, Bonterra has committed to have women represent at least 30 percent of the members of the Board.

Number of members of Designated Groups on the Board and in Executive Officer Positions

The Corporation currently has two members of the Board (33%) that are women and no members of any other Designated Groups (nil percent) on the Board. The Corporation does not currently have any members of Designated Groups (nil percent) in executive officer positions.

AUDIT COMMITTEE INFORMATION

Under National Instrument 52-110 *Audit Committees*, the Corporation is required to include in its Annual Information Form ("AIF") the disclosure required under Form 52-110F1 with respect to its Audit Committee, including the text of its Audit Committee Charter, the composition of the Audit Committee and the fees paid to the external auditor. The Corporation's disclosure with respect to the foregoing is contained in the section of its AIF dated March 13, 2025 entitled "Audit Committee Information". A copy of the AIF has been filed on SEDAR+ at <https://www.sedarplus.ca>. Copies of the AIF are also available free of charge upon written request to the Corporation at Suite 901, 1015 - 4th Street S.W., Calgary, Alberta, T2R 1J4, Attention: Chief Financial Officer.

ADDITIONAL INFORMATION

Additional financial information is provided in the Corporation's comparative financial statements and management's discussion and analysis ("MD&A") for the year ended December 31, 2024. Copies of the Corporation's financial statements and MD&A are available on written request to the Corporation at Suite 901, 1015 - 4th Street S.W., Calgary, Alberta T2R 1J4, Attention: Chief Financial Officer.

Additional information relating to the Corporation is available on SEDAR+ at <https://www.sedarplus.ca>.

SCHEDULE "A"

MANDATE OF THE BOARD OF DIRECTORS OF BONTERRA ENERGY CORP.

PURPOSE

The primary responsibility of the Board of Directors (the "**Board**") is to supervise the management of Bonterra Energy Corp. (the "**Company**") to ensure the long-term success of the Company and to maximize shareholder value, while considering the interests of the Company's various stakeholders including shareholders, employees, customers, suppliers and the community. Any responsibility which has not been delegated to committees of the Board or to management remains with the Board.

AUTHORITY

1. The organization of the Board and its authority are subject to any restrictions, limitations or requirements set out in the Company's Articles and By-Laws, as well as any restrictions and limitations or requirements set out under applicable laws, including corporate and securities laws as well as the rules of the stock exchange(s) on which the Company's securities are listed.
2. The Board retains authority over the administration of its own affairs, including forming Board committees and delegating powers to committees.
3. If deemed necessary, the Board may retain independent legal, financial or other advisors with such costs to be paid for by the Company.

COMPOSITION AND BOARD ORGANIZATION

1. The Board shall be composed of a minimum of three Directors and a maximum of fifteen Directors. Except as set out in the By-Laws of the Company, Board members will be elected at the annual meeting of the shareholders and will serve until their successors are duly appointed.
2. A majority of the Directors will be independent within the meaning of National Instrument 52-110 – Audit Committees ("**NI 52-110**") and the rules of any stock exchange or market on which the Company's shares are listed or posted for trading (and any successor legislation) (collectively, "**Applicable Governance Rules**"). In this charter, the term "independent" includes the meanings given to similar terms by Applicable Governance Rules, including the terms "non-executive", "outside" and "unrelated" to the extent such terms are applicable under Applicable Governance Rules.
3. If a matter that is considered by the Board is one in which a member of the Board, either directly or indirectly, has a personal interest, that member shall recuse himself or herself from any portion of a meeting at which such matter is discussed and shall not vote on such matter.
4. All members of the Board shall have the skills, abilities and time availability required to carry out their duties and responsibilities in the most effective manner. The Board shall endeavour

to always have the right mix of experience and competencies to discharge its responsibilities.

5. The Board shall appoint one of its independent members to be the non-executive Chair of the Board (the "**Chair**") and who shall serve until his or her successor is appointed.

MEETINGS OF THE BOARD

1. The Board shall convene a minimum of four times each year at such times and places as may be designated by the Chair and whenever a meeting is requested by a member of the Board or an executive officer of the Company.
2. Notice of each meeting of the Board shall be given to each member of the Board.
3. The quorum for a meeting of the Board is a majority of the members. With the exception of the foregoing quorum requirement, the Board may determine its own procedures.
4. A member or members of the Board may participate in a meeting of the Board in person or by means of such telephonic, electronic or other communication facilities, as permits all persons participating in the meeting to communicate adequately with each other. A member participating in such a meeting by any such means is deemed to be present at the meeting.
5. In the absence of the Chair, the members of the Board shall choose one of the members present to be Chair of the meeting. The Board Chair shall choose one of the persons present to be the Secretary of the meeting.
6. At the invitation of the Chief Executive Officer (the "**CEO**") or the Board Chair, other members of the senior executive team management and other parties may attend meetings of the Board.
7. The independent Directors shall meet on a regular basis without the CEO to discuss matters of interest independent of any influence from management.
8. Minutes shall be kept of all meetings of the Board.

DUTIES AND RESPONSIBILITIES

The Board of Directors is charged with the overall stewardship of the Company and manages or supervises the business of the Company and its management. The Board of Directors' responsibilities include:

1. Managing the Affairs of the Board

The Board retains the responsibility for managing its own affairs, including:

- a) through the Corporate Governance & Nominating Committee, planning its composition and size;
- b) selecting its Chair;
- c) nominating candidates for election to the Board;

- d) determining the independence of Board members;
- e) approving changes in the By-laws and Articles of Incorporation, matters requiring shareholder approval, and agendas for shareholder meetings;
- f) approving committees of the Board and appointment of directors thereto and delegate to such committees' specific responsibilities, pursuant to their respective mandate, as approved by the Board;
- g) annually appointing the directors to and the Chairs of the following standing committees of the Board:
 - i. the Audit Committee
 - ii. the Governance and Nominating Committee
 - iii. the Human Resources & Compensation Committee
 - iv. the Reserves Committee
- h) approving director compensation as recommended by the Human Resources & Compensation Committee;
- i) through the Corporate Governance & Nominating Committee, annually assessing the effectiveness of the Board, the Board Chair, the Board committees and directors in fulfilling their responsibilities; and
- j) reviewing its charter annually and recommending changes to the Board when necessary.

2. Management and Human Resources

The Board has the responsibility to:

- a) select, appoint and, if necessary, terminate the CEO;
- b) provide advice and counsel to the CEO in the execution of the CEO's duties;
- c) approve decisions relating to senior management, including the appointment of officers of the Company and members of the senior executive team;
- d) approve the base compensation, incentive compensation awards, benefits and employment contracts for the CEO and senior executive team as recommended by the Human Resources & Compensation Committee;
- e) approve the corporate scorecard used in determining the annual cash bonus awards as recommended by the Human Resources & Compensation Committee;
- f) review and assess the CEO's and the Company's annual performance as recommended by the Human Resources & Compensation Committee;

- g) take all reasonable steps to ensure succession planning programs are in place for the CEO and the other members of the senior executive team, including programs to train and develop management; and
- h) approve the annual salary policy/program for employees.

3. Strategy

The Board has the responsibility to:

- a) participate in strategic planning sessions to ensure that management develops and implements corporate strategic priorities and objectives designed to maximize shareholder value;
- b) monitor on a regular basis the Company's performance against the approved strategic plan; and
- c) approve material divestitures and acquisitions.

4. Financial

The Board has the responsibility to:

- a) through the Audit Committee, take reasonable steps to ensure the implementation and integrity of the Company's internal control and management information systems and effectiveness of internal controls;
- b) monitor operational and financial results;
- c) approve the annual audited financial statements of the Company, Management's Discussion and Analysis and press release related thereto, as recommended by the Audit Committee;
- d) approve the quarterly interim financial statements of the Company Management's Discussion and Analysis and press release related thereto, as recommended by the Audit Committee;
- e) approve the Management Information Circular, Annual Information Form and documents incorporated by reference therein;
- f) approve reports relating to environmental, social and governance matters prepared by the Company that are made available to the public or that are required to be filed with governmental authorities including reports relating to environmental goals and performance, sustainability, anti-corruption and the prevention of forced labour and child labour in the Company's supply chain;
- g) recommend to the shareholders the appointment of the Company's external auditors, as recommended by the Audit Committee;
- h) monitor compliance with credit facility covenants;

- i) review and approve the Company's annual capital and operating budget and any revisions thereto and the associated press releases respecting annual guidance;
- j) approve the spending and approval authorities delegated to the CEO and senior management; and approve financial commitments in excess of delegated approval authorities;
- k) review and approve any material acquisitions, divestments, and corporate reorganizations; and
- l) review and approve any dividends, share repurchases, securities offerings, financing or banking arrangements.

5. Enterprise Risk Management

The Board has the responsibility to:

- a) take reasonable steps to ensure that management has identified the enterprise risks of the Company's businesses and implemented appropriate strategies to manage these risks, understands and maintains a proper balance between risks and benefits;
- b) through the Governance & Nominating Committee, oversee environmental and social issues and receive, on a regular basis, reports on matters relating to, among others, ethical conduct, environmental management, employee and contractor health and safety, human rights and relationships with Indigenous communities and related party transactions; and
- c) approve and monitor the Company's hedging policy to manage commodity price volatility and adequate cash flow levels.

6. Disclosure

The Board has the responsibility to:

- a) approve the Company's policy on public disclosure;
- b) ensure that written and oral communications to the public, legal and regulatory authorities and stock exchanges are timely, factual and accurate, do not contain any misrepresentations and are broadly disseminated; and
- c) monitor the effectiveness of disclosure controls and procedures.

7. Corporate Ethics and Integrity

The Board has the responsibility to:

- a) review and monitor the Company's Code of Business Conduct and disclose any waivers of the code for officers and directors;

- b) review and respond to related party transactions and potential conflict of interest situations; and
- c) review and approve significant corporate policies and other corporate protocols and controls.

BOARD SCHEDULE

The Board's work schedule will be conducted on an ongoing basis to serve the requirements of this charter and applicable legislation and regulations.