

## AGENCY AGREEMENT

Dated effective September 3, 2024

NG Energy International Corp.  
5940 MacLeod Trail SW, Suite 321  
Calgary, AB T2H 2G4

Attention: Brian Paes-Braga, Chief Executive Officer and Chairman

**Re: Issue and Sale of Common Shares of NG Energy International Corp.**

Eight Capital and Clarus Securities Inc. (together, the “**Co-Lead Agents**”) and Eventus Capital Corp., Beacon Securities Limited and Haywood Securities Inc. (collectively with the Co-Lead Agents, the “**Agents**”) understand that NG Energy International Corp., a company incorporated under the laws of the Province of British Columbia (the “**Company**”) proposes to issue and sell, by way of private placement (the “**Offering**”), up to 28,572,000 Common Shares (as defined herein) in the capital of the Company (the “**Offered Shares**”), at \$1.05 per Offered Share (the “**Issue Price**”), for aggregate gross proceeds of up to \$30,000,600, subject to the terms and conditions set out below.

Upon and subject to the terms and conditions contained in this Agreement (as defined herein), the Agents agree to act as, and the Company by this Agreement appoints the Agents as, the sole and exclusive agents of the Company to offer the Offered Shares for sale on the Closing Date (as defined herein) in the Selling Jurisdictions (as defined herein) on a best efforts agency basis. The Company acknowledges and agrees that the Agents may, but are not obligated, to purchase any of the Offered Shares as principal. The Offered Shares shall be issued and sold pursuant to exemptions under Applicable Securities Law (as defined herein) in the Selling Jurisdictions.

It is understood and agreed that the Company shall be entitled to designate certain Subscribers (as defined herein), which Subscribers may purchase the aggregate amount of up to \$15,000,000 of subscription proceeds under the Offering, on a president’s list (the “**President’s List**”), provided that the Agents may in their sole discretion refuse to process any subscription for any investor on the President’s List.

The Agents and the Company acknowledge that the Offered Shares have not been and will not be registered under the U.S. Securities Act (as defined herein) or any U.S. Securities Laws (as defined herein) and may only be offered in the United States (as defined herein) pursuant to and in accordance with U.S. Securities Laws and the applicable provisions of Schedule “A” to this Agreement. The Agents and the Company acknowledge that Schedule “A” forms part of this Agreement. All actions to be undertaken by the Agents in the United States in connection with the matters contemplated herein shall be undertaken through the Agents’ duly registered U.S. Affiliates (as defined herein).

The net proceeds of the Offering will be used by the Company in the manner described in the Term Sheet (as defined herein).

In their sole discretion, in connection with the Offering, the Agents shall be entitled to retain as sub-agents other registered securities dealers and may receive (for delivery to the Company at the Closing Time (as defined herein)) subscriptions for the Offered Shares from other registered securities dealers. The fee payable to such sub-agents shall be for the account of the Agents and shall not exceed the fee payable to the Agents hereunder. The Agents shall, however, be under no obligation to engage any sub-agent.

The Company hereby grants the Agents an option (the “**Agents’ Option**”) exercisable, in whole or in part in the sole discretion of the Co-Lead Agents, at any time up to 48 hours prior to the Initial Closing Date (as defined herein) to increase the size of the Offering by up to 15% by giving written notice of the

exercise of the Agents' Option, or a part thereof, to the Company at any time up to 48 hours prior to the Initial Closing Date, provided that such increase remains in compliance with applicable TSXV (as defined herein) rules. Unless the context otherwise requires, in this Agreement all references to the "**Offering**" shall include the Agents' Option, all references to the "**Offered Shares**" shall include any Common Shares distributed by the Company pursuant to the Agents' Option and all references to the "**Closing Date**" shall refer to the applicable date of completion of the issue and sale by the Company of Offered Shares, in one or more tranches.

In consideration for its services hereunder, in respect of the issue of the Offered Shares and advising on the terms, conditions and structuring of the Offering, the Agents shall be entitled to the Agency Fee (as defined herein) provided for in Section 9 and such compensation shall be payable as specified in Section 9. For greater certainty, the services provided by the Agents pursuant to this Agreement will not be subject to the Goods and Services Tax ("**GST**") provided for in the *Excise Tax Act* (Canada) and taxable supplies will be incidental to the exempt financial services provided. However, in the event that the Canada Revenue Agency determines that GST provided for in the *Excise Tax Act* (Canada) is exigible on the compensation provided for in Section 9, the Company agrees to pay the amount of GST forthwith upon the request of the Agents. The Company also agrees to pay the Agents' expenses in the manner and as set forth in Section 10.

The following are the further terms and conditions of this Agreement:

## **Section 1 Definitions**

As used in this Agreement, including the paragraphs prior to this definitional section and any amendments hereto, unless the context otherwise requires:

- (a) "**Accredited Investors**" means an "accredited investor" as such term is defined under National Instrument 45-106 – *Prospectus Exemptions* or Section 73.3 of the *Securities Act* (Ontario), as applicable;
- (b) "**affiliate**" has the meaning ascribed thereto in the BCBCA;
- (c) "**Agency Fee**" has the meaning ascribed thereto in Section 9(a);
- (d) "**Agents**" has the meaning ascribed thereto on the face page of this Agreement;
- (e) "**Agents' Counsel**" means Stikeman Elliott LLP in respect of Canadian legal matters and Gomez Pinzon Abogados in respect of Colombian legal matters, and such other legal counsel as the Agents, with the consent of the Company (not to be unreasonably withheld or delayed), may retain;
- (f) "**Agents' Option**" has the meaning ascribed thereto on the face page of this Agreement;
- (g) "**Agreement**" means this agency agreement, including any schedules or exhibits attached hereto, and not any particular Article or Section or other portion except as may be specified, and words such as "**hereto**", "**herein**" and "**hereby**" refer to this Agreement as the context requires;
- (h) "**Alternative Transaction**" means the issuance of securities of the Company in excess of 5% (on an as-converted basis, if applicable) of the total number of Common Shares issued and outstanding as of the date hereof, or the completion of a business transaction involving a change in control of the Company or any of the Subsidiaries, including a merger, amalgamation, arrangement, take-over bid, insider bid, reorganization, joint venture, sale of all or substantially all assets, exchange of assets

or any similar transaction, excluding: (i) the issuance of securities pursuant to the exercise of convertible securities of the Company outstanding on the date hereof or existing commitments to issue securities; (ii) any transaction in which each of the Co-Lead Agents is retained as agent or advisor; and (iii) any proposed asset sale by the Company or any of the Subsidiaries that has been disclosed to the Agents in writing as of the date hereof;

- (i) “**Ancillary Documents**” means all agreements, indentures, certificates, officer’s certificates, notices and other documents executed and delivered, or to be executed and delivered, by the Company in connection with the Offering, whether pursuant to Applicable Securities Laws or otherwise;
- (j) “**ANH**” means the Colombian National Hydrocarbons Agency;
- (k) “**Anti-Terrorism Laws**” has the meaning ascribed thereto in Section 6(III);
- (l) “**Applicable Anti-Money Laundering Laws**” has the meaning ascribed thereto in Section 6(kkk);
- (m) “**Applicable Laws**” in the context that refers to one or more Persons, means the laws, statutes, regulations, by-laws, statutory rules, orders, ordinances, protocols, codes, guidelines, notices, directions (including all Canadian Securities Laws), and terms and conditions of any grant of approval, permission, authority or license of any court, Governmental Authority, statutory body or self-regulatory authority that apply to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Person having jurisdiction over the Person or Persons or its or their business, undertaking, property or securities;
- (n) “**Applicable Securities Laws**” includes, without limitation, Canadian Securities Laws and U.S. Securities Laws;
- (o) “**Assets and Properties**” with respect to any Person means collectively, the Oil and Gas Properties and all assets and properties of every kind, nature, character and description (whether real, personal or mixed, tangible or intangible, choate or inchoate, absolute, accrued, contingent, fixed or otherwise), and, in each case, wherever situated, including the goodwill related thereto, operated, owned, licensed or leased by or in the possession of such Person;
- (p) “**BCBCA**” means the *Business Corporations Act* (British Columbia) and the regulations thereunder, as amended from time to time;
- (q) “**Business Day**” means a day which is not Saturday, Sunday or any other day on which banks are not open for business in the City of Vancouver, in the Province of British Columbia or the City of Toronto, in the Province of Ontario;
- (r) “**Canadian Securities Laws**” means all applicable securities laws of the Selling Jurisdictions in Canada, including the rules, regulations, rulings and orders made thereunder, notices, policies and similar instruments issued by the Securities Commissions;
- (s) “**Closing Date**” means the Initial Closing Date and each such subsequent closing date(s) for additional tranche closings of the Offered Shares as the Company and the Agents may mutually agree upon in writing;

- (t) “**Closing Time**” means 5:00 a.m. (Vancouver time), or such other time on a Closing Date as the Agents and the Company may mutually agree upon in writing;
- (u) “**Co-Lead Agents**” has the meaning ascribed thereto on the face page of this Agreement;
- (v) “**Common Share**” means a common share in the capital of the Company;
- (w) “**Company**” has the meaning ascribed thereto on the face page of this Agreement;
- (x) “**Company’s Counsel**” means Wildeboer Dellelce LLP, or such other legal counsel as the Company may retain;
- (y) “**Contract**” means any contract, agreement, license, franchise, lease, arrangement, commitment, understanding or other right or obligation (whether written or oral) to which the Company or any subsidiary thereof is a party or by which the Company or any subsidiary thereof is bound;
- (z) “**Direct Settlement Purchasers**” means the purchasers of Common Shares who will settle directly with the Company;
- (aa) “**Disclosure Record**” means all information filed by or on behalf of the Company since January 1, 2022 with the Securities Commissions and available for viewing on SEDAR+;
- (bb) “**distribution**” has the meaning ascribed thereto under Canadian Securities Laws and “**distribute**” has a corresponding meaning;
- (cc) “**Due Diligence Responses**” means the written and oral responses provided at a Due Diligence Session by: (i) the Company, as given by any director or senior officer of the Company; (ii) Pricewaterhouse Coopers LLP, the Company’s current auditors; (iii) Sproule; and (iv) the Company’s Counsel, as the same may be supplemented, amended or amended and restated in writing by the applicable Person from time to time prior to the Closing Date;
- (dd) “**Due Diligence Session**” means any due diligence session of the Agents to be held prior to the Initial Closing Date;
- (ee) “**Employee Plans**” has the meaning ascribed thereto in Section 6(ii);
- (ff) “**Engagement Letter**” means the engagement letter dated September 3, 2024 between the Co-Lead Agents and the Company;
- (gg) “**Environmental Laws**” means any national laws, local laws, Applicable Laws, decrees, rules, ordinances, directives, resolutions, regulations, policies, guidance documents, rulings, governmental restrictions and other similar requirements whether legislative, municipal, administrative or judicial in nature and in any case, issued, enacted, promulgated, enforced or entered by any national or local authority, court, judge, individual arbitrator or arbitration panel, aimed at reclamation or restoration of the environment; abatement of pollution and the corresponding sanctioning regime; protection of the environment and the natural resources; ensuring public safety from environmental hazards; protection of cultural or historic resources; management, storage or control of hazardous substances; releases or threatened releases of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances as wastes into the environment, including ambient air, surface water and groundwater;

and all other applicable laws relating to the manufacturing, processing, distribution, use, treatment, storage, disposal, handling or transport of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances or hazardous wastes;

- (hh) “**Environmental Permits**” includes all orders, permits, certificates, approvals, consents, registrations and licenses issued by any Governmental Authority under any Environmental Law, the absence of which would, individually or collectively, have a Material Adverse Effect;
- (ii) “**Executive Order**” has the meaning ascribed thereto in Section 6(III);
- (jj) “**Financial Statements**” means: (i) the audited annual consolidated financial statements of the Company as at and for the years ended December 31, 2023 and 2022; and (ii) the unaudited interim condensed consolidated financial statements of the Company as at and for the six months ended June 30, 2024 and 2023; and (iii) in the case of each of (i) and (ii), the applicable accompanying management’s discussion and analysis of financial condition and results of operations;
- (kk) “**Foreign Issuer**” means “foreign issuer” as that term is defined in Rule 902(e) of Regulation S;
- (ll) “**Governmental Authority**” means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law, rule or regulation-making organizations or entities (including the TSXV): (i) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or (ii) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;
- (mm) “**GST**” has the meaning ascribed thereto on the second page of this Agreement;
- (nn) “**IFRS**” means International Financial Reporting Standards as issued by the International Accounting Standards Board, which were adopted by the Canadian Accounting Standards Board as Canadian generally accepted accounting principles applicable to publicly accountable enterprises;
- (oo) “**Indemnified Persons**” means the Agents, their affiliates (including their U.S. Affiliates and Selling Co-Agent Group, if any) and each of their respective directors, officers, partners, employees and agents;
- (pp) “**Initial Closing Date**” means September 25, 2024, or such other date as the Agents and the Company may mutually agree upon in writing;
- (qq) “**Issue Price**” has the meaning ascribed thereto on the face page of this Agreement;
- (rr) “**Leased Premises**” has the meaning ascribed thereto in Section 6(ff);
- (ss) “**Lien**” means any mortgage, charge, pledge, hypothec, security interest, assignment, lien (statutory or otherwise), charge, title retention agreement or arrangement, restrictive covenant or other encumbrance of any nature, or any other arrangement or condition which, in substance, secures payment or performance of an obligation;

- (tt) “**Maria Conchita Block**” means the area of approximately 13,200 hectares located in the Department of La Guajira, Colombia granted to the Company by the ANH under an exploration and production Contract;
- (uu) “**Material Adverse Change**” or “**Material Adverse Effect**” means any change (including a decision to implement such a change made by the board of directors or by senior management of the Company who believe that confirmation of the decision by the board of directors is probable), fact, event, violation, inaccuracy, circumstance, state of being or effect that is materially adverse (actually or reasonably likely to be adverse, whether financial or otherwise) to the business, assets (including intangible assets), affairs, operations, prospects, liabilities (contingent or otherwise), capital, properties, condition (financial or otherwise), value, results of operations or control of the Company and the Subsidiaries, on a consolidated basis;
- (vv) “**material change**” has the meaning ascribed thereto under Canadian Securities Laws;
- (ww) “**material fact**” has the meaning ascribed thereto under Canadian Securities Laws;
- (xx) “**Material Permits**” has the meaning ascribed thereto in Section 6(ttt);
- (yy) “**misrepresentation**” has the meaning ascribed thereto under Canadian Securities Laws;
- (zz) “**NI 51-101**” means National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*;
- (aaa) “**NI 51-102**” means National Instrument 51-102 – *Continuous Disclosure Obligations*;
- (bbb) “**Non-Material Subsidiaries**” means, collectively: (i) Bolivar Energy (Colombia) Inc.; (ii) Bolivar Energy Colombia Inc. Sucursal Colombia; (iii) 1129523 B.C. Ltd.; and (iv) Patagonia Oil Corp.;
- (ccc) “**OFAC**” has the meaning ascribed thereto in Section 6(III);
- (ddd) “**Offered Shares**” has the meaning ascribed thereto on the face page of this Agreement;
- (eee) “**Offering**” has the meaning ascribed thereto on the face page of this Agreement;
- (fff) “**Oil and Gas Properties**” means all oil and gas properties, concessions, exploration and production Contracts, claims, tenures or other rights to explore, develop and exploit any properties held by the Company, directly or indirectly, and includes such oil and gas properties, concessions, exploration and production Contracts, claims, tenures or exploration rights held by any third party in trust for, or for the benefit of, the Company or any of the Subsidiaries, including but not limited to the Maria Conchita Block, SN-9 Block and the Tiburón Block;
- (ggg) “**Opined Subsidiaries**” means, collectively: (i) PentaNova (BVI) Ltd.; (ii) Bochica Investment Holdings Ltd.; (iii) MKMS ENERJI Anonim Sirketi S.A.; and (iv) MKMS ENERJI Sucursal Colombia;
- (hhh) “**Option Plan**” means the Incentive Stock Option Plan of the Company which permits the issuance of options to purchase Common Shares to management, directors, employees and consultants of the Company in an amount not to exceed 10% of the Common Shares issued and outstanding from time to time;

- (iii) “**Person**” includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate group, body corporate, corporation, unincorporated association or organization, Governmental Authority, syndicate or other entity, whether or not having legal status;
- (jjj) “**PNG**” has the meaning ascribed thereto in Section 6(bbb);
- (kkk) “**President’s List**” has the meaning ascribed thereto on the face page of this Agreement;
- (lll) “**Regulatory Authority**” means the Governmental Authority authorized under Applicable Laws that regulates the business and affairs of the Company or any of the Subsidiaries, and includes similar regulatory agencies outside of Colombia and Canada;
- (mmm) “**Reserves Reports**” means the NI 51-101 compliant reports prepared by Sproule, entitled “Evaluation of the P&NG Reserves and Resources of NG Energy International in the María Conchita Block, Colombia”, effective December 31, 2023, and dated December 20, 2023; and the report of Sproule entitled “Evaluation of the P&NG Reserves and Resources of NG Energy International in the Sinú-9 Block, Colombia”, effective December 31, 2023;
- (nnn) “**RSU and DSU Plan**” means the Company’s Restricted Share Unit and Deferred Share Unit Compensation Plan;
- (ooo) “**SEC**” means the United States Securities and Exchange Commission;
- (ppp) “**Securities Commissions**” means, collectively, the securities commissions or similar regulatory authorities in each of the Selling Jurisdictions in Canada, and “**Securities Commission**” means any one of them;
- (qqq) “**SEDAR+**” means the System for Electronic Document Analysis and Retrieval;
- (rrr) “**SEDI**” means the System for Electronic Disclosure by Insiders;
- (sss) “**Selling Co-Agent Group**” means the dealers and brokers, other than the Agents, who participate in the offer and sale of the Offered Shares pursuant to this Agreement registered in the applicable Selling Jurisdictions;
- (ttt) “**Selling Jurisdictions**” means all of the provinces and territories of Canada, the United States and such other jurisdictions outside of Canada and the United States as the Agents and the Company may mutually agree;
- (uuu) “**SN-9 Block**” means an area of approximately 126,925 hectares located in the Department of Cordoba, Colombia, granted by the ANH under an exploration and production Contract;
- (vvv) “**Sproule**” means Sproule International Limited, a qualified reserves evaluator located in Calgary, Alberta that is independent of the Company under NI 51-101;
- (www) “**Subscribers**” means the Persons who, as purchasers, acquire Offered Shares by duly completing, executing and delivering Subscription Agreements and any other required documentation;

- (xxx) “**Subscription Agreements**” means the subscription agreements, to be entered into at the Closing Time in respect of the Offering between the Company and each of the Subscribers setting out the contractual relationship between the Company and the Subscribers, in form and substance satisfactory to the Company and the Agents, each acting reasonably, and includes all schedules and appendices thereto, including the Term Sheet;
- (yyy) “**Subsidiaries**” means, collectively: (i) PentaNova (BVI) Ltd.; (ii) Bochica Investment Holdings Ltd.; (iii) MKMS ENERJI Anonim Sirketi S.A.; (iv) MKMS ENERJI Sucursal Colombia; (v) Bolivar Energy (Colombia) Inc.; (vi) Bolivar Energy Colombia Inc. Sucursal Colombia; (vii) 1129523 B.C. Ltd.; and (viii) Patagonia Oil Corp.;
- (zzz) “**subsidiary**” means a subsidiary within the meaning of the BCBCA and includes any branch (*sucursales*);
- (aaaa) “**Substantial U.S. Market Interest**” means “substantial U.S. market interest” as that term is defined in Rule 902(j) of Regulation S;
- (bbbb) “**Taxes**” has the meaning ascribed thereto in Section 6(q);
- (cccc) “**Term Sheet**” means the term sheet of the Company attached as Schedule F to the Subscription Agreements;
- (dddd) “**Tiburón Block**” means an area of approximately 99,492 hectares located in the Department of La Guajira, Colombia, granted by the ANH under an exploration and production Contract;
- (eeee) “**to the knowledge of the Company**” or equivalent statement means, the current, actual knowledge of Brian Paes-Braga, Donald Sewell, Jorge Fonseca or Leonardo Chavez or the employees of the Company or any Subsidiary whose normal responsibilities relate to the matter in question (in their capacity as officers or employees of the Company or any Subsidiary, as applicable, and not in their personal capacities) about the facts or circumstances to which such statement relates, after having made due and applicable inquiries in connection with such facts and circumstances that would ordinarily be made by senior officers or employees, as applicable, of exploration and production firms in the discharge of their duties, without special inquiry for the purpose of the Offering; and for these purposes, knowledge does not include the knowledge or awareness of any other Person or any constructive or imputed knowledge or any further duty of enquiry;
- (ffff) “**Transaction Agreements**” means this Agreement and the Subscription Agreements;
- (gggg) “**TSXV**” means the TSX Venture Exchange;
- (hhhh) “**TSXV Approval**” means the conditional approval of the TSXV for the Offering, including for the listing and posting for trading of the Offered Shares;
- (iiii) “**United States**” or “**U.S.**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
- (jjjj) “**U.S. Accredited Investor**” means an “institutional accredited investor” that satisfies one or more of the criteria set forth in Rule 501(a)(1), (2), (3) and (7) of Regulation D adopted by the SEC under the U.S. Securities Act;

- (kkkk) **“U.S. Affiliates”** has the meaning ascribed thereto in Schedule “A” attached to this Agreement;
- (llll) **“U.S. Exchange Act”** means the *United States Securities Exchange Act of 1934*, as amended and the rules and regulations promulgated thereunder;
- (mmmm) **“U.S. Securities Act”** means the *United States Securities Act of 1933*, as amended; and
- (nnnn) **“U.S. Securities Laws”** means the United States federal securities laws, including the U.S. Securities Act and the U.S. Exchange Act and the rules and regulations promulgated thereunder and as may be amended from time to time, and applicable state securities laws.

In this Agreement, words importing the singular include the plural and words importing gender include all genders.

## **Section 2 Company’s Covenants as to Issuance**

The Company covenants and agrees:

- (a) that upon issuance in accordance with the terms of this Agreement, the Offered Shares will be duly and validly authorized and issued;
- (b) to file or cause to be filed within the time periods stipulated by Applicable Securities Laws, all applicable forms and reports that are required to be filed by the Company with the appropriate Securities Commissions or similar Regulatory Authority and the TSXV or other competent authority in the Selling Jurisdictions and the Company will pay all filing fees required to be paid in connection with the transactions contemplated in this Agreement and the Ancillary Documents in connection with the issuance of the Offered Shares;
- (c) as soon as reasonably possible, and in any event by the Closing Date, to take all such steps as may be necessary to comply with such requirements of Applicable Securities Laws to enable the Offered Shares to be offered for sale and sold on a private placement basis in the Selling Jurisdictions, in accordance with Applicable Securities Laws, by it or through the Agents, or any member of the Selling Co-Agent Group by way of the exemptions under Applicable Securities Laws as contemplated by the Transaction Agreements and to comply with the provisions of National Instrument 45-102 – *Resale of Securities*, National Instrument 45-106 – *Prospectus Exemptions* and the *Securities Act* (Ontario), as applicable; and
- (d) during the period commencing on the date hereof until the Closing Time, to allow the Agents and the Agents’ Counsel to conduct all due diligence which the Agents may reasonably require in order to fulfill the Agents’ obligations as agents, and will provide to the Agents and the Agents’ Counsel reasonable access to the Company’s properties, senior management personnel, legal counsel, experts and evaluators, and corporate, financial and other records for the purposes of conducting such due diligence reviews. Without limiting the generality of the foregoing, the Company shall make available its senior management and Company’s Counsel to participate in the Due Diligence Session and provide the applicable Due Diligence Responses and shall request that PricewaterhouseCoopers LLP and Sproule participate in the Due Diligence Session and provide the applicable Due Diligence Responses.

### **Section 3 Company's Covenants as to Changes**

The Company covenants and agrees that:

- (a) from the period commencing on the date hereof to the Closing Time the Company will promptly inform the Agents of the full particulars of:
  - (i) any material change (actual, anticipated or threatened) in the assets, liabilities (absolute, accrued, contingent or otherwise), business, operations, capital or condition (financial or otherwise) of the Company;
  - (ii) any change in any material fact contained or referred to in any information regarding the Company or any of the Subsidiaries or the Offering previously provided to the Agents, including the Due Diligence Responses; and
  - (iii) the discovery by the Company or any of the Subsidiaries of any misrepresentation: (A) in any information previously provided to the Agents regarding the Company or any of the Subsidiaries (including the Due Diligence Responses); or (B) in the Disclosure Record, provided that, in each case, if there may be any reasonable doubt as to whether a material change, misrepresentation, change, occurrence or event of the nature referred to in this Section 3(a)(iii) has occurred, the Company shall promptly inform the Agents of the full particulars of the occurrence giving rise to the uncertainty and shall consult with the Agents as to whether the occurrence is of such nature;
- (b) from the period commencing on the date hereof to the Closing Time, the Company will promptly provide to the Agents, for review by the Agents and the Agents' Counsel, and prior to the publication, filing or issuance thereof any proposed disclosure document or amendment which is or may be deemed to be part of or become part of the Offering or the Company's public record and will consider, acting reasonably and in good faith, any proposed changes to any such documents as the Agents or Agents' Counsel may reasonably request and in order to comply with U.S. Securities Laws, no press release will be issued in the United States by the Company concerning the Offering, and any press release issued outside the United States concerning the Offering shall include cautionary language in respect of United States offerings as may be agreed by the Agents or the Agents' Counsel and the Company, each acting reasonably; and
- (c) the Company will promptly inform the Agents of the full particulars of:
  - (i) any request of the TSXV, any Securities Commission or similar Regulatory Authority or any other competent authority for any additional information of a material nature to the distribution of the Offered Shares;
  - (ii) the issuance by the TSXV, any Securities Commission or similar Regulatory Authority or by any other competent authority of any order to cease or suspend trading of any securities of the Company (including the Offered Shares) or of the institution or threat of institution of any proceedings for that purpose; or
  - (iii) the receipt by the Company of any communication from the TSXV, any Securities Commission or similar Regulatory Authority or any other competent authority relating to the distribution of the Offered Shares.

#### **Section 4 Company's Other Covenants**

The Company covenants and agrees that:

- (a) it will use reasonable best efforts to maintain its status as a reporting issuer under Canadian Securities Laws, not in default of any requirement of Applicable Securities Laws for a period of at least 24 months after the Closing Date;
- (b) by the Closing Date, to take all such steps as required by Applicable Securities Laws and within its control, as may reasonably be necessary, to enable the Offered Shares to be offered for sale and sold on a private placement basis in the Selling Jurisdictions through the Agents by way of the prospectus or registration exemptions under Applicable Securities Laws as contemplated by the Transaction Agreements;
- (c) at the Closing Time, it shall make direct payment of the Agency Fee and the expenses contemplated by Section 9 and Section 10, respectively, to or as directed by the Co-Lead Agents, on behalf of the Agents;
- (d) it will use its best efforts to obtain the TSXV Approval;
- (e) the Company will not take any action that would prevent the Company from relying on the exemptions from the prospectus or registration requirements of Applicable Securities Laws as contemplated by the Subscription Agreements;
- (f) the Company will allow the Agents and the Agents' Counsel to participate fully in the preparation of the Subscription Agreements and any amendments thereto;
- (g) the Company will use reasonable efforts to make available its directors or senior management persons to meet with potential investors if so requested by the Agents;
- (h) the Company will comply with all covenants of the Company set forth in this Agreement and the other Transaction Agreements and will duly, punctually and faithfully perform all the obligations to be performed by it under this Agreement and the other Transaction Agreements;
- (i) the Company will, and will cause the Subsidiaries to, at all times carry on its business in a prudent manner in accordance with industry standards and good business practice and will keep or cause to be kept proper books of accounts in accordance with Applicable Laws;
- (j) the Company will, and will cause the Subsidiaries to, maintain insurance by insurers of recognized financial responsibility against such losses and risks and in such amounts that are customary in the business in which they are engaged and based on their current stage of operations;
- (k) the Company shall use its reasonable commercial efforts to fulfill or cause to be fulfilled, at or prior to the Initial Closing Date, each of the conditions required to be fulfilled by it set out in Section 7;
- (l) all written or oral opinions, advice and materials provided by the Agents to the Company in connection with the Offering are intended solely for the benefit and internal use of the Company and the Company agrees that, unless otherwise required by Applicable Law, no such opinion, advice or material shall be used for any other purpose or reproduced, disseminated, quoted from or referred to at any time, in any manner or for any purpose, nor shall any public reference to the Agents be made by the Company

(including its management, directors and counsel) without the prior written consent of the Agents, in each specific instance. The Agents expressly disclaim any liability or responsibility to the Company or any affiliate thereof, their respective management and boards of directors, or any other party, including, without limitation, any past, present, or future holder of any securities of the Company, by reason of unauthorized use, publication, distribution or reference to any oral or written opinions or advice or materials provided by the Agents or any unauthorized reference to the Agents or the engagement of the Agents hereunder;

- (m) the Company will, and will cause the Subsidiaries to, use the net proceeds from the Offering as set forth on the face page of this Agreement;
- (n) the Company will not, and will cause the Subsidiaries not to, from the date hereof until that date that is 120 days following the Closing Date, issue, agree to issue, or announce an intention to issue, any additional Common Shares, any securities convertible into or exchangeable for Common Shares, securities or any additional debt without the prior written consent of the Co-Lead Agents, except in connection with the exchange, transfer, conversion or exercise rights of existing outstanding securities (including, existing security-based compensation being the options to purchase Common Shares pursuant to the Option Plan, Common Share purchase warrants and the restricted share units and deferred share units issuable in accordance with the RSU and DSU Plan) or existing commitments to issue securities or an arm's length acquisition, in each case, as of the date of this Agreement; and
- (o) by the Initial Closing Date, the Company will use its best efforts to cause each of the directors and officers of the Company to enter into lock-up agreements in the form attached as Schedule "B" hereto, pursuant to which each such Person agrees, for a period of 120 days after the Closing Date, not to sell, transfer or pledge, or otherwise dispose of, any securities of the Company until the date which is 120 days after the Initial Closing Date, in each case without the prior written consent of the Co-Lead Agents, such consent not to be unreasonably withheld or delayed.

## **Section 5 Agents' Covenants**

The Agents covenant and agree with the Company that they will:

- (a) offer for sale, on a best efforts agency basis, the Offered Shares:
  - (i) in the provinces of Canada to Accredited Investors, or such other available prospectus exemption as agreed to by the Company and the Agents as evidenced by the Company's acceptance of a Subscription Agreement with respect thereto, in accordance with the provisions of the Transaction Agreements;
  - (ii) in the United States through the U.S. Affiliates to U.S. Accredited Investors, pursuant to available exemptions from the registration requirements of the U.S. Securities Act and any applicable state securities laws and in compliance with Schedule "A" hereto; and
  - (iii) in certain other jurisdictions outside of Canada (other than the United States) as may be mutually agreed upon by the Agents and the Company (each acting reasonably) pursuant to relevant prospectus or registration exemptions in accordance with Applicable Securities Laws in those jurisdictions, in a manner such that the offer and sale of the Offered Shares does not obligate the Company to file a prospectus, a registration statement or other offering

document or deliver an offering memorandum or other offering document under Applicable Securities Laws and does not require the Company to become subject to any continuous or ongoing disclosure requirements of any such jurisdiction, other than as contemplated in the Subscription Agreements;

- (b) conduct their activities in connection with the proposed offer and sale of the Offered Shares in compliance with this Agreement and all Applicable Laws, including in the case of any offer and sale of Offered Shares in the United States, in the manner contemplated by Schedule "A" hereto, and cause a similar covenant to be contained in any written agreement entered into with any member of any Selling Co-Agent Group established in connection with the distribution of the Offered Shares;
- (c) not solicit subscriptions for Offered Shares, trade in the Offered Shares or otherwise do any act in furtherance of a trade of the Offered Shares outside of the Selling Jurisdictions except in compliance with the Applicable Laws thereof and provided that the Agents may so solicit, trade or act within such jurisdiction with the prior written consent of the Company only if such solicitation, trade or act is in compliance with Applicable Securities Laws in such jurisdiction and does not: (i) obligate the Company to take any action to qualify or register any of its securities or any trade of any of its securities in such jurisdiction; (ii) obligate the Company to establish or maintain any office or director or officer in such jurisdiction, other than as contemplated in the Subscription Agreements; or (iii) subject the Company to any reporting or other requirement in such jurisdiction. All offers and sales of Offered Shares made by the Agents or their respective U.S. Affiliates shall comply with the requirements set forth in Schedule "A" hereto, as applicable;
- (d) obtain from each Subscriber an executed Subscription Agreement in the applicable form and all applicable undertakings, questionnaires and other forms required under Applicable Securities Laws and by the TSXV and supplied to the Agents by the Company for completion in connection with the distribution of the Offered Shares;
- (e) not advertise the Offering in printed media of general and regular paid circulation or any similar medium, radio, television or telecommunications, including electronic display, nor provide or make available to prospective purchasers of Offered Shares any document or material which would constitute an offering memorandum as defined under Applicable Securities Laws; and
- (f) provide to the Company all necessary information in respect of the Agents and the Subscribers to allow the Company to file, with the Securities Commissions, if required and within the time frames required, reports of the trades of the Offered Shares in accordance with Applicable Securities Laws.

## **Section 6 Representations and Warranties of the Company**

The Company represents and warrants (and, as applicable, covenants) to the Agents, and acknowledges that the Agents are relying upon such representations, warranties and covenants, as follows:

- (a) the Company: (i) is a corporation duly existing under the laws of the Province of British Columbia and has all requisite power, capacity and authority, and is duly qualified to carry on its business as now conducted in each of the jurisdictions it carries on business and to own, lease or operate its Assets and Properties and to offer, issue and sell the Offered Shares and neither the Company nor, to the knowledge of the Company, any other Person has taken any steps or proceedings, voluntary or otherwise, requiring or authorizing the Company's dissolution or winding up; and (ii)

has all requisite power, capacity and authority to enter into the Transaction Agreements and the Ancillary Documents and to carry out its obligations hereunder and thereunder;

- (b) other than as disclosed in the Disclosure Record, other than the Subsidiaries and Patrimonio Autonomo FAP NG Energy, the Company has no subsidiaries or branch and no investment in any Person which is or would be material to the business and affairs of the Company;
- (c) the Company is the direct or indirect registered and beneficial owner of all of the issued and outstanding shares and other voting securities of each Subsidiary, in each case free and clear of all Liens, and no Person, firm, corporation or entity has any agreement, option, right or privilege (whether pre-emptive or contractual) capable of becoming an agreement or option, for the purchase from the Company or any Subsidiary of any of the shares or other securities of any Subsidiary;
- (d) each Subsidiary is an entity duly incorporated, amalgamated, continued or organized and existing under the laws of its jurisdiction of incorporation, amalgamation, continuation or organization, as applicable, and has all requisite power, capacity and authority and is duly qualified to carry on its business as now conducted in each of the jurisdictions it carries on business and to own, lease or operate its respective Assets and Properties and, other than as has been disclosed to the Agents in writing, none of the Subsidiaries (other than the Non-Material Subsidiaries) nor, to the knowledge of the Company, any other Person, has taken any steps or proceedings, voluntary or otherwise, requiring or authorizing such Subsidiaries' dissolution or winding up;
- (e) each of the Company and the Subsidiaries is and has been conducting its business in compliance in all material respects with all Applicable Laws of each jurisdiction in which it carries on such business and has not received a notice of non-compliance, and, to the knowledge of the Company, there are no facts that would give rise to a notice of noncompliance with any such Applicable Laws except as would not reasonably be expected to have a Material Adverse Change;
- (f) the Company is a reporting issuer under Canadian Securities Laws in each of the provinces of Canada, except Québec, and is not in default under the Applicable Securities Laws of those provinces and is not on the list of defaulting issuers maintained by the applicable Securities Commissions in those provinces;
- (g) no approval, authorization, consent or other order of, and no filing, registration or recording with, any Governmental Authority, Securities Commission, Regulatory Authority or other Person is required of the Company or any Subsidiary in connection with the execution and delivery of, or with the performance by the Company of its obligations under, this Agreement except: (i) those which have been obtained or those which may be required and shall be obtained prior to the Closing Time under Applicable Securities Laws or the rules of the TSXV; and (ii) such post-Closing notice filings with Securities Commissions and the TSXV as may be required in connection with the Offering;
- (h) each of the execution and delivery of this Agreement and the other Transaction Agreements, the performance by the Company of its obligations hereunder, the offer, issue and sale of the Offered Shares and the consummation of the transactions contemplated in the Transaction Agreements, do not and will not: (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, whether after notice or lapse of time or both: (A) any statute, rule or regulation applicable to the Company or any Subsidiary, including Applicable Securities Laws and policies of the TSXV; (B) the constating documents, by-laws or resolutions of the Company or any Subsidiary; (C) any mortgage, note, indenture, Contract, joint venture,

partnership, instrument, lease or other document to which the Company or any Subsidiary is a party or by which it is bound; or (D) any judgment, decree or order binding the Company or its Assets and Properties or any Subsidiary or its Assets and Properties; or (ii) affect the rights, duties and obligations of any parties to any indenture, Contract or instrument to which the Company or any Subsidiary is a party, nor give a party the right to terminate any such indenture, Contract or instrument by virtue of the application of terms, provisions or conditions in such indenture, Contract or instrument;

- (i) this Agreement has been duly authorized and executed by the Company and constitutes a valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by Applicable Laws;
- (j) each of the Transaction Agreements will at the Closing Date be duly authorized and executed by the Company and constitute a valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by Applicable Laws;
- (k) the Common Shares are listed and posted for trading on the TSXV and the Company is in compliance in all material respects with the current listing requirements and all other applicable rules and regulations of the TSXV and has not taken any action which would be reasonably expected to result in the delisting or suspension of the Common Shares on or from the TSXV and, prior to the Closing Time, all necessary notices and filings will have been made with and all necessary consents, approvals, authorizations will have been obtained by the Company from the TSXV to ensure that, subject to fulfilling the customary listing conditions of the TSXV, the TSXV Approval will be obtained;
- (l) except for the TSXV Approval, there are no third-party consents (including from any Governmental Authority) required to be obtained by the Company or any Subsidiary in order for the Company to complete the Offering;
- (m) (i) no default exists under and no event has occurred which, after notice or lapse of time or both, or otherwise, constitutes a default under or breach, by the Company, any Subsidiary or any other Person, of any material obligation, Contract (including the exploration and production Contracts executed with the ANH for the Maria Conchita Block, the SN-9 Block and the Tiburón Block), covenant or condition contained in any material Contract to which the Company or any Subsidiary is a party or by which it or any of its Assets and Properties may be bound, and all such Contracts (including the exploration and production Contracts executed with the ANH for the Maria Conchita Block, the SN-9 Block and the Tiburón Block) are in good standing and in full force and effect; and (ii) no order, ruling or determination having the effect of suspending the sale or ceasing the trading of the Common Shares or any other security of the Company has been issued or made by any Securities Commission, Governmental Authority or any other Regulatory Authority and is continuing in effect and no proceedings for that purpose have been instituted or are pending or, to the knowledge of the Company, are contemplated or threatened by any such authority or under any Applicable Securities Laws;

- (n) other than as has been disclosed to the Agents in writing, the Company or any Subsidiary is not currently party to (or currently contemplating being a party to) any Contract in respect of: (i) the purchase of any material Assets and Properties or any interest therein or the sale, transfer or other disposition of any material Assets and Properties or any interest therein currently owned, directly or indirectly, by the Company or any Subsidiary whether by asset sale, transfer of shares or otherwise; or (ii) the change of control of the Company or any Subsidiary (whether by sale or transfer of shares or sale of all or substantially all of the applicable Assets and Properties or otherwise);
- (o) the Financial Statements: (i) have been prepared in accordance with IFRS consistently applied throughout the periods referred to therein; (ii) present fairly, in all material respects, the financial position (including the assets and liabilities, whether absolute, contingent or otherwise as required by IFRS) of the Company and the Subsidiaries on a consolidated basis as at such dates and the results of its operations and its cash flows for the periods then ended and contain and reflect adequate provisions or allowance for all reasonably anticipated liabilities, expenses and losses of the Company and the Subsidiaries on a consolidated basis in accordance with IFRS; and (iii) have been audited (in the case of the annual financial statements comprising the Financial Statements) by independent public accountants within the meaning of Canadian Securities Laws and the rules of the Chartered Professional Accountants of Canada, and there has been no change in accounting policies or practices of the Company since incorporation. Except as set out in the Financial Statements, the Company and its Subsidiaries do not have any outstanding indebtedness or any liabilities or obligations including any unfunded obligation under any employee plan, whether accrued, absolute, contingent or otherwise as of the date of the applicable financial statements;
- (p) there are no off-balance sheet transactions, arrangements, obligations (including contingent obligations) or other relationships of the Company or the Subsidiaries with unconsolidated entities or other Persons;
- (q) all taxes (including without limitation income tax, capital tax, payroll taxes, sales taxes, value-added taxes, employer health tax, workers' compensation payments, property taxes and land transfer taxes), duties, royalties, levies, imposts, assessments, deductions, charges or withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto (collectively, "Taxes") due and payable or required to be collected or withheld and remitted, by the Company and the Subsidiaries have been paid, collected or withheld and remitted as applicable, except for any failure to so pay that would not, individually or in the aggregate, have a Material Adverse Effect. All tax returns, declarations, remittances and filings required to be filed by the Company or any Subsidiary have been filed with all appropriate Governmental Authorities and all such returns, declarations, remittances and filings are complete and accurate in all material respects and no material fact or facts have been omitted therefrom which would make any of them misleading. To the knowledge of the Company, there are no issues or disputes outstanding with any Governmental Authority respecting any Taxes that have been paid, or may be payable, by the Company or any Subsidiary. There are no agreements, waivers or other arrangements with any taxation authority providing for an extension of time for any assessment or reassessment of Taxes with respect to the Company or any Subsidiary;
- (r) the Company and the Subsidiaries have each established on their books and records reserves that are adequate for the payment of all Taxes not yet due and payable and there are no Liens for Taxes on the Assets and Properties of the Company or the Subsidiaries (other than Liens for Taxes that are not yet due and payable or that are being contested in good faith), and, to the knowledge of the Company, there are no

audits pending of the tax returns of the Company or any Subsidiary (whether federal, state, provincial, local or foreign) and there are no claims which have been asserted relating to any such tax returns, which audits and claims, if determined adversely, would result in the assertion by any Governmental Authority of any material deficiency;

- (s) the Company has established and maintains a system of disclosure controls and procedures and internal control over financial reporting in compliance with applicable requirements set forth for venture issuers in National Instrument 52-109 *Certification of Disclosure in Issuer's Annual and Interim Filings*;
- (t) KPMG LLP, which audited the audited consolidated financial statements of the Company for the financial year ended December 31, 2022 and 2021, were independent public accountants at the applicable time and there was no "disagreement" or "reportable event" (within the respective meanings of NI 51-102) with the former auditors of the Company;
- (u) Pricewaterhouse Coopers LLP, the Company's current auditors, and which audited the audited consolidated financial statements of the Company for the financial year ended December 31, 2023, are independent public accountants and there has not been any "disagreement" or "reportable event" (within the respective meanings of NI 51-102) with the current auditors of the Company;
- (v) the audit committee's responsibilities and composition comply with National Instrument 52-110 - *Audit Committees*;
- (w) other than as set out in the going concern note set forth in the audited consolidated financial statements of the Company for the financial year ended December 31, 2023, no auditor, consultant, or professional advisor of any kind, that has been or is currently retained by the Company, has expressed doubts regarding the Company's ability to continue as a going concern;
- (x) the authorized capital of the Company consists of an unlimited number of Common Shares and an unlimited number of preferred shares. As of the date of this Agreement, there are 225,964,840 Common Shares issued and outstanding as fully paid and non-assessable shares in the capital of the Company and nil preferred shares issued and outstanding;
- (y) except for 11,511,893 outstanding stock options issued in accordance with the Option Plan, 1,940,000 deferred share units and 8,955,000 restricted share units issued in accordance with the RSU and DSU Plan, 96,688,657 outstanding Common Share purchase warrants and \$16,797,000 outstanding principal amount of convertible debentures, which are convertible into 13,997,500 Common Shares, as of the date of this Agreement, no Person has any agreement, option, right or privilege (whether pre-emptive, contractual or otherwise) capable of becoming an agreement for the purchase, acquisition, subscription for or issue of any of the unissued Common Shares or other securities of the Company or any Subsidiary or any other security convertible into or exchangeable for any such shares or securities, or to require the Company or any Subsidiary to purchase, redeem or otherwise acquire any of the outstanding securities in the capital of the Company or any Subsidiary;
- (z) there is no agreement in force or effect which in any manner affects the voting or control of any of the securities of the Company or any Subsidiary;
- (aa) no legal or governmental actions, suits, judgments, investigations or proceedings have been instituted to which the Company or any Subsidiary, or to the knowledge of the

Company, the directors, officers, major shareholders or employees of the Company or any Subsidiary are a party or to which the Assets and Properties of the Company or any Subsidiary is subject and, to the knowledge of the Company, no such proceedings have been threatened against or are pending with respect to the Company or any Subsidiary, or with respect to their Assets and Properties and none of the Company or any Subsidiary is subject to any judgment, order, writ, injunction, decree or award of any Governmental Authority, which, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect;

- (bb) neither the Company nor any Subsidiary is in violation of its constating documents;
- (cc) the Company and each Subsidiary owns or has the right to full use of: (i) all Contracts that are material to its business; and (ii) all Assets and Properties necessary to enable the Company or the applicable Subsidiary to carry on their business as now conducted free and clear of any actual, pending or, to the knowledge of the Company, threatened claims, Liens, options, set-offs, free-carried interests, royalties, or other interests whatsoever, other than as would not reasonably be expected to have a Material Adverse Effect;
- (dd) other than as set forth in the Disclosure Record, no third party has any ownership right, title, interest in, claim in, Lien against or any other right to the Assets and Properties (including any production) owned by the Company or any Subsidiary or any written or oral agreement, option, understanding or privilege capable of becoming such (other than Liens arising in the ordinary course of business which, individually or in the aggregate, do not and will not reasonably be expected to have a Material Adverse Effect);
- (ee) the Company and each Subsidiary, as applicable, are the absolute legal and beneficial owner of, and have good and marketable title to, all of the material assets thereof, as described in the Disclosure Record, free of all mortgages, Liens, charges, pledges, security interests, encumbrances, claims or demands whatsoever, and there is no claim or to the knowledge of the Company basis for any claim that might or could have a Material Adverse Effect on the right of the Company or the Subsidiaries, as applicable, to use, transfer or otherwise enforce such property rights, and the Company and the Subsidiaries have no responsibility or obligation to pay any commission, royalty, license fee or similar payment to any Person with respect to the property rights thereof other than as set forth in the Disclosure Record;
- (ff) with respect to the premises of the Company and its Subsidiaries and which the Company or a Subsidiary occupies as tenant (the "**Leased Premises**"), the Company or a Subsidiary occupies the Leased Premises and, except any Leased Premises that is being subleased, has the exclusive right to occupy and use the Leased Premises and each of the leases pursuant to which the Company or a Subsidiary occupies the Leased Premises is in good standing and in full force and effect in all material respects;
- (gg) neither the Company nor any Subsidiary is a party to or bound by any collective agreement and is not currently conducting negotiations with any labour union or employee association;
- (hh) other than as would not reasonably be expected to have a Material Adverse Effect, the Company and each Subsidiary is in compliance in all respects with all Applicable Laws respecting employment and employment practices, terms and conditions of employment, pay equity and wages and has not and is not engaged in any unfair labour practice;

- (ii) all material Contracts, plans or practices relating to the payment of any management, consulting, service or other fees or any bonuses, pensions, share of profits or retirement allowance, insurance, health or other employee benefits or any plan for retirement, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise of the Company or a Subsidiary for the benefit of any current or former director, officer, employee or consultant of the Company or a Subsidiary (“**Employee Plans**”) have been disclosed in the Disclosure Record. The Company has made available to the Agents true and complete copies of documents, contracts and arrangements relating to the Employee Plans to the extent they have been requested in a due diligence requisition letter. The Employee Plans have been established, operated in the ordinary course and administered in all material respects in accordance with their terms and Applicable Laws;
- (jj) there is not currently any labour disruption that would reasonably be expected to have a Material Adverse Effect;
- (kk) the Company is not aware of any intention on behalf of any officer of the Company or any Subsidiary to terminate their employment relationship with the Company;
- (ll) except as disclosed in the Disclosure Record, none of the directors, officers or employees of the Company, the Subsidiaries or any associate or affiliate of any of the foregoing has any interest, direct or indirect, in any transaction with the Company or any Subsidiary that materially affects, is material to or would reasonably be expected to materially affect the Company or any Subsidiary;
- (mm) except for wages, salaries and other compensation-related payments in the ordinary course, and other than as disclosed in the Disclosure Record, neither the Company nor any Subsidiary is indebted to: (i) any director, officer or shareholder of the Company; (ii) any individual related to any of the foregoing by blood, marriage or adoption; or (iii) any corporation controlled, directly or indirectly, by any one or more of those Persons referred to in this subsection (mm). None of those Persons referred to in this subsection (mm) is indebted to the Company or any Subsidiary. Neither the Company nor a Subsidiary is currently a party to any material Contract or understanding with any officer, director, employee, shareholder or any other Person not dealing at arm’s length with the Company or the Subsidiaries;
- (nn) the Company and each Subsidiary’s insurance policies are valid and enforceable and in full force and effect, are underwritten by unaffiliated and reputable insurers, and provide insurance, including liability and product liability insurance, in such amounts and against such risks as is customary for corporations engaged in businesses similar to that carried on by the Company and the Subsidiaries. Neither the Company nor any Subsidiary is in default in any respect with respect to the payment of any premium or compliance with any of the provisions contained in any such insurance policy and has not failed to give any notice or present any claim within the appropriate time therefor. There are no circumstances under which the Company or any Subsidiary would be required to or, in order to maintain its coverage, should give any notice to the insurers under any such insurance policy which has not been given. Neither the Company nor any Subsidiary has received notice from any of the insurers regarding cancellation of such insurance policy;
- (oo) copies of the minute books, if applicable, and corporate records of the Company and each of the Subsidiaries have been made available to Agents’ Counsel in connection with the due diligence investigation of the Company and the Subsidiaries. All of the minute books of the Company and each of the Subsidiaries contain copies of all

material proceedings (or certified copies thereof or drafts thereof pending approval) of the shareholders, the directors and all committees of directors of the Company or the applicable Subsidiary to the date hereof and to the extent that minutes exist, there have been no other meetings, resolutions or proceedings of the shareholders, directors or any committees of the directors of the Company or the Subsidiaries to the date hereof not reflected in such minute books, other than minutes or resolutions relating to the Offering;

- (pp) each of the Company and the Subsidiaries: (i) are in material compliance with any and all Environmental Laws; (ii) have received all Environmental Permits necessary to conduct their business as currently conducted and all such Environmental Permits are valid, subsisting and in good standing and neither the Company nor any Subsidiary is in material default or breach of any Environmental Permit, and to the knowledge of the Company, no proceeding is pending or threatened to revoke or limit any Environmental Permit; (iii) are in material compliance with all terms and conditions of any such Environmental Permits and no proceeding has been threatened or, to the knowledge of the Company, is pending to revoke or limit any such Environmental Permits and their Assets and Properties comply in all material respects with all applicable Environmental Laws; (iv) do not have any knowledge of, and have not received any notice of, any material claim, judicial or administrative proceeding, pending or threatened against, or which may affect, either the Company or any Subsidiary or any of their Assets and Properties, or the assets or operations thereof, relating to, or alleging any violation of any Environmental Laws, the Company has no knowledge of any facts which could reasonably be expected to give rise to any such claim or judicial or administrative proceeding and none of the Company, any Subsidiary, or any of their Assets and Properties, is the subject of any investigation, evaluation, audit or review by any Governmental Authority to determine whether any violation of any Environmental Laws has occurred or is occurring or whether any remedial action is needed in connection with a release of any contaminant into the environment, except for compliance investigations conducted in the normal course by any Governmental Authority; (v) do not store any hazardous or toxic waste or substance on their Assets and Properties and have not disposed of any hazardous or toxic waste, in each case in a manner contrary to any Environmental Laws, and there are no contaminants on any of their premises or Assets and Properties, in each case other than in compliance with Environmental Laws except where such non-compliance could not reasonably be expected to result in a Material Adverse Effect; and (vi) are not subject to any material contingent or other liability relating to the restoration or rehabilitation of land, water or any other part of the environment or non-compliance with Environmental Laws;
- (qq) the Company and the Subsidiaries are each in compliance in all material respects with each license and permit held by them and are not in violation of, or in default under, the applicable statutes, ordinances, rules, regulations, orders or decrees (including, without limitation, Environmental Laws) of any Governmental Authorities, Regulatory Authority or bodies having, asserting, or claiming jurisdiction over them or over any part of their operations or Assets and Properties;
- (rr) each of the Company and the Subsidiaries have not used, except in material compliance with all Environmental Laws and Environmental Permits, any property or facility (including their Assets and Properties) which they own or lease or previously owned or leased, to generate, manufacture, process, distribute, use, treat, store, dispose of, transport or handle any hazardous substance other than in the ordinary course of business;
- (ss) neither the Company nor any Subsidiary have received any notice of, or been prosecuted for an offence alleging, non-compliance with any laws, ordinances, regulations and orders, including Environmental Laws, and, to the knowledge of the

Company, neither the Company nor any Subsidiary have settled any allegation of non-compliance short of prosecution. There are no orders or directions relating to environmental matters requiring any material work, repairs, construction or capital expenditures to be made with respect to any of the assets of the Company or any Subsidiary, nor has the Company or any Subsidiary received notice of any of the same;

- (tt) there have been no past unresolved, and to the knowledge of the Company, there are no pending or threatened, claims, complaints, notices or requests for information received by the Company or any Subsidiary with respect to any alleged material violation of any Environmental Law; no conditions exist at, on or under any Assets and Properties now or previously owned, operated or leased by the Company or any Subsidiary which, with the passage of time, or the giving of notice or both, would give rise to liability under any Environmental Law that, individually or in the aggregate, has or may reasonably be expected to have, a Material Adverse Effect;
- (uu) except as ordinarily or customarily required by Applicable Laws, neither the Company nor any of the Subsidiaries have received any notice, which remains unresolved, wherein it is alleged or stated that it is potentially responsible for a federal, provincial, state, municipal or local clean-up site or corrective action under any law including any Environmental Laws. None of the Company or the Subsidiaries has received any request for information, which remains unresolved, in connection with any federal, state, municipal or local inquiries as to disposal sites;
- (vv) to the knowledge of the Company, there are no environmental audits, evaluations, assessments, studies or tests relating to the Assets and Properties of the Company or any Subsidiary except for ongoing assessments conducted by or on behalf of the Company or the Subsidiaries in the ordinary course;
- (ww) the Company and the Subsidiaries, hold either freehold titles, leases, claims, exploration licenses, property leases, or other conventional property, proprietary or contractual interests or rights recognized and enforceable agreements or instruments, sufficient to permit the Company or the Subsidiaries to explore for, produce and sell petroleum, natural gas and related hydrocarbons, free and clear of any Liens, charges or encumbrances, and all property, leases, claims or licenses in which the Company or the Subsidiaries have any interest or right have been validly located and recorded in accordance with all Applicable Laws and are valid and subsisting; the Company and the Subsidiaries have all the necessary surface rights, access rights and other necessary rights and interest relating to the properties in which the Company or any Subsidiary has a material interest as described in the Disclosure Record granting the Company or any Subsidiary the right and ability to explore for petroleum, natural gas and related hydrocarbons for development purposes as are appropriate in view of their respective rights and interests therein, and each of the proprietary interests or rights and each of the documents, agreements and instruments and obligations relating thereto are currently in good standing in the name of the Company or the Subsidiaries. The interests in respect of the Oil and Gas Properties as disclosed in the Disclosure Record constitute a complete description of all material interests held by the Company or the Subsidiaries;
- (xx) any and all material Contracts pursuant to which the Company or any of the Subsidiaries hold any property or propose to hold any property, including but not limited to the exploration and production Contracts executed with the ANH for the Maria Conchita Block, the SN-9 Block and the Tiburón Block and the material Contracts relating to the Oil and Gas Properties, as disclosed in the Disclosure Record, are valid and Contracts in full force and effect, enforceable in accordance with terms thereof; neither the Company nor the Subsidiaries are in default and, to the knowledge of the Company, none of the other parties thereto are in default, of any material provision of

such agreements, documents or instruments, nor has any such default been alleged. None of the Oil and Gas Properties of the Company or the Subsidiaries are subject to any right of first refusal or purchase or acquisition rights;

- (yy) the Company has completed the prior consultation process with the ethnic and indigenous communities located within the area of influence of the Oil and Gas Properties required under the Applicable Laws in Colombia and to the knowledge of the Company, there are no material claims with respect to ethnic, indigenous or local rights pending or threatened, with respect to the Oil and Gas Properties of the Company or any of the Subsidiaries;
- (zz) to the Company's knowledge, there has not been in the last three years and there is not currently any actions, proceedings, inquiries, disruptions, protests, blockades or initiatives by non-governmental organizations, activist groups or similar entities or persons, that are ongoing or anticipated which could have a Material Adverse Effect on the ability to explore, develop and operate the Oil and Gas Properties of the Company or the Subsidiaries, other than disruptions caused by local communities in the Tiburón Block, which have placed the Company's activities there into *force majeure*;
- (aaa) all the interests on the Oil and Gas Properties of the Company or any of the Subsidiaries, including (without limitation) the exploration and production Contracts executed with the ANH for the Maria Conchita Block, the SN-9 Block and the Tiburón Block, are in good standing and the Company has incurred and complied with the minimum exploration commitments which are due in respect thereof in order to keep such rights in good standing, there is sufficient time under the exploratory phases of the exploration and production contracts executed with the ANH for the Maria Conchita Block, the SN-9 Block and the Tiburón Block to complete any outstanding minimum exploration commitments and, other than those Liens and encumbrances which are (i) common and customary in the oil and gas industry in Colombia, including those which arise pursuant to credit arrangements or production services agreements to which they are a party; or (ii) which are disclosed in the Disclosure Record, there are no Liens or encumbrances registered or outstanding against the interests therein or the rights related thereto, all payment obligations thereunder have been met, the title to the rights to which the Contracts relate are valid, subsisting and enforceable titles held by the titleholder which is party to the respective agreements;
- (bbb) the Company does not have reason to believe it or any of the Subsidiaries do not have title to or the irrevocable right to produce and sell their petroleum, natural gas and related hydrocarbons ("**PNGs**") and does represent and warrant that the PNGs are free and clear of all Liens and other adverse claims created by, through or under the Company or its Subsidiaries, other than those encumbrances which are (i) common in the oil and gas industry in Colombia, including those which arise pursuant to credit arrangements or production services agreements to which they are a party; or (ii) which are disclosed in the Disclosure Record;
- (ccc) to the knowledge of the Company, none of the wells to which the Company or the Subsidiaries have an interest have been produced in excess of applicable production allowables imposed by any Applicable Law or any Governmental Authority, except as would not constitute a Material Adverse Effect and the Company has no knowledge of any impending change in production allowables imposed by any Applicable Laws or Governmental Authority that may be applicable to any wells in which the Company or any of the Subsidiaries holds an interest, other than changes of general application in the jurisdiction in which such wells are situated. Neither the Company nor any of the Subsidiaries has received notice of, and the Company does not have knowledge of, any dispute or claim, potential or otherwise, involving any Governmental Authority,

Regulatory Authority or other Person, including, without limitation, aboriginal groups, which the Company reasonably believes would constitute a Material Adverse Effect on any oil and gas exploration, development or production operations of the Company or the Subsidiaries, the quantity and pre-tax present value of estimated further net revenue values of oil and natural gas reserves of the Company or the Subsidiaries, current production volumes of the Company or the Subsidiaries or the current cash flow of the Company or the Subsidiaries;

- (ddd) each of the Reserves Reports reasonably presents the oil and natural gas interests of the Company and the net present values of such reserves as at December 31, 2023, based upon the information available at the time the Reserves Reports were prepared and the assumptions contained therein (including, without limitation, subject to commodity prices and costs contained therein) and each of the Reserves Reports reasonably present the oil and natural gas interests of the Company and the net present values of such contingent and prospective resources, based upon the information available at the time the Reserves Reports were prepared and the assumptions contained therein (including, without limitation, subject to commodity prices and costs contained therein). To the knowledge of the Company, the Reserves Reports comply with the requirements of Applicable Laws (including the requirements of the Canadian Oil and Gas Evaluation Handbook) and has been prepared or audited by a qualified reserves evaluator (determined in accordance with Applicable Laws) and the results thereof have been disclosed in accordance with Applicable Laws;
- (eee) the Company co-operated with Sproule in the preparation of the Reserves Reports, which have each been accepted and approved by the reserves committee and the board of directors of the Company. The Company made available to Sproule prior to the issuance of the Reserves Reports, for the purpose of preparing such reports, all information requested by Sproule which information did not, at the time such information was provided, contain any misrepresentation;
- (fff) other than production of the oil and natural gas reserves in the ordinary course of business, intervening product price fluctuations and as described in the Disclosure Record, the Company is not aware of any facts or circumstances that would have a Material Adverse Effect on the oil and natural gas reserves and contingent resources or present value of future net cash flows therefrom set forth in the Reserves Report and set forth in the Disclosure Record;
- (ggg) any and all operations of the Company and each of the Subsidiaries, and to the Company's knowledge, any and all operations by third parties on or in respect of the Assets and Properties of the Company and each of the Subsidiaries, have in all material respects been conducted in accordance with good oil and gas industry practice and in material compliance with applicable laws, rules, regulations, orders and directions of government and other competent authorities;
- (hhh) other than the Agents (or any Selling Co-Agent Group engaged by the Agents in accordance with the terms of this Agreement), there is no person acting or purporting to act at the request or on behalf of the Company that is entitled to any brokerage or finder's fee or other compensation in connection with the transactions contemplated by this Agreement;
- (iii) since December 31, 2023, there has not occurred any material adverse change (actual, anticipated, contemplated or, to the knowledge of the Company, threatened, whether financial or otherwise) in the assets, liabilities (contingent or otherwise), properties, capital, affairs, business, operations or condition (financial or otherwise) of the Company or the Subsidiaries which has not been disclosed in the Disclosure Record;

- (jjj) since December 31, 2023, other than the Offering and other than as disclosed in the Disclosure Record, neither the Company nor any Subsidiary has: (i) paid or declared any dividend or incurred any material capital expenditure or made any commitment therefor; (ii) incurred any obligation or liability, direct or indirect, contingent or otherwise, except in the ordinary course of business and which is not, and which in the aggregate are not, material; or (iii) entered into any material transaction;
- (kkk) the operations of the Company and each of the Subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the anti-money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Authority (collectively, the “**Applicable Anti-Money Laundering Laws**”) and no action, suit or proceeding by or before any Governmental Authority involving the Company with respect to Applicable Anti-Money Laundering Laws is, to the knowledge of the Company, pending or threatened;
- (lll) to the knowledge of the Company, the operations of the Company and each of the Subsidiaries have been conducted at all times in compliance with the Applicable Laws relating to terrorism or money laundering (“**Anti-Terrorism Laws**”), including the financial recordkeeping and reporting requirements of The Bank Secrecy Act of 1970, as amended; Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (the “**Executive Order**”); the Foreign Corrupt Practices Act; the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56, and the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada), and the applicable Colombian laws and regulations on ethics and against corruption, transnational bribery, money laundering, terrorism and proliferation of weapons of mass destruction financing including but not limited to the Political Constitution; Law 222/1995; Law 599/2000; Law 526/1999; Law 1121/2006; Law 1186/2009 Law 1474/2011; Decree 1074/2015; Decree 1068/2015; Law 1778/2016; Law 2014/2019 Law 2195/2022, and none of the Company or the Subsidiaries is: (i) a person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order; (ii) a person owned or controlled by, or acting for or on behalf of, any person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order; (iii) a person with which the purchasers of securities pursuant to the Offering are prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law; (iv) a person that commits, threatens or conspires to commit or supports “terrorism” as defined in the Executive Order; or (v) a person that is named as a “specially designated national and blocked person” on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control (“**OFAC**”) at its official website or any replacement website or other replacement official publication of such list or any other person (including any foreign country and any national of such country) with whom the United States Treasury Department prohibits doing business in accordance with OFAC regulations. No action, suit or proceeding by or before any Governmental Authority or body or any arbitrator involving the Company or the Subsidiaries with respect to Anti-Terrorism Laws is pending or, to the knowledge of the Company, threatened;
- (mmm) under the laws of the jurisdiction of its respective incorporation, none of the Company or any of the Subsidiaries or any of its respective properties, assets or revenues has immunity from the jurisdiction of any court or from any legal action, suit or proceeding (whether through service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise), from the giving of any relief in any such legal action, suit or proceeding, from set-off or counterclaim;

- (nnn) the Company is in material compliance with its timely and continuous disclosure obligations under Applicable Securities Laws and the policies, rules and regulations of the TSXV, without limiting the generality of the foregoing, there are no material facts and there has not occurred any material change (actual, anticipated, contemplated, or to the knowledge of the Company, threatened, financial or otherwise) in the business, assets (including intangible assets), affairs, operations, liabilities (contingent or otherwise), capital, properties, condition (financial or otherwise), results of operations or control of the Company and the Subsidiaries taken as a whole since June 30, 2024 which has not been publicly disclosed on a nonconfidential basis, and the Company has not filed any confidential material change report which remains confidential as at the date hereof;
- (ooo) except as otherwise disclosed by the Company in the Disclosure Record, the Company has filed all documents forming the Disclosure Record on a timely basis, except for any failure to file on a timely basis which is not material. As of their respective dates, the documents forming the Disclosure Record complied in all material respects with the requirements of the Applicable Securities Laws, and none of the documents forming the Disclosure Record, when filed, contained any misrepresentation or contained an untrue statement of a material fact, or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made, which has not been corrected by the filing on a public basis of a subsequent document which forms part of the Disclosure Record;
- (ppp) the form and terms of the certificates representing the Common Shares have been approved and adopted by the board of directors of the Company and do not conflict with any Applicable Laws;
- (qqq) Odyssey Trust Company, at its principal offices in Toronto, Ontario, has been duly appointed as the registrar and transfer agent for the Common Shares;
- (rrr) the issue of the Offered Shares will not be subject to any pre-emptive right or other contractual right to purchase securities granted by the Company or any Subsidiary or to which the Company or any Subsidiary is subject that has not been waived. No holder of outstanding Common Shares is at the Closing Time entitled to any pre-emptive or any similar rights to subscribe for any Common Shares or other securities of the Company or any Subsidiary, other than rights that such holder may have as a holder of convertible securities of the Company or applicable Subsidiary;
- (sss) the Company has not withheld from the Agents any material facts relating to the Company, its Subsidiaries or the Offering, and the information supplied by the Company to the Agents and their counsel in connection with the due diligence conducted by them, including the Due Diligence Responses of the Company provided at due diligence session held on September 13, 2024, was true and accurate and not misleading and all expressions of opinion and expectation therein contained are honestly and fairly based and such replies have been prepared or approved by persons having appropriate knowledge and responsibility to enable them properly to provide such replies and all such replies have been given in good faith;
- (ttt) the Company and the Subsidiaries hold all of the permits, licenses, approvals, consents, orders, markings, certificates and like authorizations, including the licenses, necessary for them to own, lease, operate and license their Assets and Properties and carry on their businesses, as now carried on as of the date of this Agreement, in each jurisdiction where such business is carried on that are material to the conduct of such business, as now carried on as of the date of this Agreement, including, but not limited to, permits, licenses, approvals, consents, orders, certificates and like authorizations

from Regulatory Authorities (collectively, the “**Material Permits**”); all such Material Permits are valid and subsisting and in good standing and none of the Material Permits contains any term, provision, condition or limitation which has or would reasonably be expected to affect or restrict in a material adverse manner the operation of the Company’s business, as carried on as of the date of this Agreement, and neither the Company nor any Subsidiary is in breach thereof or in default with respect to filings to be effected or conditions to be fulfilled in order to maintain such Material Permits in good standing;

- (uuu) no Material Permits issued by a Regulatory Authority have been limited, suspended, or revoked, and, to the knowledge of the Company, no Regulatory Authority is considering such action;
- (vvv) each of the Company and the Subsidiaries is in compliance in all material respects with each Material Permit held by it;
- (www) there is no false or misleading information or significant omission in any submission made by or on behalf of the Company or any Subsidiary to a Regulatory Authority;
- (xxx) neither the Company nor any Subsidiary has received notice of any action pending or recommended by any Governmental Authority (including a Regulatory Authority) either to revoke, withdraw, suspend or limit any Material Permit, or to terminate, suspend, limit, withdraw, or forfeit the participation of the Company or any Subsidiary in any government program;
- (yyy) there is no actual or pending or, to the Company’s knowledge, threatened enforcement actions by any Regulatory Authority against the Company or any Subsidiary;
- (zzz) the Company has not completed any “significant acquisition”, “significant disposition” nor is it proposing any “probable acquisitions” (as such terms are used in NI 51- 102) for which a business acquisition report has not been filed under NI 51-102;
- (aaaa) to the knowledge of the Company, as of the date hereof, all insider SEDI filings are up to date;
- (bbbb) the Company does not have any obligations or liabilities, direct or indirect, vested or contingent in respect of any rate swap transactions, options, swaps or transactions in any tradeable environmental instrument or allowance, basis swaps, forward rate transactions, commodity swaps, commodity options, equity or equity index swaps, equity or equity index options, bond options, interest rate options, foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, production sales transactions having terms greater than 30 days or any other similar transactions (including any option with respect to any of such transactions) or any combination of such transactions;
- (cccc) neither the Company nor any of its Subsidiaries is a party to or bound by any Contract (other than an indemnification of directors and officers in accordance with the by-laws of the Company or its Subsidiaries and Applicable Laws, indemnification agreements or covenants that are entered into arising in the ordinary course of business, including operating and similar agreements and title documentation, indemnification and contribution provisions in agency and underwriting agreements, credit agreements with banks (either as guarantors or borrowers), in subscription receipt agreements, subscription agreements and transfer agency agreements) or any other like

commitment of the obligations, liabilities (contingent or otherwise) of indebtedness of any other person; and

- (dddd) the Company is a Foreign Issuer and reasonably believes that there is no Substantial U.S. Market Interest with respect to any class of securities of the Company to be offered, sold or issued hereto.

## **Section 7 Conditions**

The obligations of the Agents hereunder shall be conditional upon, prior to the Closing Time on the and in respect of Section 7(a), Section 7(b) and Section 7(c) only prior to the Closing Time on the Initial Closing Date (it being understood that any subsequent tranche Closing Date is anticipated to consist entirely of Direct Settlement Purchasers):

- (a) the Agents receiving at the Closing Time a legal opinion of the Company's Counsel (or special counsel) addressed to the Agents, the Agents' Counsel and the Subscribers, in form and substance satisfactory to the Agents, acting reasonably, dated as of the Initial Closing Date, with respect to such matters as the Agents may reasonably request relating to the Offering including, without limitation, that, subject to such reasonable assumptions and qualifications customary with respect to transactions of this nature as may be accepted by Agents' Counsel:
  - (i) the Company has been duly incorporated and is validly subsisting under the laws of the jurisdiction of its incorporation and has all requisite corporate power and authority to carry on its business as now conducted by it and to own its properties and assets;
  - (ii) the Company has full corporate power and authority to enter into each of the Transaction Agreements and to perform its obligations set out herein and therein, and the Transaction Agreements have been duly authorized, executed and delivered by the Company and, assuming the due authorization, legal capacity, execution and delivery by the other parties thereto, constitute valid and binding obligations of the Company enforceable against the Company in accordance with their respective terms, subject to laws relating to creditors' rights and equitable principles generally and except that rights to indemnity may be limited by Applicable Law;
  - (iii) the execution and delivery of each of the Transaction Agreements, and the fulfillment of the terms hereof and thereof, by the Company, including the issue, sale and delivery of the Offered Shares pursuant to the Transaction Agreements, and the performance of and compliance with the terms of the Transaction Agreements by the Company do not and will not result in a breach of, or constitute a default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of or constitute a default under, any Applicable Laws of general application in the Province of British Columbia or the federal laws of Canada applicable therein or any term or provision of the articles or (or which Company's Counsel is aware) resolutions of the directors or shareholders of the Company;
  - (iv) the form and terms of the certificates representing the Common Shares have been approved and adopted by the board of directors of the Company and comply with all legal requirements relating thereto;
  - (v) the TSXV having accepted notice of the issuance of the Offered Shares and having conditionally approved the listing and posting for trading of the Offered

Shares, subject to the filing of required documents on the Initial Closing Date and payment of applicable fees;

- (vi) the Company being a reporting issuer (or the equivalent) under Canadian Securities Laws, and not being included on a list of defaulting reporting issuers maintained by the Securities Commissions; and
- (vii) Odyssey Trust Company has been duly appointed as registrar and transfer agent for the Common Shares;

and additionally, relating to:

- (viii) the authorized and issued capital of the Company and the fully paid and non-assessable nature of the Offered Shares upon issuance;
- (ix) the exemption from prospectus requirements of the issuance of the Offered Shares; and
- (x) as to all other matters as the Agents or Agents' Counsel may reasonably request,

provided that it is understood that Company's Counsel may rely on opinions of local counsel acceptable to them and to Agents' Counsel as to matters governed by laws of certain agreed-upon jurisdictions and on certificates of officers of the Company and public officials as to relevant matters of fact;

- (b) the Agents receiving at the Closing Time a favourable legal opinion from local counsel to the Opined Subsidiaries, in form and substance satisfactory to the Agents, acting reasonably (addressed to the Agents, the Agents' Counsel and the Subscribers), dated as of the Initial Closing Date, who may rely, to the extent appropriate in the circumstances, as to matters of fact, on certificates of officers, that: (i) each of the Opined Subsidiaries is a corporation existing under the laws of its jurisdiction of organization, and has all requisite corporate capacity, power and authority to carry on its business as now conducted and to own, lease and operate its assets and properties; and (ii) all of the issued and outstanding shares of capital of each of the Opined Subsidiaries are registered in the name of or beneficially owned by the Company or an Opined Subsidiary;
- (c) if any of the Offered Shares are sold in the United States, the Agents receiving at the Closing Time a legal opinion addressed to the Agents, the Agents' Counsel and the Subscribers in form and substance satisfactory to the Agents, acting reasonably, dated as of the Initial Closing Date, from the U.S. counsel to the Company, Nauth LPC, to the effect that registration of the Offered Shares is not required under the U.S. Securities Act in connection with the offer and sale of such Offered Shares in the United States pursuant to the Transaction Agreements; and
- (d) the Agents receiving at the Closing Time a certificate of the Company dated as of the Closing Date, addressed to the Agents and signed on the Company's behalf by the Chief Executive Officer and one other senior officer of the Company satisfactory to the Agents, acting reasonably, certifying for and on behalf of the Company and not in their personal capacities that:
  - (i) the Company has complied with and satisfied all terms and conditions of this Agreement on its part to be complied with or satisfied at or prior to the Closing Time, other than those which have been waived in writing by the Agents; and

- (ii) the representations and warranties of the Company set forth in the Transaction Agreements are true and correct at the Closing Time, as if made at and as of such time;
- (e) no event of a nature referred to in Section 13(a), Section 13(b) or Section 13(c), has occurred or to the knowledge of such officers, is pending, contemplated or threatened (excluding any determination as to the occurrence of such required to be made by the Agents);
- (f) the Offered Shares will have been conditionally accepted for listing and posting for trading on the TSXV (subject to the filing of required documents on the Closing Date and payment of applicable fees); and
- (g) the Company has made and obtained, on or prior to the Closing Time, all necessary filings, approvals, consents and acceptances of applicable regulatory authorities and under any applicable agreement or document to which the Company or any Subsidiary is a party or by which it is bound, required for the execution, delivery and performance of this Agreement and the offering and sale of the Offered Shares in the Selling Jurisdictions, including the TSXV Approval (subject to completion of filings with certain Governmental Authorities following the Closing Date).

The foregoing conditions are for the sole benefit of the Agents and may be waived in whole or in part by the Agents at any time and, without limitation, the Agents shall have the right, on behalf of Subscribers, to withdraw all Subscription Agreements delivered and not previously withdrawn or rescinded by such Persons. If any of the foregoing conditions are not met, the Agents may terminate their obligations under this Agreement without prejudice to any other remedies they may have.

## **Section 8 Closing**

The issue and sale of the Offered Shares shall be completed electronically at the Closing Time. Subject to the conditions set forth in Section 7 and the provisions of Section 9 and Section 10, as applicable, the Agents, on the Initial Closing Date (it being understood that any subsequent tranche Closing Date is anticipated to consist entirely of Direct Settlement Purchasers), shall:

- (a) deliver to the Company all completed Subscription Agreements (including any applicable documents specifically referred to in the Subscription Agreements), in form and substance reasonably satisfactory to the Company and the Company's Counsel;
- (b) deliver to the Company any other forms required under Applicable Securities Laws and the rules of the TSXV from each of the Subscribers;
- (c) pay or cause to be paid to the Company an amount equal to the amount corresponding to the aggregate of all subscription proceeds for the Offered Shares less the aggregate of the subscription proceeds for certain Offered Shares (including those related to Direct Settlement Purchasers), which were delivered directly by Subscribers to the Company by cheque or wire and accepted by the Company, in form and substance satisfactory to the Co-Lead Agents, acting reasonably and in the manner and instructions set forth in by the applicable Subscription Agreements;
- (d) notwithstanding anything to the contrary in this Section 8, all purchasers of Offered Shares under Section 4(a)(2) of the U.S. Securities Act and Rule 506(b) of Regulation D adopted by the SEC under the U.S. Securities Act shall receive definitive, physical certificates representing their Offered Shares with a legend restricting their transfer under the U.S. Securities Act and applicable state securities laws, except in compliance with an exemption therefrom; and

- (e) such further documentation as may be contemplated by this Agreement or that may reasonably be requested by Agents' Counsel.

In the event that there is more than one closing, the conditions to closing shall apply to all of such closings and the documents contemplated by Section 7 hereof and this Section 8 to be delivered at the closing shall be delivered at the first closing and at any subsequent closings to the extent applicable.

## **Section 9 Fees**

- (a) In consideration for its services hereunder, the Company agrees to pay to the Agents at the Closing Time: (a) a cash commission equal to: (i) 6.0% of the amount corresponding to the aggregate of all subscription proceeds for the Offered Shares delivered to and accepted by the Company (including, for greater certainty, distributed by the Company pursuant to the Agents' Option but excluding any subscription proceeds for the Offered Shares sold to Subscribers set forth in the President's List or to Direct Settlement Purchasers); and (ii) 3.0% of the amount corresponding to the aggregate of all subscription proceeds for Offered Shares sold to Subscribers set forth in the President's List (excluding any sales to Direct Settlement Purchasers); and (b) a corporate finance fee equal to \$550,000 (collectively, the "**Agency Fee**"). The Agency Fee may be deducted by the Agents from the payment contemplated by Section 8(c). The amount corresponding to the Agency Fee will be allocated to the Agents in accordance with the percentages set forth in Section 11.
- (b) Notwithstanding any other provision of this Agreement, and for greater certainty, if the Company does not proceed with the Offering for any reason(s) within the scope of its control and, during the period of twelve months after the termination of this Agreement, enters into a binding agreement in respect of an Alternative Transaction, the Company agrees to pay the Agency Fee in accordance with this Section 9 to the extent such Agency Fee has not already been paid by the Company. The Agency Fee shall be payable to the Agents concurrently with the completion of the Alternative Transaction and shall be equal to a maximum amount of fees otherwise payable under this Agreement calculated on the basis of an Offering size of \$15,000,000. Any amounts payable to the Agents in connection with an Alternative Transaction will constitute liquidated damages of the Agents resulting from the failure to complete the Offering and will not constitute a penalty.

## **Section 10 Expenses**

- (a) Whether or not the transactions contemplated herein shall be completed, except as hereinafter specifically provided, the Agents shall be reimbursed by the Company for the following fees and expenses incurred by the Agents in connection with the Offering:
  - (i) the reasonable and documented out-of-pocket expenses of the Agents, including the out-of-pocket and travel expenses in connection with due diligence and marketing meetings for a payment to the Co-Lead Agents of \$10,000; and
  - (ii) the reasonable fees of the Agents' Counsel, provided that any fees in excess of \$85,000 (excluding disbursements and government sales taxes) in respect the Canadian Agent's Counsel will require the prior consent of the Company, acting reasonably.
- (b) All fees and expenses incurred by the Agents which are reimbursable hereunder shall be payable by the Company upon receiving an invoice from the Agents.

- (c) The Agents shall in no circumstance be responsible for any costs and expenses of or incidental to the transactions contemplated herein (including, without limitation, the fees and expenses of the Company's Counsel or agent counsel retained by the Company's Counsel) except for out-of-pocket expenses of the Agents and the fees and disbursements of Agents' Counsel, in each case to the extent not in accordance with Section 10(a)(i) or Section 10(a)(ii), respectively.

### **Section 11 Agents' Obligations and Agents' Authority**

The Agents' obligations under this Agreement will be several and not joint, and the Agents' respective obligations and rights and benefits hereunder will be as to the following percentages:

Eight Capital	37.5%
Clarus Securities Inc.	37.5%
Eventus Capital Corp.	15.0%
Beacon Securities Limited	5.0%
Haywood Securities Inc.	5.0%
	<hr/>
	100%

The Company will be entitled to and will act on any notice, request, direction, consent, waiver, extension and other communication given or agreement entered into by or on behalf of the Agents by the Co-Lead Agents who will represent the Agents and have authority to bind the Agents hereunder, other than with respect to any of the matters contemplated by Section 11, Section 13, Section 15, Section 17, Section 18, Section 19 or Section 20. In all cases, the Co-Lead Agents will use their reasonable commercial efforts to consult with the other Agents prior to taking any action contemplated herein.

### **Section 12 Waiver**

The Agents may, in respect of the Company, waive in whole or in part any breach of, default under or non-compliance with any representation, warranty, covenant, term or condition hereof, or extend the time for compliance therewith, without prejudice to any of their rights in respect of any other representation, warranty, covenant, term or condition hereof or any other breach of, default under or non-compliance with any other representation, warranty, covenant, term or condition hereof, provided that any such waiver or extension shall be binding on the Agents only if the same is in writing.

### **Section 13 Termination Events**

Each Agent may terminate its obligations hereunder, without any liability on its part, by written notice to the Company, in the event that after the date hereof and at or prior to the Closing Time:

- (a) any order to cease or suspend trading in any securities of the Company, or prohibiting or restricting the distribution of the Offered Shares is made, or proceedings are announced or commenced for the making of any such order, by any Securities Commission or similar Regulatory Authority or by any other competent authority, and has not been rescinded, revoked or withdrawn;
- (b) any inquiry, action, suit, investigation or other proceeding (whether formal or informal) in relation to the Company, any of the Subsidiaries, any one of the officers or directors of the Company or any of its principal shareholders is announced, commenced or

threatened, or any order is made by any Securities Commission, Regulatory Authority or the TSXV or other competent authority, or there is a change in law, regulation or policy or the interpretation or administration thereof which in any of such cases, in the reasonable opinion of the Agent operates to prevent or restrict the distribution or trading of the Offered Shares or would reasonably be expected to have a material adverse effect on the market price or value of the Common Shares;

- (c) there shall have occurred or be discovered by the Agent any material adverse change, change in material fact or effect (actual, intended, anticipated or threatened) in the affairs, assets, capitalization, financial condition, properties, rights, business, operations, revenues, results of operations, liabilities (absolute, accrued, contingent or otherwise), cash flow or income of the Company and the Subsidiaries (taken as a whole), which in the reasonable opinion of the Agent, could reasonably be expected to have a significant adverse effect on the business, affairs, financial condition of the Company or any of the Subsidiaries, the market price or value of the Common Shares;
- (d) there should develop, occur or come into effect or existence, any event, action, state, condition or occurrence of national or international consequence, including any natural catastrophe, outbreak or escalation of war, hostilities or terrorism or national emergency or similar event, or any governmental action, law, action, regulation or other occurrence of any nature whatsoever which, in the reasonable opinion of the Agent, seriously adversely affects, or involves, or will seriously adversely affect, or involve, the financial markets generally or the business, operations or affairs of the Company and the Subsidiaries (taken as a whole) or the market price or value of the Common Shares;
- (e) the Agent shall become aware, as a result of its due diligence review or otherwise, of any material change with respect to the Company or any of the Subsidiaries (in the sole opinion of the Agent) which had not otherwise been disclosed to the Agent prior to the date hereof, which would have, in the reasonable opinion of the Agent, a material adverse effect on the market price or value or marketability of the Offered Shares;
- (f) (i) the Company shall be in breach of or in default under or non-compliance with any covenant, term or condition of this Agreement, or (ii) any representation or warranty given by the Company in this Agreement becomes or is false and, which in the sole opinion of the Agent, could reasonably be expected to have a material adverse effect on the market price or value of the Offered Shares; or
- (g) the state of the financial markets, in any of the Selling Jurisdictions, becomes such that the Offered Shares cannot, in the reasonable opinion of the Agents be successfully or profitably marketed.

In any of such cases, each Agent shall be entitled, at its option, to terminate and cancel its obligations to the Company under this Agreement and the obligations of any Subscriber under any Subscription Agreement whom such Agent has solicited Offered Shares. If any of the Agents terminate this Agreement pursuant to this Section 13 there shall be no further liability on the part of such Agent or of the Company to such Agent except in respect of any liability which may have arisen or may thereafter arise under Section 11, Section 13, Section 15, Section 17, Section 18, Section 19 or Section 20.

#### **Section 14 Continuation of Termination Right**

The Agents or any Agent, as applicable, may exercise any or all of the rights provided for in Section 7, Section 12 or Section 13 notwithstanding any material change, change, event or state of facts and notwithstanding any act or thing taken or done by the Agents or it, as applicable, or any inaction by the Agents or it, as applicable, whether before or after the occurrence of any material change, change, event or state of facts including, without limitation, any act of the Agents or it, as applicable, related to

the Offering. The Agents or any Agent, as applicable, shall only be considered to have waived or be estopped from exercising or relying upon any of its rights under or pursuant to Section 7, Section 12 or Section 13 if such waiver or estoppel is in writing and specifically waives or estops such exercise or reliance.

### **Section 15 Exercise of Termination Right**

Any termination pursuant to the terms of this Agreement shall be effected by notice in writing delivered to the Company, provided that no termination shall discharge or otherwise affect any obligation of the Company under Section 4(l), Section 10 and Section 17 through Section 22 (inclusive), Section 24, Section 25, Section 26 and Section 27, as applicable. The rights of the Agents or any Agent, as applicable, to terminate their obligations hereunder are in addition to, and without prejudice to, any other remedies they may have.

### **Section 16 Survival**

All representations, warranties, covenants, indemnities, terms and conditions herein or contained in certificates or documents submitted pursuant to or in connection with the transactions contemplated herein or in the other Transaction Agreements shall survive the issuance of the Offered Shares and shall continue in full force and effect for the benefit of the Agents, the Subscribers and the Company, as the case may be, regardless of any investigation by or on behalf of the Agents or Subscribers with respect thereto.

### **Section 17 Indemnity**

- (a) The Company agrees to indemnify and save each of the Indemnified Persons harmless against and from all liabilities, claims, demands, losses (including the reasonable fees and expenses of their respective counsel), costs, damages and expenses to which any of the Indemnified Persons may be subject or which any of the Indemnified Persons may suffer or incur, whether under the provisions of any statute or otherwise, in any way caused by, or arising directly or indirectly from or in consequence of:
  - (i) any information or statement contained in any document or material filed or delivered by or on behalf of the Company pursuant hereto which is or is alleged to be untrue or any omission or alleged omission to provide any information or state any fact the omission of which makes or is alleged to make any such information or statement untrue or misleading in light of the circumstances in which it was made;
  - (ii) any prohibition or restriction of trading in the securities of the Company or any prohibition or restriction affecting the distribution of the Offered Shares imposed by any Securities Commission or similar Regulatory Authority or any other competent authority if such prohibition or restriction is based on any untrue information or statement or omission of a kind referred to in Section 17(a)(i);
  - (iii) any order made or any inquiry, investigation (whether formal or informal) or other proceeding commenced or threatened by any Securities Commission or similar regular authority or other competent authority into the affairs of the Company or relating to or materially affecting the trading or distribution of the Offered Shares;
  - (iv) (A) any breach of, default under or non-compliance by the Company with any representation, warranty, term or condition of this Agreement or any other Transaction Agreement or any document delivered pursuant hereto or thereto

or any requirement of Applicable Securities Laws; (B) any securities issued directly by the Company in or around the Closing Date that do not form part of the Offering, including in connection with sales to Direct Settlement Purchasers; or (C) relating to sales to Subscribers on the President's List,

provided that in the event and to the extent that a court of competent jurisdiction in a final judgment from which no appeal can be made or a Regulatory Authority in a final ruling from which no appeal can be made shall determine that any matter in respect of which indemnity may be sought hereunder resulted directly from the gross negligence, fraud or wilful misconduct of the applicable Indemnified Person, this indemnity shall not apply with respect to such matter and such Indemnified Person shall promptly reimburse to the Company any funds advanced to the Indemnified Person in respect of such liabilities, claims, demands, losses, costs, damages and expenses and the indemnity provided for in this Section 17 shall cease to apply to such Indemnified Person in respect of such liabilities, claims, demands, losses, costs, damages and expenses. The Company agrees to waive any right it may have of first requiring an Indemnified Person to proceed against or enforce any other right, power, remedy or security or claim payment from any other Person before claiming under this Section 17.

- (b) The Company hereby waives its right to recover contribution from the Agents with respect to any liability of the Company by reason of, or arising out of any misrepresentation in the documents provided to the Agents by the Company in connection with the Offering provided, however, that such waiver shall not apply in respect of liability caused or incurred by reason of or arising out of any misrepresentation which is based upon information relating solely to the Agents contained in such document and furnished in writing by the Agents to the Company expressly for inclusion in such document.
- (c) The Company agrees that in case any legal proceedings or investigation shall be brought against or initiated against the Company by any governmental commission, Regulatory Authority, exchange, court or other authority and an Indemnified Person or other representative of the Agents shall be required to testify or respond to procedures designed to discover information regarding, in connection with or relating to the performance of professional services rendered to the Company by the Agents, the Company shall pay the Agents the reasonable costs (including an amount to reimburse the Agents for the time spent by their personnel in connection therewith on a per diem basis and out of pocket expenses) in connection therewith unless a court of competent jurisdiction in a final judgment from which no appeal can be made or Regulatory Authority in a final ruling from which no appeal can be made shall determine that such proceedings or investigations shall be brought or initiated solely as a result of any gross negligence, fraud or wilful misconduct of the applicable Indemnified Person.

## **Section 18 Notice of Indemnity Claim**

If any claim contemplated by Section 17 shall be asserted against any of the Indemnified Persons in respect of which indemnification is or might reasonably be considered to be provided for in such section, such Indemnified Person shall notify the Company as soon as possible of the nature of such claim (provided that failure to so notify the Company of the nature of such claim in a timely fashion shall relieve the Company of liability hereunder only if and to the extent that such failure materially prejudices the Company's ability to defend such claim or results in any material increase in the liability which the Company has under the indemnity) and the Company shall be entitled (but not required) to assume the defence of any suit brought to enforce such claim, provided however, that the defence shall be through legal counsel selected by the Company and acceptable to the Indemnified Person, each acting reasonably. The Indemnified Person shall have the right to retain its own counsel in any proceeding relating to a claim contemplated by Section 17 if:

- (a) the Indemnified Person has been advised in writing by independent counsel that there may be a reasonable legal defence available to the Indemnified Person which is different from or additional to a defence available to the Company or that a conflict of interest exists or reasonably may exist between the Company and the Indemnified Person which makes representation by counsel chosen by the Company not advisable (in which case the Company shall not have the right to assume the defence of such proceedings on the Indemnified Person's behalf);
- (b) the Company shall not have undertaken the defence of such proceedings, or indicated its intent to do so, and employed counsel within 10 days after the Company has been given notice of commencement of such proceedings; or
- (c) the employment of such counsel has been authorized by the Company in connection with the defence of such proceeding;

and, in any such event, the reasonable fees and expenses of such Indemnified Person's counsel (on a solicitor and his own client basis) shall be paid by the Company; it being understood, however, that the Company shall not, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the fees and expenses of more than one separate law firm (in addition to any local counsel) for all Indemnified Persons.

It is the intention of the Company to constitute the Agents as trustees for the Indemnified Persons for the purposes of Section 17, Section 18 and Section 19 and the Agents agree to accept such trust and to hold and enforce such covenants on behalf of such Indemnified Persons.

If the Company has assumed the defense of any suit brought to enforce a claim hereunder, the Indemnified Person shall provide the Company copies of all documents and information in its possession pertaining to the claim, take all reasonable actions necessary to preserve its rights to object to or defend against the claim, consult and reasonably cooperate with the Company in determining whether the claim and any legal proceeding resulting therefrom should be resisted, compromised or settled and reasonably cooperate and assist in any negotiations to compromise or settle, or in any defense of, a claim undertaken by the Company. If such defence is not assumed by the Company, the Indemnified Persons, throughout the course thereof, shall provide copies of all relevant documentation to the Company, shall keep the Company advised of the progress thereof and shall discuss with the Company all significant actions proposed.

#### **Section 19 Admission of Liability**

No admission of liability and no settlement of any proceeding shall be made by the Company, without the prior written consent of the Indemnified Persons affected, such consent not to be unreasonably withheld or delayed unless such settlement, compromise or consent: (a) includes an unconditional written release of the Indemnified Persons from all liability arising out of such claim, action or proceeding in a form satisfactory to the Indemnified Persons, acting reasonably; and (b) does not include any statement as to, or an admission of, fault, culpability or failure to act by or on behalf of any of the Indemnified Persons. No admission of liability shall be made by an Indemnified Person without the consent of the Company, such consent not to be unreasonably withheld, and the Company shall not be liable for any settlement of any matter made without the Company's consent, such consent not to be unreasonably withheld or delayed.

#### **Section 20 Right of Contribution**

- (a) In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in this Agreement is due in accordance with its terms but

is (in whole or in part), for any reason, held by a court to be unavailable from the Company, on grounds of policy or otherwise, the Company and the party or parties seeking indemnification shall contribute to the aggregate liabilities, claims, demands, losses (other than losses of profit), costs, damages and expenses (or claims, actions, suits or proceedings in respect thereof) to which they may be subject or which they may suffer or incur:

- (i) in such proportion as is appropriate to reflect the relative benefit received by the Company, on the one hand, and by the Agents, on the other hand, from the Offering; or
  - (ii) if the allocation provided by Section 20(a)(i) is not permitted by Applicable Laws, in such proportion as is appropriate to reflect not only the relative benefits referred to in Section 20(a)(i) but also to reflect the relative fault of the party or parties seeking indemnity, on the one hand, and the parties from whom indemnity is sought, on the other hand, in connection with the statement, omission, misrepresentation or alleged misrepresentation, order, inquiry, investigation or other matter or thing which resulted in such liabilities, claims, demands, losses, costs, damages or expenses, as well as any other relevant equitable considerations.
- (b) The relative benefits received by the Company, on the one hand, and the Agents, on the other hand, shall be deemed to be in the same proportion that the total proceeds of the Offering received by the Company (net of fees, but before deducting expenses) bear to the fees received by the Agents. The relative fault of the Company, on the one hand, and of the Agents, on the other hand, shall be determined by reference, among other things, to whether the misrepresentation or alleged misrepresentation, order, inquiry, investigation or other matter referred to in Section 17 relates to information supplied or which ought to have been supplied by the Company or the Agents and the parties' relevant intent, knowledge, access to information and opportunity to correct or prevent such misrepresentation or alleged misrepresentation, order, inquiry, investigation or other matter referred to in Section 17.
- (c) The amount paid or payable by an Indemnified Person as a result of liabilities, claims, demands, losses, costs, damages and expenses (or claims, actions, suits or proceedings in respect thereof) referred to above shall, without limitation, include any legal or other expenses reasonably incurred by the Indemnified Person in connection with investigating or defending such liabilities, claims, demands, losses, costs, damages and expenses (or claims, actions, suits or proceedings in respect thereof), whether or not resulting in any action, suit, proceeding or claim.
- (d) Each of the Company and the Agents agree that it would not be just and equitable if contributions pursuant to this Agreement were determined by pro rata allocation or by any other method of allocation which does not take into account the equitable considerations referred to in the immediately preceding sections. The rights to contribution provided in this Section 20 shall be in addition to, and without prejudice to, any other right to contribution which the Agents may have.
- (e) Any liability of an Agent under this Section 20 shall be limited to the Agency Fee paid to it in connection with the Offering pursuant to Section 9, provided that the Agents have not engaged in any fraud, fraudulent misrepresentation, wilful misconduct or negligence.

## Section 21 Notices

Any notice or other communication to be given hereunder shall, in the case of notice to be given to the Company, be addressed to:

NG Energy International Corp.  
5940 MacLeod Trail SW, Suite 321  
Calgary, AB T2H 2G4

Attention: Brian Paes-Braga  
Email: *[Redacted – email address]*

with a copy to:

Wildeboer Dellelce LLP  
365 Bay St., Suite 800  
Toronto, ON M5H 2V1

Attention: Peter Volk  
Email: *[Redacted – email address]*

and, in the case of notice to be given to the Agents or an applicable Agent, be addressed to:

Eight Capital  
100 Adelaide St. W, Suite 2900  
Toronto, ON M5H 1S3

Attention: Reid Obradovich  
Email: *[Redacted – email address]*

Clarus Securities Inc.  
130 King St. W, Suite 3640  
Toronto, ON M5X 1A9

Attention: Robert Orviss  
Email: *[Redacted – email address]*

Eventus Capital Corp.  
200 Bay St., Suite 1303  
Toronto, ON M5J 2J1

Attention: Jeffrey Zicherman  
Email: *[Redacted – email address]*

Beacon Securities Limited  
66 Wellington St. W, Suite 4050  
Toronto, ON M5K 1H1

Attention: Daniel Belchers  
Email: *[Redacted – email address]*

Haywood Securities Inc.  
808 1<sup>st</sup> St. SW, Suite 400  
Calgary, AB T2P 1M9

Attention: Clark Andrews  
Email: *[Redacted – email address]*

with a copy to:

Stikeman Elliott LLP  
Suite 4200, 888 3rd Street S.W.  
Calgary, AB T2P 5C5

Attention: Patrick McNally  
Email: *[Redacted – email address]*

or to such other address as the party may designate by notice given to the others. Each communication shall be personally delivered to the addressee or sent by email to the addressee, and:

- (a) a communication which is personally delivered shall, if delivered before 4:30 p.m. (local time) on a Business Day, be deemed to be given and received on that day and, in any other case be deemed to be given and received on the first Business Day following the day on which it is delivered; and
- (b) a communication which is sent by email shall, if sent on a Business Day before 4:30 p.m. (local time), be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is sent.

## **Section 22 Trust**

It is the intention of the Company to constitute the Agents as trustee for the Subscribers in respect of the benefit of the representations, warranties and covenants of the Company set forth in this Agreement.

## **Section 23 Conditions**

All terms, covenants and conditions of this Agreement to be performed by the Company shall be construed as conditions, and any breach or failure to comply with any terms and conditions which are for the benefit of the Agents shall entitle the Agents to terminate their obligations hereunder, by written notice to that effect given to the Company prior to the Closing Time. The Agents may waive in whole or in part any breach of, default under or non-compliance with any representation, warranty, term or condition hereof, or extend the time for compliance therewith, without prejudice to any of their rights in respect of any other representation, warranty, term or condition hereof or any other breach of, default under or non-compliance with any other representation, warranty, term or condition hereof, provided that any such waiver or extension shall be binding on the Agents only if the same is in writing and signed by the Agents.

## **Section 24 Acknowledgement and Consent**

The Company: (a) acknowledges and agrees that the Agents have certain statutory obligations as registered dealers under Applicable Securities Laws and have relationships with their clients; and (b) consents to the Agents acting hereunder while continuing to act for their clients. To the extent that the Agents' statutory obligations as registered dealers under Applicable Securities Laws or relationships with its clients conflict with its obligations hereunder, the Agents shall be entitled to fulfill

their statutory obligations as registered dealers under Applicable Securities Laws and their duties to their clients. Nothing in this Agreement shall be interpreted to prevent the Agents from fulfilling their statutory obligations as registered dealers under Applicable Securities Laws and their duties to their clients. Nothing in this Agreement or the nature of the Agents' involvement in the Offering shall be deemed to create a fiduciary or advisory relationship between the Agents and the Company or their respective shareholders, creditors, employees or any other party.

#### **Section 25 Severance**

If one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.

#### **Section 26 Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein and the parties hereto irrevocably attorn and submit to the jurisdiction of the courts of the Province of British Columbia with respect to any dispute related to this Agreement.

#### **Section 27 Time of the Essence**

Time shall be of the essence of this Agreement.

#### **Section 28 U.S. Offers**

- (a) Each Agent makes the representations, warranties, covenants and agreements applicable to it in Schedule "A" hereto, which is incorporated by reference and forms part of this Agreement, for the benefit of the Company, to comply with the U.S. selling restrictions imposed by the laws of the United States and set forth in Schedule "A" hereto.
- (b) The Company makes the representations, warranties, covenants and agreements applicable to it in Schedule "A" hereto.

#### **Section 29 Counterpart Execution**

This Agreement may be executed in one or more counterparts and by facsimile or electronically each of which so executed shall constitute an original and all of which together shall constitute one and the same agreement.

#### **Section 30 Entire Agreement**

It is understood that the terms and conditions of this Agreement supersede any previous verbal or written agreement between the Agents and the Company with respect to the issuance of securities by the Company and including, without limitation, the Engagement Letter.

*[Signatures follow on next page]*

If the foregoing is in accordance with your understanding and is agreed to by you, please confirm your acceptance by signing the enclosed copies of this Agreement at the place indicated and by returning the same to the Agents.

**EIGHT CAPITAL**

(SIGNED) "*REID OBRADOVICH*"

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**NAME:** REID OBRADOVICH  
**TITLE:** PRINCIPAL, MANAGING DIRECTOR

**CLARUS SECURITIES INC.**

(SIGNED) "*ROBERT ORVISS*"

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**NAME:** ROBERT ORVISS  
**TITLE:** MANAGING DIRECTOR

**EVENTUS CAPITAL CORP.**

(SIGNED) "*JEFFREY ZICHERMAN*"

---

**NAME:** JEFFREY ZICHERMAN  
**TITLE:** MANAGING DIRECTOR

**BEACON SECURITIES LIMITED**

(SIGNED) "*DANIEL BELCHERS*"

---

**NAME:** DANIEL BELCHERS  
**TITLE:** MANAGING DIRECTOR

**HAYWOOD SECURITIES INC.**

(SIGNED) "*CLARK ANDREWS*"

---

**NAME:** CLARK ANDREWS  
**TITLE:** HEAD OF ENERGY INVESTMENT  
BANKING

ACCEPTED AND AGREED to effective as to the day and year first written above.

**NG ENERGY INTERNATIONAL CORP.**

(SIGNED) "*BRIAN PAES-BRAGA*"

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**NAME:** BRIAN PAES-BRAGA  
**TITLE:** CHIEF EXECUTIVE OFFICER

**SCHEDULE “A”  
COMPLIANCE WITH U.S. SECURITIES LAWS**

*This is Schedule “A” to the agency agreement (the “**Agency Agreement**”) dated as of September 3, 2024 among Eight Capital and Clarus Securities Inc. (together, the “**Co-Lead Agents**”) and Eventus Capital Corp., Beacon Securities Limited and Haywood Securities Inc. (collectively with the Co-Lead Agents, the “**Agents**”) and NG Energy International Corp., a company incorporated under the laws of the Province of British Columbia (the “**Company**”).*

Capitalized terms used herein and not defined herein shall have the meaning ascribed thereto in the Agency Agreement to which this schedule is annexed and the following terms shall have the meanings indicated:

“**affiliate**” means an “affiliate” within the meaning of Rule 405 under the U.S. Securities Act;

“**Directed Selling Efforts**” means “directed selling efforts” as that term is defined in Rule 902(c) of Regulation S and, without limiting the foregoing, but for greater clarity, it means, subject to the exclusions from the definition of directed selling efforts contained in Rule 902 of Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the Offered Shares, and includes the placement of any advertisement in a publication with a general circulation in the United States that refers to the offering of the Offered Shares;

“**Disqualification Event**” means any of the “Bad Actor” disqualifications described in Rule 506(d)(1)(i) to (viii) of Regulation D;

“**FINRA**” means the Financial Industry Regulatory Authority, Inc.;

“**Foreign Private Issuer**” means a “foreign private issuer” as that term is defined in Rule 405 under the U.S. Securities Act;

“**General Solicitation**” and “**General Advertising**” means “general solicitation” and “general advertising”, respectively, as used in Rule 502(c) of Regulation D, including, advertisements, articles, notices or other communications published on the Internet or in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising or any public offering within the meaning of Regulation D of the U.S. Securities Act;

“**Offshore Transaction**” means “offshore transaction” as that term is defined in Rule 902 of Regulation S;

“**Regulation D**” means Regulation D adopted by the SEC under the U.S. Securities Act;

“**Regulation M**” means Regulation M adopted by the SEC under the U.S. Exchange Act;

“**Regulation S**” means Regulation S adopted by the SEC under the U.S. Securities Act;

“**Substantial U.S. Market Interest**” means “substantial U.S. market interest” as that term is defined in Rule 902(j) of Regulation S; and

“**U.S. Affiliate**” means the registered United States broker-dealer affiliate of the applicable Agent;

## **A. Representations, Warranties and Covenants of the Agents and the U.S. Affiliate**

Each Agent represents, warrants, covenants and agrees, and will cause its U.S. Affiliate to comply with such representations, warranties, covenants and agreements, that:

- (a) it acknowledges, on behalf of itself and the U.S. Affiliate, that the Offered Shares have not been and will not be registered under any U.S. Securities Laws or any applicable state securities laws, and may be offered and sold only in transactions exempt from or not subject to the registration requirements of U.S. Securities Laws. The Offered Shares may be offered and sold in the United States only pursuant to the exemptions from the registration requirement of the U.S. Securities Act provided by Section 4(a)(2) of the U.S. Securities Act and Rule 506(b) of Regulation D thereunder and in accordance with applicable U.S. state securities laws, and the Offered Shares may be offered and sold outside the United States only in accordance with Rule 903 of Regulation S. Accordingly, neither the Agent, nor the U.S. Affiliate, nor any persons acting on its or their behalf: (i) have engaged or will engage in any Directed Selling Efforts, General Solicitation or General Advertising; or (ii) except as permitted by this Schedule "A", have made or will make (x) any offers to sell the Offered Shares to purchasers located in the United States or (y) any sale of the Offered Shares unless at the time the purchaser made its buy order therefor, the Agent, the U.S. Affiliate or other person acting on any of their behalf reasonably believed that such purchaser was outside the United States;
- (b) it has not entered and will not enter into any contractual arrangement with respect to the offer and sale of the Offered Shares, except with its U.S. Affiliate or otherwise with the prior written consent of the Company. The Agent shall cause its U.S. Affiliate to agree, for the benefit of the Company, to comply with, and shall ensure that the U.S. Affiliate complies with, the same provisions of this Schedule "A" as apply to the Agent;
- (c) all offers and sales of Offered Shares in the United States made by the Agent or the U.S. Affiliate have been and shall be made in accordance with all applicable U.S. Securities Laws, including those governing the registration and conduct of brokers and dealers. The U.S. Affiliate is, and on the dates of each offer and sale was and will be, duly registered as a broker or dealer under Section 15(b) of the U.S. Exchange Act and under the securities laws of each state in which such offer or sale was made (unless exempt from such state's broker-dealer registration requirements) and a member of, and in good standing with FINRA;
- (d) the Agent represents and warrants that each offeree that is located in the United States has been or will be provided with a copy of the same information regarding the Company and the Offering as has been or will be provided by the Agents to offerees and Subscribers of the Offered Shares in Canada;
- (e) any offer, sale or solicitation of an offer to buy Offered Shares that has been made or will be made (i) to purchasers located in the United States, was or will be made only to U.S. Accredited Investors in transactions that are exempt from the registration requirement of the U.S. Securities Act provided by Section 4(a)(2) of the U.S. Securities Act and Rule 506(b) of Regulation D thereunder and exempt from registration under all applicable state securities laws, and (ii) to persons outside the United States in transactions that are exempt from registration pursuant to Rule 903 of Regulation S;
- (f) neither the Agent nor its U.S. Affiliate, either directly or through a person acting on its or their behalf, have engaged in or will engage in any form of General Solicitation or General Advertising in connection with the offer and sale of the Offered Shares in the United States or have otherwise engaged or will engage in any conduct involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act in connection with the offer and sale of the Offered Shares in the United States. It will not take any action that would cause

the exclusion or exemption provided by Rule 903 of Regulation S or Rule 506(b) of Regulation D to be unavailable for offers and sales of the Offered Shares to purchasers located in the United States pursuant to the Agency Agreement including this Schedule "A";

- (g) immediately prior to offering the Offered Shares to a person in the United States the Agent or the U.S. Affiliate had reasonable grounds to believe and did believe that such offeree was a U.S. Accredited Investor, and at the Closing Time, the Agent and the U.S. Affiliate shall have reasonable grounds to believe and shall believe that each purchaser located in the United States is a U.S. Accredited Investor;
- (h) prior to the completion of any sale of the Offered Shares to a purchaser located in the United States, each such purchaser will be required by the Agents, acting through the U.S. Affiliate, to execute and deliver a Subscription Agreement including Schedule A and Schedule C (for U.S. Accredited Investors) thereto;
- (i) prior to making any offer to an offeree in the United States, the Agent or the U.S. Affiliate had and shall have a pre-existing substantive relationship with each such offeree;
- (j) the Agent understands that all Offered Shares sold to purchasers located in the United States in the Offering that are U.S. Accredited Investors will be issued in definitive physical form and will bear a restrictive legend substantially in the form set forth in Schedule C to the Subscription Agreement;
- (k) prior to the Closing Date, the Agent will cause the U.S. Affiliate to provide the Company and the transfer agent for the Offered Shares with a list of all purchasers located in the United States of Offered Shares (with state or territory of residence) and copies of all completed and executed Subscription Agreements obtained from such purchasers located in the United States;
- (l) at the Closing Time, the Agent, together with the U.S. Affiliate, will provide a certificate, substantially in the form of Exhibit I to this Schedule "A", relating to the manner of the offer and sale of the Offered Shares in the United States or will be deemed to have represented and warranted that they did not offer or sell Offered Shares to purchasers located in the United States;
- (m) it will inform, and cause its U.S. Affiliate to inform, each purchaser located in the United States that: (i) the Offered Shares have not been and will not be registered under the U.S. Securities Act or under state securities laws; (ii) the Offered Shares are being sold to it without registration under the U.S. Securities Act in reliance on the exemption from the registration requirement of the U.S. Securities Act provided by Section 4(a)(2) of the U.S. Securities Act and Rule 506(b) of Regulation D thereunder and in reliance upon exemptions from applicable U.S. state securities laws; and (iii) the Offered Shares are "restricted securities" within the meaning of Rule 144 of the U.S. Securities Act and can only be offered, sold, pledged or otherwise transferred, directly or indirectly, to the Company or outside the United States in accordance with applicable exemption under the U.S. Securities Act and in compliance with local laws and regulations;
- (n) neither the Agent, nor the U.S. Affiliate nor any person acting on its behalf has engaged or will engage in any action which would constitute a violation of Regulation M in connection with this Offering; and
- (o) With respect to the Offered Shares to be offered and sold hereunder in reliance on Rule 506(b) of Regulation D (the "**Regulation D Securities**"), none of it, its U.S. Affiliates, any of their respective general partners or managing members, any director or executive officer

of any of the foregoing, any other officer of any of the foregoing participating in offer and sale of the Regulation D Securities, or any other officer or employee of any of the foregoing that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers of the Offered Shares (each, a **"Dealer Covered Person"** and, together, the **"Dealer Covered Persons"**) is subject to any Disqualification Event except for a Disqualification Event (i) covered by Rule 506(d)(2) of the U.S. Securities Act and (ii) a description of which has been furnished in writing to the Company prior to the date hereof. Neither it nor its U.S. Affiliate has paid or will pay, nor is it aware of any other person that has paid or will pay, directly or indirectly, any remuneration to any person (other than the Dealer Covered Persons) for solicitation of purchasers of the Offered Shares;

## **B. Representations, Warranties and Covenants of the Company**

The Company represents, warrants, covenants and agrees to and with the Agents that as of the date hereof and the Closing Date:

1. (a) the Company reasonably believes that it is, and on the Closing Date will be, a Foreign Private Issuer with no Substantial U.S. Market Interest in the Offered Shares; (b) the Company is not, and following the application of the proceeds of the sale of the Offered Shares contemplated hereby will not be, registered or required to be registered as an "investment company" under the United States Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder; (c) none of the Company, its affiliates or any person acting on their respective behalf (other than the Agents, their affiliates and any person acting on their behalf, as to which the Company makes no representation, warranty, covenant or agreement) has engaged or will engage in any form of General Solicitation or General Advertising; (d) in connection with offers and sales of the Offered Shares outside the United States, the Company, its affiliates and any person acting on its or their behalf (other than the Agents, their affiliates and any person acting on their behalf, as to which the Company makes no representation, warranty, covenant or agreement) have complied and will comply with the requirements for an Offshore Transaction; and (e) except with respect to sales of Offered Shares made directly by the Company in accordance with Section 4(a)(2) of the U.S. Securities Act and Rule 506(b) of Regulation D thereunder, none of the Company, any of its affiliates, or any person acting on its or their behalf (other than the Agents, their affiliates, and any person acting on their behalf, as to which the Company makes no representation, warranty, covenant or agreement) has made or will make any offer to sell, any solicitation of an offer to buy, or any sale of Offered Shares to a person in the United States;
2. none of the Company, its affiliates or any person acting on its or their behalf (other than the Agents, their affiliates and any person acting on their behalf, as to which the Company makes no representation, warranty, covenant or agreement) has engaged or will engage in any Directed Selling Efforts with respect to the Offered Shares, or has taken or will take any action that would cause the exemption from the registration requirements of the U.S. Securities Act afforded by Section 4(a)(2) of the U.S. Securities Act and Rule 506(b) of Regulation D thereunder, or the exclusion from such registration requirements afforded by Rule 903 of Regulation S, to be unavailable for offers and sales of the Offered Shares pursuant to the Agency Agreement to which this Schedule "A" is attached;
3. the Company has not and will not offer or sell, or solicit any offer to buy, any securities of the Company in a manner that would (i) be integrated with the offer and sale of the Offered Shares and (ii) reasonably be expected to cause the exemption from the registration requirement of the U.S. Securities Act afforded by Section 4(a)(2) of the U.S. Securities Act and Rule 506(b) of Regulation D thereunder, or the exclusion from such registration requirements afforded by Rule 903 of Regulation S, to become unavailable with respect to the offer and sale of the Offered Shares pursuant to the Agency Agreement to which this Schedule "A" is attached;

4. none of the Company, its affiliates or any person on behalf of any of them (other than the Agents, their affiliates and any person acting on their behalf, as to which the Company makes no representation, warranty, covenant or agreement) has engaged or will engage in any violation of Regulation M in connection with this Offering;
5. the Company will, within prescribed time periods, prepare and file any forms or notices required under the U.S. Securities Act or applicable state securities laws;
6. neither the Company nor any of its predecessors or affiliates has been subject to any order, judgment, or decree of any court of competent jurisdiction temporarily, preliminarily or permanently enjoining such person for failure to comply with Rule 503 under the U.S. Securities Act; and
7. with respect to the Offered Shares, none of the Company, any of its predecessors, any director, executive officer, or other officer of the Company participating in the offering, any beneficial owner of 20% or more of the Company's outstanding voting equity securities, calculated on the basis of voting power, nor any promoter (as that term is defined in Rule 405 under the U.S. Securities Act) but excluding the Agents, their U.S. Affiliates and their respective affiliates or any person acting on its or their behalf, as to whom the Company makes no representation, warranty, acknowledgement, covenant or agreement connected with the Company in any capacity at the time of sale (each, an "**Issuer Covered Person**" and, together, "**Issuer Covered Persons**") is subject to Disqualification Event, except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3) of Regulation D. The Company has exercised reasonable care to determine: (i) the identity of each person that is an Issuer Covered Person; and (ii) whether any Issuer Covered Person is subject to a Disqualification Event. The Company has complied, to the extent applicable, with its disclosure obligations under Rule 506(e) of Regulation D, and has furnished to the Agents a copy of any disclosures provided thereunder. The Company has not paid and will not pay, nor is it aware of any person that has paid or will pay, directly or indirectly, any remuneration to any person (other than the Dealer Covered Persons) for solicitation of purchasers of the Offered Shares.

*[The remainder of this page intentionally left blank.]*

## EXHIBIT I to SCHEDULE "A"

### AGENT'S CERTIFICATE

In connection with the Offering, each of the undersigned, does hereby certify that:

1. the U.S. Affiliate is on the date hereof, and was at the time of each offer and sale of Offered Shares made by it, a duly registered broker or dealer under Section 15(b) of the *U.S. Exchange Act* and under the laws of all applicable states of the United States (unless exempt from such states' broker-dealer registration requirements) and was at such times and is on the date hereof a member of, and in good standing with, the Financial Industry Regulatory Authority, Inc., and all offers and sales (other than sales of Offered Shares directly by the Company) of the Offered Shares in the United States have been effected in accordance with all applicable United States federal and state securities laws and regulations, including those governing the registration and conduct of brokers and dealers;
2. we provided each offeree and each offeree located in the United States with the same information about the Company and the Offering as has been provided by us to offerees and Subscribers of Offered Shares in Canada;
3. immediately prior to our making any offer to an offeree in the United States or that are, or are acting for the account or benefit of an offeree in the United States, we had a pre-existing relationship with and reasonable grounds to believe and did believe that each such offeree was a U.S. Accredited Investor, and we continue to believe on the date hereof that each purchaser located in the United States is a U.S. Accredited Investor;
4. all the Offered Shares offered in the United States by us were sold by the Company to purchasers that are U.S. Accredited Investors;
5. no form of Directed Selling Efforts, General Solicitation or General Advertising was used by us in connection with the offer or sale of the Offered Shares in the United States;
6. prior to any sale of Offered Shares to a person located in the United States, we caused each such purchaser to sign a Subscription Agreement in the appropriate form;
7. all purchasers located in the United States to whom we offered the Offered Shares we informed that the Offered Shares have not been and will be registered under the U.S. Securities Act and are being offered and sold to such purchasers located in the United States without registration in reliance on available exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws;
8. neither we, nor any of our affiliates, nor any person acting on our or their behalf (other than the Company, its affiliates and any person acting on their behalf, as to which no certification is made) have taken or will take, directly or indirectly, any action in relation of Regulation M in connection with the offer and sale of the Offered Shares in the United States;
9. with respect to Offered Shares offered or sold to persons located in the United States, none of the Dealer Covered Persons relating to the undersigned is subject to any Disqualification Event except for a Disqualification Event (i) covered by Rule 506(d)(2) of Regulation D and (ii) a description of which has been furnished in writing to the Company prior to the date hereof, and the undersigned are not aware of any person (other than any Dealer Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of subscribers in connection with the sale of any Offered Shares to persons in the United States; and

10. the offering of the Offered Shares in the United States by us has been conducted in accordance with the terms of the Agency Agreement, including Schedule "A" thereto.

Capitalized terms used herein and not defined herein shall have the meaning ascribed thereto in the Agency Agreement, including Schedule "A" to which this Exhibit is annexed.

*[Signature page follows]*

Dated: this \_\_\_\_ day of \_\_\_\_\_, 2024.

**[NAME OF AGENT]**

**[NAME OF U.S. AFFILIATE]**

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Name:  
Title:

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Name:  
Title:

**SCHEDULE “B”  
FORM OF LOCK-UP AGREEMENT**

September \_\_\_\_, 2024

**Eight Capital  
Clarus Securities Inc.  
Eventus Capital Corp.  
Beacon Securities Limited  
Haywood Securities Inc.**  
(collectively, the “**Agents**”)

**Re: NG Energy International Corp. – Lock-Up Agreement**

The undersigned understands that the Agents have entered into an agency agreement dated as of September 3, 2024 (the “**Agency Agreement**”), with NG Energy International Corp. (the “**Company**”) providing for the issuance of up to 28,572,000 Common Shares of the Company by way of a private placement at a price of \$1.05 per Offered Share (the “**Offering**”). Capitalized terms not otherwise defined herein have the meaning given to them in the Agency Agreement.

In consideration of the benefit that the Offering will confer upon the undersigned, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned agrees that, during the period beginning from the date hereof and ending on the 120<sup>th</sup> day following the Closing Date (the “**Lock-Up Period**”), the undersigned will not, without the consent of the Co-Lead Agents, such consent not to be unreasonably withheld or delayed, directly or indirectly, offer, sell, contract to sell, lend, swap, or enter into any other agreement to transfer the economic consequences of, or otherwise dispose of or deal with, or publicly announce any intention to offer, sell, contract to sell, grant or sell any option to purchase, hypothecate, pledge, transfer, assign, purchase any option or contract to sell, lend, swap or enter into any agreement to transfer the economic consequences of, or otherwise dispose of, whether through the facilities of a stock exchange, by private placement or otherwise, any securities of the Company, whether now owned or hereinafter acquired, owned directly, indirectly or beneficially by the undersigned, or under control or direction of the undersigned (“**Undersigned’s Securities**”), regardless of whether any such arrangement is to be settled by the delivery of securities of the Company, securities of another person, cash or otherwise.

The foregoing restrictions shall not apply for: (a) the exercise of previously issued and fully vested options or other convertible securities duly granted under the Company’s existing Option Plan or RSU and DSU Plan; (b) transfers among a shareholder’s affiliates for tax or other planning purposes (provided that any such affiliate has entered into and delivered to the Agents an agreement in the form of this agreement in respect of the securities transferred by the undersigned); or (c) if the Company receives an offer, which has not been withdrawn, to enter into a transaction or arrangement, or proposed transaction or arrangement, pursuant to which, if entered into or completed substantially in accordance with its terms, a party could, directly or indirectly acquire an interest (including an economic interest) in, or become the holder of, 100% of the total number of Common Shares in the Company, whether by way of takeover offer, scheme of arrangement, shareholder approved acquisition, capital reduction, share buyback, securities issue, reverse takeover, dual-listed company structure or other synthetic merger, transaction or arrangement, provided that in the event the take-over or acquisition transaction is not completed, any securities shall remain subject to the restrictions contained in this lock-up agreement.

The undersigned represents and warrants that it now has, and, except as contemplated above, for the duration of this lock-up agreement, will have good and marketable title to the Undersigned’s Securities. Subject to the foregoing, the undersigned also agrees and consents to the entry of stop transfer restrictions

with the Company's transfer agent and registrar, or the equivalent, against the transfer of the Undersigned's Securities except in compliance with the foregoing restrictions.

The undersigned understands that the Company and the Agents are relying upon this lock-up agreement in proceeding towards consummation of the Offering. The undersigned further understands that this lock-up agreement is irrevocable and shall be binding upon the undersigned's legal representatives, successors, and assigns, and shall enure to the benefit of the Company, the Agents and their respective legal representatives, successors and assigns. This lock-up agreement shall terminate upon the expiration of the Lock-Up Period.

This lock-up agreement will be governed by the laws of the Province of British Columbia and the federal laws of Canada applicable therein and may be executed by facsimile or .pdf signature and as so executed shall constitute an original.

***[Remainder of page left intentionally blank. Signature page follows.]***

**DATED** as of the date first written above.

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Name:

Title:

Number of Common Shares Owned:

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Number of Options Owned:

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Number of RSUs Owned:

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Number of DSUs Owned:

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