



**Notice of Annual Meeting of Shareholders to be held on May 9, 2024**

**Management Information Circular**

**March 25, 2024**

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## NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

Please join Pieridae Energy Limited (“**Corporation**”) at its 2024 annual meeting of common shareholders (“**Meeting**”):

### WHEN

Thursday May 9, 2024, at 1:30 – 3:00 pm (Mountain Time)

### WHERE

The Board Room, Level 37, Room 37A, Norton Rose Fulbright, Suite 3700, 400 3rd Avenue SW, Calgary, Alberta, T2P 4H2.

### WHAT THE MEETING WILL COVER

1. **Receiving** the 2023 audited consolidated financial statements of the Corporation and the related auditor’s report;
2. **Fixing** the number of Directors of the Corporation to be elected at 8;
3. **Electing** the Directors of the Corporation;
4. **Appointing** Ernst & Young LLP as auditors of the Corporation and authorizing the directors to fix their remuneration;
5. **Conducting advisory vote** on the Corporation’s approach to executive compensation (say on pay); and
6. **Transacting** any other business that is properly brought before the Meeting or any adjournment or postponement thereof.

### YOUR VOTE IS IMPORTANT

#### Registered Shareholders

If you are a shareholder of record of common shares of the Corporation at the close of business on March 25, 2024, you are entitled to receive notice of, attend and vote at the Meeting.

The attached Management Information Circular tells you about the items of business for consideration, who may vote and how you can vote. Please read the “*PROXY INFORMATION*” section of the Management Information Circular carefully and remember to vote.

Registered Shareholders (as defined in the accompanying Management Information Circular) may attend the Meeting or be represented by proxy. Registered Shareholders are requested to complete and return the accompanying proxy form and mail it in the envelope provided, so that **it is received by Odyssey Trust Company no later than 1:30 pm (Mountain Time) on May 7, 2024, or not less than 48 hours preceding any adjournment or postponement of the Meeting** (excluding Saturdays, Sundays and holidays) to: Odyssey Trust Company, Attention: Proxy Department, Suite 702 – 67 Yonge St, Toronto, Ontario M5E 1J8. Alternatively, Registered Shareholders may complete their proxy form or voting instruction form online at <https://login.odysseytrust.com/pxlogin>, or send it by facsimile at (800) 517-4553.

#### Non-Registered Shareholders

**If you are a Non-Registered Shareholder (as defined in the accompanying Management Information Circular), do not complete and return the accompanying proxy form; instead, complete and return the voting instruction form and any accompanying materials sent to you by your broker or intermediary in accordance with the instructions for voting provided to you by your broker or intermediary. You may not be entitled to vote at the Meeting. Please read the “*PROXY INFORMATION*” section of the Management Information Circular below for further information.**

This year the Corporation has elected to use the notice-and-access regime under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 – *Continuous Disclosure Obligations* to deliver the Management Information Circular and associated materials to both Registered Shareholders and Non-Registered Shareholders. Using notice-and-access allows the Corporation to post electronic versions of these materials on the System for Electronic Document Analysis and Retrieval+ ("SEDAR+") at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Corporation's website at [www.pieridaeenergy.com](http://www.pieridaeenergy.com), rather than mailing paper copies to Registered Shareholders and Non-Registered Shareholders. The materials will also be available via our registrar and transfer agent at <https://odysseytrust.com/client/pieridae-energy-ltd>.

**By order of the Board of Directors of Pieridae Energy Limited.**

Dated March 25, 2024, at Calgary, Alberta

*"Michelle Cooze"*

Michelle Cooze  
Corporate Secretary

## MANAGEMENT INFORMATION CIRCULAR

You have received this Management Information Circular (“**Circular**”) because you owned common shares (“**Common Shares**”) of Pieridae Energy Limited (“**Corporation**”) as of the close of business on March 25, 2024 (“**Record Date**”).

You are entitled to receive notice of and to vote your Common Shares at, the annual meeting (“**Meeting**”) of the Corporation’s shareholders (“**Shareholders**”) to be held at the Board Room, Level 37, Room 37A, Norton Rose Fulbright, Suite 3700, 400 3<sup>rd</sup> Avenue SW, Calgary, Alberta, T2P 4H2 on May 9, 2024 from 1:30 – 3:30 pm (Mountain Time) for the purposes indicated in the Notice of Annual Meeting of Shareholders.

The Meeting will also be streamed via live audio webcast with the ability to “raise the hand” to ask a verbal question during the question-and-answer session. To participate in the live webcast, go to: <https://edge.media-server.com/mmc/p/in6fms8a>

To register to participate by telephone go to: <https://register.vevent.com/register/Blbd2622c203f841ebaee44545116969a3> and:

1. Click on the call link and complete the online registration form.
2. Upon registering you will receive the dial-in info and a unique PIN to join the call, as well as an email confirmation with the details.
3. Select a method for joining the call;
  - i Dial-In: A dial in number and unique PIN are displayed to connect directly from your phone.
  - ii Call Me: Enter your phone number and click “Call Me” for an immediate call-back from the system.

*Voting will only take place in accordance with the instructions in this Circular.*

The management of the Corporation (“**Management**”) is soliciting your proxy for the Meeting, which means that Management is hereby contacting you to encourage you to vote. We do this primarily by mail, but we may also telephone you. All associated costs will be paid by the Corporation.

Within the Circular you will find important information about the Meeting, the items of business to be considered during the Meeting and detailed instructions about how to participate in the Meeting and how to vote your Common Shares. Unless otherwise indicated, all information contained in this Circular is given as of the Record Date and all dollar amounts referenced herein are stated in the Canadian currency.

**The Board of Directors of the Corporation (the “Board”) has approved this Circular and its distribution to the Shareholders.**

Dated at Calgary, Alberta on March 25, 2024.

Pieridae Energy Limited

*“Darcy Reding”*

**Darcy Reding**

President & Chief Executive Officer

## FORWARD-LOOKING INFORMATION

Certain statements and information contained herein including, without limitation, the Corporation's ability to navigate challenges over the course of the next year, execution of the Corporation's ESG vision and the expected release and timing of the Corporation's 2024 ESG report, the Corporation's intention to complete its first Modern Slavery Act report in 2024, progress being made on the Corporation's diversity levels, anticipated benefits of the Corporation's new financing and hedge position, the Corporation's plans to terminate Stock Option Plan Number Two and the achievement of the goals and objectives under the Corporation's executive and director compensation programs, may constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable securities laws (collectively "forward-looking statements"). Words such as "will", "anticipate", "expect", "believe", "intend", "execute", "continue", "strive", "focus on", "design", "goal", "objective", "strategy", "target", "success", "vision", "growth", "benefit" and similar expressions may be used to identify these forward-looking statements.

Forward-looking statements are based on a number of factors and assumptions which have been used to develop such forward-looking statements, but which may prove to be incorrect. All forward-looking statements reflect management's beliefs and assumptions based on information available at the time the assumption was made. Forward-looking statements involve significant risk and uncertainties. A number of risk factors could cause actual results to differ materially from those anticipated, expressed or implied by the forward-looking statements contained herein. For more information on about the assumptions and risks associated with the forward-looking statements in this Circular, see "Forward-Looking Information" and "Risk Factors" in the Corporation's Annual Information Form for the year ended December 31, 2023 and "Cautionary Note Regarding Forward-Looking Information" in the Corporation's MD&A for the year ended December 31, 2023, each of which may be accessed through the Corporation's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca).

Although the forward-looking statements contained herein are based upon what management believes to be reasonable assumptions, management cannot assure that actual results will be consistent with these forward-looking statements. Investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and the Corporation assumes no obligation to update or review them to reflect new events or circumstances except as required by applicable securities laws.

Forward-looking statements contained herein concerning the oil and gas industry and the Corporation's general expectations concerning this industry are based on estimates prepared by management using data from publicly available industry sources as well as from reserve reports, market research and industry analysis and on assumptions based on data and knowledge of this industry which the Corporation believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While the Corporation is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors.

## LETTER TO SHAREHOLDERS

Challenges are a constant in the energy industry. The natural gas price slump, a planned major facility maintenance turnaround, unplanned maintenance outages and a destructive wildfire season made 2023 one of the more complicated years in recent memory. Despite these obstacles, we relentlessly continued our journey to build a safe, profitable, and sustainable hydrocarbon production and processing business. We are leaning into these challenges, further focusing on lowering costs, increasing efficiency, and reducing debt.

The Board managed a significant leadership transition during 2023 as Pieridae’s founder, Alfred Sorensen, provided notice of his intention to retire early in the year. Following a comprehensive due diligence process, the Board was very pleased to announce, effective as of September 1, the appointment of Mr. Darcy Reding, former President and Chief Operating Officer, as President, Chief Executive Officer (“**CEO**”) and Director. Mr. Reding has over 33 years of leadership experience in operations, technical roles, and business development in both public and private energy companies. After six months in the role, his excitement and tenacity are felt throughout the organization and a strong and engaged relationship with both the Board and Pieridae’s leadership team has formed.

We wish to extend once again our thanks to Mr. Sorensen for his efforts and passion in leading Pieridae through its foundational stages and progressing it into an organization well-positioned for continued success.

Following the appointment of Pieridae’s new CEO, Pieridae welcomed additional members to the executive leadership team in the fall of 2023 and into early 2024: Paul Kunkel, Chief Commercial Officer (“**CCO**”); John Emery, Chief Operating Officer (“**COO**”) and Michelle Cooze, General Counsel and Corporate Secretary. This leadership team brings the right mix of technical skill, commercial acumen, and proven leadership to enable Pieridae to execute its strategy and create value for our Shareholders.

While natural gas prices were lower than expected coming into, and continued to be depressed throughout the year, Pieridae’s robust hedge position protected the Company’s cash flow. Hedging supported capital spending commitments as well as the debt servicing obligations required by Pieridae’s new credit facility.

The new credit facility was the culmination of the successful refinancing of Pieridae’s existing debt, completed in June, with Prudential Private Capital and Voya Investment Management. Along with more favourable debt servicing costs, the new financing provides credit for commodity price hedging aligned with our risk management strategy. We are enthusiastic about the financial flexibility and lower volatility this refinancing provides.

Although production volumes in 2023 were below our annual targets, the resourcefulness and dedication of our staff successfully mitigated the impacts of production outages and an unprecedented wildfire season. By the end of 2023, we were able to restore our production to normal levels, exiting the year at over 37,000 boe/d. We are proud of our ongoing commendable safety record, driven by strong staff engagement and an unwavering commitment to protect ourselves, the environment, our neighbours, and stakeholders who rely on Pieridae to keep them safe.

Pieridae continues to follow the high standards of established international environmental, social and governance (“**ESG**”) reporting frameworks, including those of the Taskforce on Climate-related Financial Disclosures (TCFD), the Sustainability Accounting Standards Board (SASB) and the Global Reporting Initiative (GRI). Utilizing these frameworks means our ESG reporting remains consistent with industry best practice. In 2023, particular focus was given to reducing our greenhouse gas (“**GHG**”) emissions intensity. Effort from all levels of the organization has yielded measurable improvements, and we are pleased to share the results in more detail when the 2024 ESG report for the 2023 reporting period is released later this year.

The Board continued to build on its strategic oversight in 2023 through ongoing professional development and sessions designed to inform the Board of key business developments and organizational risks. Educational seminar topics included new regulations (such as Anti-Slavery reporting), insurance, climate and environmental disclosure standards, sustainability reporting and oversight of cyber security. The Board also implemented additional processes and review of CEO performance



management, CEO and executive leadership team succession, executive compensation and provided significant input into the refinancing program referenced above.

The coming year is sure to bring new challenges, but we are confident our strong foundation of operational excellence, innovation, dedication, and resiliency will provide a pathway to success. Pieridae is supported by staff, leaders and directors in all areas that take ownership for success.

Thank you to our people, our board, our stakeholders, and our partners. We look forward to building on the momentum from 2023 as we strive for excellence together in 2024!

March 25, 2024

*"Patricia McLeod"*

**Patricia McLeod K.C.**

Chair of the Board of Directors

*"Darcy Reding"*

**Darcy Reding**

President & Chief Executive Officer

## PROXY INFORMATION

### DATE OF THE INFORMATION CIRCULAR

The date of this Management Information Circular (“Circular”) is March 25, 2024.

### VOTING

As a holder (“Shareholder”) of common shares (“Common Shares”) of Pieridae Energy Limited (“Corporation”), you are entitled to receive notice of and to vote your Common Shares at the annual meeting (“Meeting”) of Shareholders to be held at the Board Room, Level 37, Room 37A, Norton Rose Fulbright, Suite 3700, 400 3<sup>rd</sup> Avenue SW, Calgary, Alberta, T2P 4H2 on May 9, 2024 commencing at 1:30 pm (Mountain Time) or at any adjournment or postponement thereof.

At least two persons who hold or represent by proxy at least 5% of the issued and outstanding Common Shares must be present at the Meeting in order to constitute a quorum thereby enabling the Meeting to proceed. If you submit a properly executed proxy form or voting instruction form, or vote by telephone or the internet, you will be considered to be part of the quorum.

As at March 25, 2024 (“Record Date”), the Corporation had 159,099,336 Common Shares issued and outstanding. Each Common Share entitles the holder thereof to one vote on each resolution proposed at a meeting of Shareholders. Except for Common Shares, the Corporation has not issued any other voting security. The outstanding Common Shares are listed on the Toronto Stock Exchange under the symbol “PEA”.

With the exception of the advisory vote on executive compensation, we must receive a simple majority of votes cast (50% plus 1 vote) for each of the items put forward at the Meeting in order for that item to be approved. Odyssey Trust Company (“Odyssey”), our transfer agent and registrar, will count the votes during the Meeting in its capacity as the Corporation’s scrutineer.

### WHO CAN VOTE

If you held Common Shares at 5:00 pm (Mountain Time) on the Record Date, you are entitled to receive notice of and vote at the Meeting. Each Common Share that you own entitles you to one vote at the meeting or any adjournment or postponement thereof.

We are not aware of any person who beneficially owns or exercises control or direction over (directly or indirectly) more than 10% of the voting rights attached to the Common Shares as at the Record Date, except the following:

- Erikson National Energy Inc. is the registered holder of 23,255,813 (or approximately 14.6%) of the issued and outstanding Common Shares on the Record Date;
- Alberta Investment Management Corporation is the registered holder of 21,566,846 (or approximately 13.6%) of the issued and outstanding Common Shares on the Record Date, and;
- Electron Capital Partners LLC is the registered holder of 20,650,440 (or approximately 13%) of the issued and outstanding Common Shares on the Record Date.

### HOW TO VOTE

The rules and procedures for voting depend on whether you are a “registered Shareholder” or a “non-registered Shareholder”, as discussed below.

### Registered Shareholders

You are a *registered Shareholder* of Common Shares (“**Registered Shareholder**”) if you hold the share certificate in your name or your Common Shares are recorded electronically in the direct registration system.

We have sent you a *proxy form* with this package if you would like someone else to vote for you at the Meeting. For detailed information on how to vote as a Registered Shareholder, please refer to the table under the heading “*VOTING PROCEDURE*” below.

### Non-registered (beneficial) Shareholders

You are a *non-registered (beneficial) Shareholder* of Common Shares (“**Non-Registered Shareholder**”) if you hold your Common Shares through an intermediary where the Common Shares are registered in your intermediary’s name and you are the beneficial Shareholder. More particularly, you are a Non-Registered Shareholder if your Common Shares are held on your behalf but registered either: (a) in the name of an intermediary that you deal with in respect of the Common Shares (intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited) of which the intermediary is a participant. For detailed information on how to vote as a Non-Registered Shareholder, please refer to the table under the heading “*VOTING PROCEDURE*” below.

We do not have the names of Non-Registered Shareholders or a record of the number of Common Shares that are owned by Non-Registered Shareholders.

Non-Registered Shareholders who have not objected to their intermediary disclosing certain ownership information about themselves to the Corporation are referred to as “Non-Objecting Beneficial Owners” (“**NOBOs**”). Non-Registered Shareholders who have objected to their intermediary disclosing ownership information about themselves to the Corporation are referred to as “Objecting Beneficial Owners” (“**OBOs**”).

In accordance with the requirements as set out in National Instrument 54-101 – *Communication With Beneficial Owners of Securities of a Reporting Issuer*, the Corporation has distributed copies of the Notice of Meeting, this Circular, a voting instruction form and the supplemental mailing list return card (collectively, the “**Meeting Materials**”) to intermediaries for onward distribution to NOBOs and OBOs.

Intermediaries are required to forward the Meeting Materials to both NOBO and OBO Non-Registered Shareholders unless they have waived the right to receive them. The Corporation does not send Meeting Materials to Non-Registered Shareholders; however, the Corporation will reimburse intermediaries for the cost incurred by them in delivering the Meeting Materials.

**Only Registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Non-Registered Shareholders should carefully follow the instructions of their intermediary, including those regarding when and where the proxy, proxy authorization form or voting instruction form is to be delivered.**

### VOTING PROCEDURE

|                              | Registered Shareholders   | Non-Registered Shareholders   |
|------------------------------|---|---|
| <b>Voting at the Meeting</b> | <p>If you wish to vote at the Meeting, please attend the Meeting in person. Do not complete and return the proxy form – your vote will be taken and counted at the Meeting.</p> <p>Voting will not be taken via the live audio webcast, so if you wish to vote at the Meeting, you must attend in person.</p> | <p>If you wish to vote at the Meeting, please strike out the names of Darcy Reding and, in the alternative, Adam Gray, on the voting instruction form sent to you by your intermediary, insert your own name in the space provided on the voting instruction form, follow all of the applicable instructions provided by your intermediary AND register yourself as a proxyholder. If</p> |

|  | Registered Shareholders  | Non-Registered Shareholders   |
|--|--|---|
|  |  | you appoint yourself as proxyholder, you must attend the Meeting in person where your vote will be taken and counted.   |
|  | <p>Your Common Shares will be voted at the Meeting according to your instructions. You can send your instructions by (a) mail in the self-addressed envelope enclosed herewith to Odyssey, (b) facsimile at (800) 517-4553 or (d) internet at <a href="https://login.odysseytrust.com/pxlogin">https://login.odysseytrust.com/pxlogin</a>.</p> <p>If you wish to appoint a person other than Darcy Reding or alternatively, Adam Gray, please insert the name of your chosen proxyholder in the space provided on the proxy form.</p> <p>Please follow the instructions carefully. <b>Your instructions must be received by 1:30 pm (Mountain Time) on May 7, 2024, for your vote to be counted.</b> If you are mailing the form, be sure to allow enough time for the envelope to be delivered.</p> <p>If the Meeting is adjourned or postponed, your proxy must be received 48 hours before the time of the reconvened meeting (excluding Saturdays, Sundays, and holidays).</p> | <p>Your Common Shares will be voted at the Meeting according to your instructions. Send your voting instructions to your broker or intermediary using your <i>voting instruction form</i>.</p> <p>Most brokers and intermediaries allow you to send your instructions by mail, internet, telephone, or fax, but each has its own process so make sure you follow the instructions on the form. <b>Your broker or intermediary must receive your instructions in enough time to act on them. Check the deadline on the form.</b> If you are mailing your instructions, be sure to allow enough time for the envelope to be delivered.</p>                  |
| Voting by proxy                        |  |   |
|  | <p>You will not be able to change your vote once it has been taken at the Meeting.</p> <p>If you voted by proxy, you may revoke or change your vote by:</p> <ol style="list-style-type: none"> <li>1. completing and signing a proxy bearing a later date and delivering it to Odyssey not less than 48 hours (excluding Saturdays, Sundays, and holidays) before the time of the meeting (or any adjourned or postponed meeting); or</li> <li>2. delivering a written statement, signed by you or your authorized attorney to: <ol style="list-style-type: none"> <li>a. Odyssey not less than 48 hours (excluding Saturdays, Sundays, and holidays) before the time of the meeting (or any adjourned or postponed meeting); or</li> <li>b. The Chair of the Meeting prior to the start of the Meeting.</li> </ol> </li> </ol>  | <p>The votes of a properly appointed proxyholder cannot be changed once taken at the Meeting.</p> <p>If you wish to revoke your proxy or change your vote, please contact your broker or intermediary to find out how to change or revoke your voting instructions and the timing requirements. Brokers and intermediaries may set deadlines for the receipt of revocation notices that are farther in advance of the Meeting than those set out above and, accordingly, any such revocation should be completed well in advance of the deadline prescribed in the proxy card or voting instruction form to ensure it is given effect at the Meeting.</p> |
| Revoking a proxy or changing your vote |  |   |
| More about voting by proxy             | When you or your broker or intermediary, as applicable, send in the proxy form, by default you are appointing Darcy Reding and, in the alternative, Adam Gray (“ <b>Management Proxyholders</b> ”), to act as your proxyholder and vote on your behalf. They will vote your Common Shares  |   |

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### Registered Shareholders

according to the voting instructions you provide on the proxy form or voting instruction form, as applicable. If you do not provide voting instructions, they will vote FOR the resolutions to be voted on at the Meeting.

The proxy form confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting or any adjournment or postponement thereof. As of the date of the Circular, Management is not aware of any such amendment, variation, or other matter to come before the Meeting.

**You also have the right to appoint someone else to represent you at the Meeting or at any adjournment or postponement thereof. This person does not need to be one of the Management Proxyholders or another Shareholder of the Corporation. To appoint another person, simply write that person’s name in the blank space provided on the proxy form. Your vote will be counted as long as the person you appoint attends the Meeting and votes on your behalf. If you appoint someone else as your proxyholder, but do not specify how you want to vote your Common Shares, the person can vote as they see fit. Should any amendment to an item of business arise, or any other matter properly arise at the meeting, your proxyholder has the discretion to vote as they see fit, to the extent possible.**

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### Non-Registered Shareholders

## NOTICE AND ACCESS

This year the Corporation has elected to use the notice-and-access regime under National Instrument 54-101 – *Communication With Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 – *Continuous Disclosure Obligations* (“NI 51-102”) to deliver to the proxy-related materials to both Registered Shareholders and Non-Registered Shareholders. Notice-and-access allows the Corporation to post electronic versions of the Meeting Materials on SEDAR+ and on its website rather than mailing paper copies to Registered Shareholders and Non-Registered Shareholders. Under notice-and-access, instead of receiving printed copies of the materials for the Meeting, Registered Shareholders and Non-Registered Shareholders receive a notice-and-access notification. The notice-and-access notification includes: (a) a voting instruction form or proxy form, as applicable; (b) basic information about the Meeting and the matters to be voted on; (c) instructions on how to obtain a paper copy of the Circular and (d) a plain-language explanation of how the notice-and-access regime operates and how the Circular can be accessed online. Where prior consent has been obtained, the Corporation will send this notice package to Shareholders electronically. This notice package will be mailed to Shareholders from whom consent to electronic delivery has not been received.

The Meeting Materials will be available at <https://odysseytrust.com/client/pieridae-energy-ltd> on or about April 9, 2024. The materials will also be available on the Corporation’s website at [www.pieridaeenergy.com](http://www.pieridaeenergy.com) and on the Corporation’s SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca) on or about April 9, 2024. The use of this alternative means of delivery is more environmentally friendly as it will help reduce paper use and it will also reduce the Corporation’s printing and mailing costs. It also helps expedite Shareholders’ receipt of the materials for the Meeting. Shareholders are reminded to review the Meeting Materials prior to voting.

If you would prefer to receive a paper copy of the Meeting Materials, free of charge, or if you have any questions regarding notice-and-access, you can contact the Corporation’s transfer agent, Odyssey, by email at [Shareholders@odysseytrust.com](mailto:Shareholders@odysseytrust.com), or by calling 1-587-885-0960.

Requests for paper copies should be received at least five business days in advance of the proxy deposit date and time set out in the accompanying proxy form or voting instruction form in order to allow sufficient time for Shareholders to receive and review the Meeting materials and return the proxy form or voting instruction form prior to the deadline for receipt of proxies. Non-Registered Shareholders may request a paper copy by email at [Shareholders@odysseytrust.com](mailto:Shareholders@odysseytrust.com), or by calling 1-888-290-1175 and entering the control number located on the voting instruction form and following the instructions provided.

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

Other than interests in Common Shares of the Corporation, stock options, DSUs and RSUs, all as more particularly detailed in this Circular, Management is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or executive officer of the Corporation at any time since January 1, 2023 (the beginning of the Corporation's last financial year) or any proposed nominee for election as a director, or any associate or affiliate of any of the foregoing persons, in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors.

## BUSINESS OF THE MEETING

The following matters will be presented during the Meeting for consideration by the Shareholders.

As of the Record Date, no director of the Corporation has informed Management in writing that he or she intends to oppose any action that is intended to be taken by Management at the Meeting.

### RECEIVING THE 2023 AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND MD&A

The audited consolidated financial statements of the Corporation for the year ended December 31, 2023, the report of auditors thereon and the related management discussion and analysis ("MD&A"), will be placed before Shareholders, but no vote by the Shareholders is required or proposed to be taken. The financial statements will be available electronically to all Registered Shareholders and Non-Registered Shareholders on the Corporation's website at [www.pieridaenergy.com](http://www.pieridaenergy.com) and under the Corporation's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### FIXING THE NUMBER OF DIRECTORS TO BE ELECTED

It is proposed that the number of directors to be elected at the Meeting of the Shareholders be fixed at eight (8).

The text of the proposed resolution is set out below.

*"IT IS RESOLVED as an ordinary resolution that the number of directors to be elected at the annual meeting of Shareholders of Pieridae Energy Limited held on May 9, 2024, be hereby fixed at eight (8)"*

The Board recommends that Shareholders vote FOR this resolution.

In the absence of a contrary instruction or if no choice is specified in the proxy with respect to the foregoing matter, the Management Proxyholders intend to vote FOR the resolution fixing the number of directors to be elected at the Meeting by Shareholders at eight.

### ELECTION OF DIRECTORS

The members of the Board of directors of the Corporation are elected at each annual meeting of Shareholders to hold office until the conclusion of the next such annual meeting of Shareholders unless prior to that meeting, the particular director resigns, or the position becomes vacant for any other reason. In such an event, the bylaws of the Corporation permit the Board to fill such vacancy subject to the provisions of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended, ("CBCA"). In addition, the articles of the Corporation permit the Board to appoint one or more additional directors of the Corporation who shall hold office for a term expiring not later than the close of the next annual meeting of Shareholders, but the total number of directors so appointed may not exceed one-third of the number of directors elected at the previous annual meeting of Shareholders.

The articles of the Corporation allow for a minimum of three and a maximum of eleven directors of the Corporation. The current approved number of directors of the Corporation is eight. The eight proposed nominees for election to the Board (collectively, the "Nominees" and each, a "Nominee") are:

TABLE 1

| NAME OF NOMINEE      |
|----------------------|
| CHARLES BOULANGER    |
| RICHARD COUILLARD    |
| DOUG DREISINGER      |
| GAIL HARDING K.C.    |
| ANDREW JUDSON        |
| PATRICIA MCLEOD K.C. |
| DARCY REDING         |
| KIREN SINGH          |

Except for Darcy Reding, the other Nominees are considered to be independent.

Please refer to the text under the heading “*INFORMATION CONCERNING NOMINEES FOR ELECTION TO THE BOARD*” for particular biographical and other information concerning each Nominee and to the text under the heading “*INFORMATION CONCERNING GOVERNANCE*” for a further discussion of the independence of the Nominees.

Each Nominee who is elected as a director will hold that office until the conclusion of the next annual meeting of the Corporation or until their resignation, if sooner.

In the absence of a contrary instruction or if no choice is specified in the proxy with respect to the foregoing matter, the Management Proxyholders intend to vote FOR the election as directors of the Nominees whose names are set forth above.

### APPOINTMENT OF AUDITORS

Ernst & Young LLP has been the Corporation’s auditors since 2017. The Board proposes to re-appoint Ernst & Young LLP, chartered professional accountants, as auditors of the Corporation at remuneration to be fixed by the Board. The proposed resolution is set out below.

*“IT IS RESOLVED as an ordinary resolution that Ernst & Young LLP be hereby appointed auditors of Pieridae Energy Limited to hold office until the close of the next annual meeting of Shareholders of the corporation, at such remuneration as may be fixed by the corporation’s board of directors.”*

The Board recommends that Shareholders vote FOR this resolution.

In the absence of a contrary instruction or if no choice is specified in the proxy with respect to the foregoing matter, the Management Proxyholders intend to vote FOR the appointment of Ernst & Young LLP as auditors of the Corporation to hold office until the next annual meeting of Shareholders or until a successor is appointed and authorize the Board to fix the remuneration of the auditors.

### External Auditor Service Fees

Information regarding the amount and nature of the fees that were paid by the Corporation to its external auditors is disclosed on page 31 of the annual information form of the Corporation for the year ended December 31, 2023, a copy of which can be found under the Corporation’s profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and which was filed on SEDAR+ on March 20, 2024.

### ADVISORY VOTE ON EXECUTIVE COMPENSATION (SAY ON PAY)

At the 2023 annual and special meeting of Shareholders, the voting results were 58,843,544 (99.71%) of Shareholders in favour of the Corporation's approach to executive compensation, with 170,562 (0.29%) against.

The Corporation is pleased to again provide Shareholders the opportunity to vote on a non-binding advisory resolution to accept or reject our approach to executive compensation as more particularly described in this Circular.

The Board believes its executive compensation program aligns the interests of the executives with those of the Corporation's Shareholders through our commitment to providing an equitable yet market competitive compensation program that will attract, motivate, retain, and reward a diverse, qualified, and dedicated cohort at all levels within the Corporation. Please review the information under the heading "*INFORMATION CONCERNING EXECUTIVE COMPENSATION*" before voting on this matter.

The proposed resolution is set out below.

*"IT IS RESOLVED, on an advisory basis and not to diminish the role and responsibilities of the Board of Directors, that the Shareholders accept the approach to executive compensation disclosed in the Management Information Circular delivered in advance of the 2024 annual meeting of Shareholders."*

The Board recommends that Shareholders vote FOR the advisory vote to accept our approach to executive compensation.

In the absence of a contrary instruction or if no choice is specified in the proxy with respect to the foregoing matter, the Management Proxyholders intend to vote FOR the advisory vote to accept our approach to executive compensation.

As this is an advisory vote, the results are not binding upon the Board; however, the Board will report on and take into account the results when considering compensation in the future.



## INFORMATION CONCERNING NOMINEES FOR ELECTION TO THE BOARD

### BIOGRAPHICAL INFORMATION REGARDING THE NOMINEES

#### CHARLES BOULANGER

|   |                                 |
|---|---------------------------------|
| <b>Status:</b>  | Independent Director            |
| <b>Credentials:</b>   | B.Sc.A., Mechanical Engineering |
| <b>Age:</b>   | 66                              |
| <b>Residence:</b>   | Quebec City, Quebec, Canada     |
| <p>Until December 2023, Mr. Boulanger was the CEO of Leddartech Holdings Inc., a public company that offers unique AI based ADAS (Advanced Driver Assistance System) and AD (autonomous driving) fusion and perception software solution in the automotive industry. He is the President of Moody Management Inc., a private investment firm. Mr. Boulanger is a seasoned CEO with over 35 years of experience and accomplished corporate director with public and private companies in several industrial sectors having international footprints such as Leddartech (NASDAQ: LDTX), Groupe Unipex, Atrium Innovation, Shell Canada Limited, a subsidiary of Royal Dutch Shell, Irving Oil, a subsidiary of Irving Group of Companies, GSI Environment Inc. and Prolab Technolub Inc. Mr. Boulanger has successfully raised several large financing, completed several acquisitions and sales transactions, including three IPOs and one management leveraged buyout (MLBO) in Europe. He currently sits on the boards of Chimie Parachem s.e.c., Avena Technologies inc. and LeddarTech Inc. (NASDAQ: LDTX). Mr. Boulanger earned a degree in mechanical engineering from Université Laval in 1981 and graduated from the senior management program at the International Centre for Research and Studies in Management (CIREM) in 1990.</p> |                                 |
| <p>Board memberships of other public corporations: Leddartech Holdings (NASDAQ: LDTX)</p>   |                                 |
| <p>Mr. Boulanger is a member of the Audit &amp; Risk Committee and the Reserves &amp; HSE Committee. He was the Chair of the Audit &amp; Risk Committee (previously, the Audit Committee) from October 24, 2017, until May 11, 2023 and was the Chair of the Audit Committee of Petrolia Inc (predecessor to the Corporation) from 2012 until its amalgamation with the Corporation on October 24<sup>th</sup> 2017. He has been a Director of the Corporation since October 24, 2017.</p>  |                                 |

| 2023 Board and Committee Meeting Attendance |                     |
|---|---------------------|
| Board                                       | 11 of 11            |
| Audit & Risk                                | 4 of 4              |
| Reserves & HSE                              | 4 of 4              |
| Voting Results from 2023 annual meeting     |                     |
| For   | 56,292,788 (95.39%) |
| Withheld                                    | 2,721,318 (4.61%)   |

#### RICHARD COUILLARD

|   |                                       |
|---|---------------------------------------|
| <b>Status:</b>  | Independent Director                  |
| <b>Credentials:</b>   | B.Sc. (Hons.), Geology and Geophysics |
| <b>Age:</b>   | 73                                    |
| <b>Residence:</b>   | Calgary, Alberta, Canada              |
| <p>Mr. Couillard is currently President &amp; CEO of CouilOil Energy Inc. a private corporation providing advisory services to E&amp;P companies on corporate acquisitions and business strategies. Mr. Couillard has over 40 years' experience in domestic and international oil and gas exploration, development and production activities which includes 21 years with Chevron Corporation in a variety of technical and management roles. The majority of his career has been focused on the Western Canadian Sedimentary Basin. Mr. Couillard's directorships have included Canadian Spirit Resources Inc. (2003-2020), Badger Infrastructure Solutions including its predecessors (2005-2015) and Kensington Energy Inc. (2002-2005). Mr. Couillard holds a Bachelor of Science (Honours) degree in geology and geophysics and is a member of the Canadian Energy Geoscience Association (CEGA) and a member of the Institute of Corporate Directors (ICD).</p> |                                       |
| <p>Board memberships of other public corporations: none</p>   |                                       |
| <p>Mr. Couillard is a member of the Reserves &amp; HSE Committee and the Governance &amp; HR Committee. He has been Chair of the Reserves &amp; HSE Committee (previously, the Reserves, Safety &amp; Environment Committee) since May 26, 2022. He has been a Director of the Corporation since May 26, 2022.</p>  |                                       |

| 2023 Board and Committee Meeting Attendance |                     |
|---|---------------------|
| Board                                       | 11 of 11            |
| Governance & HR                             | 5 of 5              |
| Reserves & HSE                              | 4 of 4              |
| Voting Results from 2023 annual meeting     |                     |
| For   | 56,258,012 (95.33%) |
| Withheld                                    | 2,756,094 (4.67%)   |

## DOUG DREISINGER

|   |                                     |
|---|-------------------------------------|
| <b>Status:</b>  | Independent Director                |
| <b>Credentials:</b>   | B.Sc. (Hons.), Chemical Engineering |
| <b>Age:</b>   | 63                                  |
| <b>Residence:</b>   | Calgary, Alberta, Canada            |
| <p>Mr. Dreisinger has 40 years' experience in the energy and chemical industry having worked in both domestic and international markets. He is a consultant providing strategic and business development services predominantly in the energy and mineral processing sectors. He also has operational experience and expertise in Risk Management, Business Development, plus M&amp;A. Mr. Dreisinger is a former Director of the Government of Alberta's Petroleum Marketing Commission (APMC). He also served as Director of Connacher Oil &amp; Gas (2015-22). He has since early 2022 been helping Atlas Materials commercialize their Carbon Negative Nickel Demo Plant, while also supporting Phenom Resources on battery material developments. Previously, Mr. Dreisinger had a 20-year career with Nexen (now CNOOC) with executive roles including President of the Global Energy Marketing &amp; Trading Business, VP Business Development and VP Business Operations for the Chemical Business. His skills and experience at Nexen included natural gas trading/marketing the LNG development of Aurora LNG in conjunction with their development partner, Impex. He is a Professional Engineer (Alberta).</p> <p>Board memberships of other public corporations: none</p> <p>Mr. Dreisinger is a member of the Governance &amp; HR Committee and the Reserves &amp; HSE Committee. He has been a Director of the Corporation since May 26, 2022.</p> |                                     |

| 2023 Board and Committee Meeting Attendance |                     |
|---|---------------------|
| Board                                       | 11 of 11            |
| Governance & HR                             | 3 of 5              |
| Reserves & HSE                              | 4 of 4              |
| Voting Results from 2023 annual meeting     |                     |
| For   | 58,921,784 (99.84%) |
| Withheld                                    | 93,322 (0.16%)      |

## GAIL HARDING K.C.

|   |                                   |
|---|-----------------------------------|
| <b>Status:</b>  | Independent Director              |
| <b>Credentials:</b>   | B.Ed., LL.B., LL.M., ICD.D, GCB.D |
| <b>Age:</b>   | 65                                |
| <b>Residence:</b>   | Calgary, Alberta, Canada          |
| <p>Ms. Harding, K.C., is a corporate director with over 35 years' experience in legal/regulatory compliance, capital markets, M&amp;A, governance, and risk management. Until 2018 she served as the Chief Legal Officer at Canadian Western Bank Financial Group (TSX listed) and was previously a securities/corporate law partner at a national law firm. Ms. Harding serves on the boards of Meridian Credit Union and the Alberta Securities Commission (Chair, Human Resources Committee). She has previously served on the boards of the Alberta Electric System Operator, The Workers' Compensation Board (Alberta), AC Energy (TSX-V listed), Alberta Ballet and numerous subsidiaries of the CWB Financial Group. Ms. Harding was a recipient of both the Canadian General Counsel Award and the Women in Law Leadership Award. She holds a Master of Laws with a specialization in Energy and Infrastructure (York University) and a Bachelor of Laws and Bachelor of Education (University of Alberta) in addition to the ICD.D (University of Calgary/Institute of Corporate Directors) and FSA (Sustainability Accounting Standards Boards) designations and is a Fellow of the Canadian Institute of Bankers. She also holds the GCB.D (Global Competent Boards) designation.</p> <p>Board memberships of other public corporations: none</p> <p>Ms. Harding is a member of the Governance &amp; HR Committee and the Audit &amp; Risk Committee. She has been the Chair of the Governance &amp; HR Committee since May 11, 2023. She has been a Director of the Corporation since May 26, 2022.</p> |                                   |

| 2023 Board and Committee Meeting Attendance |                     |
|---|---------------------|
| Board                                       | 11 of 11            |
| Audit & Risk                                | 4 of 4              |
| Governance & HR                             | 5 of 5              |
| Voting Results from 2023 annual meeting     |                     |
| For   | 58,904,074 (99.81%) |
| Withheld                                    | 110,032 (0.19%)     |

## ANDREW JUDSON

|                     |                          |
|---------------------|--------------------------|
| <b>Status:</b>      | Independent Director     |
| <b>Credentials:</b> | B.A., MBA                |
| <b>Age:</b>         | 56                       |
| <b>Residence:</b>   | Calgary, Alberta, Canada |

Mr. Judson is a Director of Condor Energies Inc., a public Canadian company operating oil and gas developments in Turkey, Kazakhstan, and Uzbekistan. In November 2022 he joined the Board of Drift Resource Technologies Inc., a private Canadian oilsands development company. In November of 2023 he joined the Board of Field Safe Solutions, a private company providing SaaS safety solutions. Mr. Judson also serves as a Senior Advisor for Fort Capital Advisors, a partner owned investment bank. Mr. Judson served on the Board of Bonavista Energy Corporation, a private Canadian energy producer, from May 2022 until it was sold in December 2023. Previously, Mr. Judson was a Managing Director of Camcor Partners Inc. and FirstEnergy Capital. Mr. Judson has more than 25 years of experience in Canadian energy capital markets and has advised some of the largest institutional investors in Canada, the U.S.A. and Europe on energy investments.

Board memberships of other public corporations: Condor Energies Inc.

Mr. Judson is a member of the Audit & Risk Committee and the Reserves & HSE Committee. He has been a Director of the Corporation since October 24, 2017.

| 2023 Board and Committee Meeting Attendance |          |
|---|----------|
| Board                                       | 11 of 11 |
| Audit & Risk                                | 4 of 4   |
| Reserves & HSE                              | 4 of 4   |

| Voting Results from 2023 annual meeting |                     |
|---|---------------------|
| For                                     | 43,990,558 (74.54%) |
| Withheld                                | 15,023,548 (25.46%) |

## PATRICIA MCLEOD K.C.

|                     |                                  |
|---------------------|----------------------------------|
| <b>Status:</b>      | Independent Director             |
| <b>Credentials:</b> | B.Comm., LL.B., MBA, ICD.D, K.C. |
| <b>Age:</b>         | 55                               |
| <b>Residence:</b>   | Calgary, Alberta, Canada         |

Ms. McLeod, K.C. is an experienced corporate board director, former senior legal professional and Privacy and Compliance Officer of multiple regulated companies. Ms. McLeod K.C. has held Vice President and General Counsel roles in energy utilities and electricity retail, property development, insurance, and financial services companies. She has extensive corporate/commercial legal experience as well as advising on mergers and acquisitions, business development and joint ventures for large infrastructure projects. Ms. McLeod also serves as Board Chair of FutEra Power Corp., a privately held geothermal power production company and as a director of the Green Line Board (Member, Governance & HR Committee and Budget & Risk Committee), the Quantum Algorithms Institute of British Columbia and MINDD Inc. Ms. McLeod is a former Board Chair of Calgary Co-operative Association, Calgary Film Centre Ltd., Real Estate Council of Alberta, YWCA Calgary and Cspace Projects. She also previously served as a corporate director on the boards of Bradley Air Services Ltd. (operating as First Air), Alberta Innovates, Beverage Container Management Board and Calgary Economic Development. She holds an MBA (Queens University) and Bachelor of Laws and a Bachelor of Commerce (University of Alberta) and an ICD.D (University of Calgary/Institute of Corporate Directors). She also holds the Competent Boards certification in ESG oversight (GCB.D). Ms. McLeod was honoured with the Queens Jubilee Medal of Alberta in 2022, has been recognized by WXN as one of Canada's Top 100 Most Powerful women in 2018 and 2019 and by Women in Finance Canada as a Top Legal Advisor in 2019.

Board memberships of other public corporations: none

Ms. McLeod has been the Chair of the Board since May 26, 2022. As Chair she is also an *ex officio* member of the Audit & Risk Committee, the Reserves & HSE Committee, and the Governance & HR Committee. She has been a Director of the Corporation since May 26, 2022.

| 2023 Board and Committee Meeting Attendance |          |
|---|----------|
| Board                                       | 11 of 11 |
| Committee Meetings                          | 13 of 13 |

| Voting Results from 2023 annual meeting |                    |
|---|--------------------|
| For                                     | 58,919,552(99.84%) |
| Withheld                                | 94,554 (0.16%)     |

## DARCY REDING

|  |                             |
|--|-----------------------------|
| <b>Status:</b>   | Non-Independent Director    |
| <b>Credentials:</b>  | B.Sc., Chemical Engineering |
| <b>Age:</b>  | 55                          |
| <b>Residence:</b>  | Calgary, Alberta, Canada    |
| <p>Mr. Reding is the President &amp; CEO of Pieridae Energy Limited. He was appointed to the role in September 2023 after serving in the role of President &amp; COO since April 2021. Mr. Reding has over 30 years technical and leadership experience in the energy industry. Prior to joining Pieridae, Mr. Reding was Vice President, Operations and Geoscience at NAL Resources Management Ltd., a private exploration and production company with assets in western Canada, until its strategic combination with Whitecap Resources Inc. He also held positions with Norcen Energy, Northrock Resources, Samson Exploration and Enterra Energy. Mr. Reding obtained a Bachelor of Science in Chemical Engineering from the University of Calgary in 1990 and is a Professional Member of the Association of Professional Engineers and Geoscientists of Alberta (APEGA).</p> <p>Board memberships of other public corporations: none</p> <p>Following his appointment to CEO in September 2023, Mr. Reding became a non-independent director of the Board of the Corporation. Mr. Reding attended all Board meetings since his appointment. He has been a Director of the Corporation since September 1, 2023.</p> |                             |

| 2023 Board and Committee Meeting Attendance |        |
|---|--------|
| Board                                       | 3 of 3 |
| Voting Results from 2023 annual meeting     |        |
| For   | N/A    |
| Withheld                                    | N/A    |

## KIREN SINGH

|  |                               |
|--|-------------------------------|
| <b>Status:</b>   | Independent Director          |
| <b>Credentials:</b>  | B.Comm., MBA, CFA, CRM, ICD.D |
| <b>Age:</b>  | 59                            |
| <b>Residence:</b>  | Canmore, Alberta, Canada      |
| <p>Ms. Singh is a corporate director and corporate executive. Ms. Singh serves on the board of directors of Computer Modelling Group (TSX: CMG) (Audit and Risk Committee), Alberta Cancer Foundation (Audit and Finance Committee), Travel Alberta (served as Chair Audit, Finance and Risk Committee); and previously served on the boards of Dynamic Risk Assessment Systems (Chair, Audit and Risk Committee), and Agriculture Financial Services Corp. (Chair, Audit, Finance and Risk Committee). She holds a Master of Business Administration degree and a Bachelor of Commerce (Finance) degree (University of Calgary), as well as a Chartered Financial Analyst (CFA Institute), CRM (Global Risk Management Institute) and ICD.D (University of Toronto) designations. Ms. Singh is the founder of Haskalife, a privately held functional food company based in Alberta, Canada. Ms. Singh also held senior executive roles including Chief Financial Officer, Vice President Risk Management and Treasurer during her 30-year international career in the energy sector where she led corporate and project financings and risk management programs representing privately held and publicly traded Canadian (Toronto Stock Exchange) and USA (New York Stock Exchange) corporations including Gibson Energy Inc., OPTI Canada Inc., Value Creation Inc., Exxon Mobil Corporation and Mobil Corporation in Calgary, AB, Fairfax, VA and Houston, TX.</p> <p>Board memberships of other public corporations: Computer Modelling Group (TSX: CMG)</p> <p>Ms. Singh is a member of the Audit &amp; Risk Committee and the Governance &amp; HR Committee. She was the Chair of the Governance &amp; HR Committee from October 6, 2022, until May 11, 2023 and has been the Chair of the Audit &amp; Risk Committee since May 11, 2023. She has been a Director of the Corporation since May 26, 2020.</p> |                               |

| 2023 Board and Committee Meeting Attendance |                     |
|---|---------------------|
| Board                                       | 10 of 11            |
| Audit & Risk                                | 4 of 4              |
| Governance & HR                             | 5 of 5              |
| Voting Results from 2023 annual meeting     |                     |
| For   | 58,919,392 (99.84%) |
| Withheld                                    | 94,714 (0.15%)      |

## CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES AND SANCTIONS

Except as noted below, to the knowledge of the Corporation, none of the Nominees are, as at the date of this Circular, or have been, within the 10 years before the date of this Circular, a director, CEO or Chief Financial Officer (“**CFO**”) of any company (including the Corporation) that: (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days (an “**Order**”) that was issued while the proposed director was acting in the capacity as director, CEO or CFO; or (b) was subject to an Order that was issued after the proposed director ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO.

Except as noted below, to the knowledge of the Corporation, none of the Nominees are, as at the date of this Circular, or have been within ten years before the date of this Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. In addition, no Nominee has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager, or trustee appointed to hold the assets of that person.

To the knowledge of the Corporation, no Nominees have been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a security regulatory authority or has entered into a settlement agreement with a security regulatory authority, or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

Mr. Doug Dreisinger was a director of Connacher Oil and Gas Limited (“**Connacher**”) from June 3, 2015, to September 30, 2019. In May 2016, Connacher announced that, due to high debt and depressed oil prices, amongst other things, it had initiated proceedings at the Court of Queen’s Bench of Alberta to seek creditor protection under the Companies’ Creditors Arrangement Act (“**CCAA**”). On May 16, 2016, the TSX suspended trading of Connacher’s common shares subject to an expedited review of Connacher’s ability to meet the requirements for continued listing. Effective June 20, 2016, the common shares ceased to be listed on the TSX for failure to meet continued listing requirements. Connacher obtained a stay of proceedings, among other things, under the CCAA pursuant to an Initial Order dated May 17, 2016. Under the Initial Order, Ernst & Young Inc. was appointed Monitor of Connacher during the CCAA proceedings. The stay of proceedings was extended multiple times to assist Connacher in undertaking two sale and investment solicitation processes. On September 30, 2019, Connacher announced that the Amended and Restated Plan of Compromise and Arrangement (the “**Plan**”) dated July 16, 2019, was sanctioned by the Court of Queen’s Bench of Alberta on July 16, 2019, in the proceedings under the CCAA. The Plan became effective September 30, 2019. All existing equity interests (including outstanding common shares) were cancelled for no consideration and the first lien lenders (First Lien Credit Agreement May 23, 2014) acquired all of Connacher’s new share capital and Connacher ceased to be a reporting issuer. Upon the successful completion of the Plan, Mr. Dreisinger resigned from the Board. In January 2020, Mr. Dreisinger joined the “new” privately held Connacher as a director until November 2022.

No proposed director of the Corporation is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the President & CEO who is proposed as a non-independent director.

## MAJORITY VOTING POLICY

The Corporation previously adopted a majority voting policy (the “**Majority Voting Policy**”) which required any director nominee who failed to receive a majority of vote in favour of their election to submit their resignation to the Board. The Board would then refer the resignation to the Governance & HR Committee to determine whether such resignation should be accepted or rejected.

However, effective as of August 31, 2022, the CBCA was amended to introduce statutory voting requirements for uncontested director elections, rendering the Majority Voting Policy redundant. Accordingly, the Corporation repealed the Majority Voting Policy and now adheres to the CBCA voting requirements.

Under the CBCA, in an uncontested director election, Shareholders are allowed to vote “for” or “against” each director nominee. A director nominee will be elected as a director only if the number of shares voted “for” that nominee exceeds the number of shares voted “against” that nominee. If the number of shares voted “against” any nominee exceeds the number of shares voted “for” that nominee, that nominee will not be appointed as a director of the Corporation, provided that, if that nominee is an incumbent director, such director may continue in office until the earlier of: (a) the day their successor is appointed; or (b) the 9<sup>th</sup> day after the election. The Board may not re-appoint an incumbent director who did not receive majority support at any time prior to the next annual Shareholders meeting other than in the following limited and defined circumstances: (a) to satisfy Canadian residency requirements; or (b) to satisfy the requirement that at least two directors are not also officers or employees of the Corporation or its affiliates. Any director nominee who fails to be elected may be nominated again at the next meeting of Shareholders at which there is an election of directors.

## INFORMATION CONCERNING EXECUTIVE COMPENSATION

For the financial year ended December 31, 2023 the Corporation’s named executive officers (each an “NEO” and collectively, the “NEOs”) were Darcy Reding (President & COO January 1, 2023 to August 31, 2023 and President & CEO September 1, 2023 to Present), Adam Gray (CFO), Yvonne McLeod (VP, Drilling & Completions, Health, Safety, Environment & Regulatory), Michael Bartley (VP, Human Resources & Corporate Services), John Emery (Interim COO from September 1, 2023 to December 31, 2023 and COO from January 1, 2024 to present) and Alfred Sorensen (CEO January 1, 2023 to August 31, 2023).

### COMPENSATION DISCUSSION AND ANALYSIS

#### *Objectives of NEO Compensation Program and Compensation Philosophy*

The objectives of the Corporation’s NEO compensation program are to: (a) attract, motivate and retain highly qualified and dedicated individuals; (b) align the interests of the NEOs with those of the Corporation’s Shareholders; (c) establish an objective connection between NEO compensation and the Corporation’s short term and long term financial and business performance and (d) incentivize the NEOs to lead the Corporation in achieving its corporate objectives and fulfilling its corporate strategy. The NEO compensation program is, therefore, designed to reward the NEOs for increasing Shareholder value.

The Governance & HR Committee’s review and evaluation of corporate compensation includes measurement of, among other factors, with regards to the Corporation’s short term incentive plans: (a) the achievement of corporate objectives which include ESG metrics, having regard to budgetary constraints and other challenges facing the Corporation and (b) the Corporation’s financial condition. The Corporation’s long-term incentives are directly linked to the Corporation’s Common Share price, thereby aligning NEO compensation with the creation of long-term value for Shareholders. The Board recognizes the importance of ensuring that overall compensation for NEOs is not only internally equitable, but also competitive with other energy market companies.

Compensation policies, practices, amounts and structures are reviewed annually taking into consideration “best practices” recommended by proxy advisor groups, benchmarks reported the Corporation’s independent compensation advisor, Mercer Canada Limited (“**Mercer**”), prevailing market conditions, and corporate performance.

With respect to benchmarking, as a guideline the Corporation strives to align executive compensation with the P50 market baseline determined by Mercer for the Corporation’s peer group. Corporate performance is assessed against pre-determined corporate goals and metrics which are aligned with the strategic priorities of the Corporation as determined annually by Management and the Board. The Corporation’s peer group was selected following third party assessment of energy companies in Western Canada of similar characteristics such as production, assets, enterprise value and EBITDA and is detailed in the table below.

TABLE 2

| PEER GROUP                  |                       |                         |                                  |
|-----------------------------|-----------------------|-------------------------|----------------------------------|
| Advantage Energy Ltd.       | Obsidian Energy Ltd.  | Pine Cliff Energy Ltd.  | InPlay Oil Corp.                 |
| Tamarack Valley Energy Ltd. | Kelt Exploration Ltd. | Bonterra Energy Corp.   | Petrus Resources Ltd.            |
| Athabasca Oil Corporation   | Cardinal Energy Ltd.  | Yangarra Resources Ltd. | Perpetual Energy Inc.            |
| Crew Energy Inc.            | Surge Energy Ltd.     | Journey Energy Inc.     | Prairie Provident Resources Inc. |

### Director and Executive Compensation Review

The Corporation retained Mercer to complete a director and executive total compensation review including the creation of a peer group and an analysis of the quantum and structure of director and executive compensation. Following a review of Mercer’s report, the Board, upon recommendation of the Governance & HR Committee, made minor amendments to of the director’s compensation structure. Those changes are described in “*INFORMATION CONCERNING DIRECTOR COMPENSATION*”. No significant changes were made to the executive compensation or the Corporation’s compensation structure, policies, and practices in 2023.

### Fees Paid to Advisors

The following table discloses fees paid to Mercer for each of the Corporation’s two most recently completed financial years.

TABLE 3

|  | 2023     | 2022     |
|--|----------|----------|
| Executive Compensation-Related Fees <sup>(1)</sup> | \$37,682 | \$57,572 |
| All Other Fees <sup>(2)</sup>                      | \$10,300 | -        |

<sup>(1)</sup> Includes aggregate fees, less GST, billed by Mercer for services related to a review of compensation for the Corporation’s directors and executive officers.

<sup>(2)</sup> Reflects amount paid to Mercer for an energy sector compensation survey data file.

### Summary of Executive Compensation

As illustrated in the table below, the Corporation’s 2023 compensation program for its NEOs consisted of two principal components: (a) fixed compensation consisting of base compensation, health benefits and contributions to savings plans and (b) variable compensation awarded under short and long-term incentive plans. The Corporation’s short term incentive plan (“**STIP**”) is a discretionary cash bonus program designed to align individual performance with the short-term annual goals of the Corporation. The Corporation’s long term incentive plan (“**LTIP**”) is comprised of a Stock Option Plan and RSU Plan, both of which are designed to align individual performance with the long-term strategic goals of the Corporation. The RSU is a share-based cash settled award. While each component has a different function, as described in greater detail below, all elements operate in unison to reward the NEOs appropriately for personal and corporate performance.

TABLE 4

| Position  | Base Salary <sup>(1)</sup> | STI<br>(discretionary<br>bonus) | LTI<br>(RSU/Options) | Target Total Direct<br>Compensation |
|---|----------------------------|---------------------------------|----------------------|-------------------------------------|
|   | \$                         | % Base Salary                   |                      | \$                                  |
| President & CEO   | 340,000                    | 100%                            | 100%                 | 1,020,000                           |
| CFO   | 275,000                    | 75%                             | 100%                 | 756,250                             |
| Interim COO   | 250,000                    | 75%                             | 100%                 | 687,500                             |
| VP, Drilling & Completions, Health,<br>Safety, Environment & Regulatory | 250,000                    | 30%                             | 75%                  | 512,500                             |
| VP, Human Resources & Corporate<br>Services                             | 200,000                    | 30%                             | 75%                  | 410,000                             |

<sup>(1)</sup> Reflects NEO base compensation effective December 31, 2023.

### **Base Compensation**

The Corporation has written employment agreements in place with each of its NEOs which require the Corporation to pay base compensation to its NEOs in consideration for the performance of their respective duties.

The payment of base compensation, in amounts which are comparable to the amounts paid to similar positions in the energy industry, is essential to the Corporation's ability to attract and retain executive talent. Base compensation and changes in base compensation are established by the Corporation after consideration of each NEO's expertise and experience as well as their level of responsibility and competitive pay practices. Base compensation is reviewed periodically and adjusted as appropriate by the Corporation to reflect performance and market conditions. Amendments to the CEO's base compensation are subject to approval of the Board taking into consideration recommendations of the Governance & HR Committee. The CEO is responsible for determining and approving amendments to the base compensation of the other NEOs within a compensation framework approved by the Board.

### **Group Retirement Savings Plan**

The Corporation does not have a pension plan. In lieu thereof, the Corporation implemented a group retirement savings plan in 2019. The Corporation's group retirement savings plan is a non-equity, non-incentive plan that is available to all NEOs. This plan is sponsored by the Corporation and is administered by Manulife Insurance Corporation.

The plan's primary purpose is to provide a flexible and multi-faceted retirement savings vehicle to NEOs to assist them in saving for their retirement. This plan offers each participating NEO the ability to make personal contributions to the plan (up to certain prescribed limits) which the NEO may designate toward a registered retirement savings plan (or spousal registered retirement savings plan), a tax-free savings account or a nonregistered savings plan. The Corporation contributes an amount equal to 6% of base compensation to the registered retirement savings plan of each participating NEO and an additional amount equal to the lesser of the contribution made by the participating NEO to the group retirement savings plan and 4% of the NEO's base salary.

### **Short Term Incentive Plan – Discretionary Bonus Program**

The Corporation's STIP is a discretionary, cash based, non-equity bonus program. Annual payout is based on a quantitative assessment of pre-set operations, finance, HSE, ESG and strategic commercial performance objectives. Participation in the program is a component of overall compensation. The program is designed to incentivize executives to meet annual, short-term, pre-determined goals which are aligned to improve the overall performance of the Corporation. The discretionary bonus program also serves to assist the Corporation in rewarding and retaining valued executives.

STIP payments to the CEO are determined based on the achievement of annual pre-set corporate objectives. STIP payments to the other NEOs are based on the achievement of corporate objectives and on individual performance at weightings that are dependent on their compensation level.

If warranted for performance or other reasons, special cash bonuses may also be issued under the STIP from time to time.

### **Long Term Incentive Plan – Restricted Share Unit Plan**

The Corporation has a long-term incentive plan for all NEOs comprised of restricted share units ("RSUs") and stock options.

The Corporation's RSU Plan ("RSU Plan") is intended to: (a) assist in attracting, retaining, engaging, and rewarding talent; (b) provide an opportunity for NEOs to earn competitive total compensation and (c) focus efforts towards operational and financial performance and the pursuit of long-term Shareholder value creation by aligning compensation elements to the Corporation's growth and profitability.

RSUs are granted annually at the discretion of the Board following recommendation of the Governance & HR Committee. Once granted, RSUs vest equally over three (3) years on the anniversary of each grant. At each vesting date the settlement amount is calculated by multiplying the number of vested RSUs by the volume weighted average trading price of a Common Share for the five (5) previous trading days and paid in cash. Upon payment of this amount, such RSUs are surrendered. The



number of RSUs to be granted is based on a number of factors including the position held by the NEO, base salary, benefits level and any other factors the Board deems appropriate. The Board does not take previous grants into account when considering new grants under the RSU Plan.

### ***Long Term Incentive Plan – Stock Option Plans***

The Corporation sponsors two distinct stock option plans (“**Stock Option Plan Number One**” and “**Stock Option Plan Number Two**” and, collectively, the “**Stock Option Plans**”). Similar to the RSU Plan, the Stock Option Plans were established and designed to retain and motivate NEOs and to align their interests with those of the Shareholders.

### **BACKGROUND**

Stock Option Plan Number One was approved and adopted by the Board as of October 24, 2017, and was amended and restated by the Board as of November 23, 2017 and again as of March 19, 2020. It was approved at the annual and special meetings of Shareholders held on June 27, 2018, May 26, 2020, May 27, 2021, and May 26, 2022, respectively.

Stock Option Plan Number Two was presented to the Shareholders for consideration and approval at the annual and special meeting of Shareholders held on June 18, 2019, as was required by the policy of the TSX Venture Exchange at that time. As an interim measure, the Board approved and adopted this Stock Option Plan Number Two, as permitted under Section 3.9 of Policy 4.4 of the TSX Venture Exchange, on June 18, 2019 to facilitate the granting of stock options until Stock Option Plan Number One was able to be put forward for approval by the Shareholders at the next meeting of Shareholders held on May 26, 2020. Stock Option Plan Number Two is a fixed number stock option plan under which the Corporation is authorized to grant stock options up to a maximum of 8,412,199 Common Shares, being the difference between 10% of the total number of Common Shares that were issued and outstanding as at June 18, 2019 and the number of Common Shares that underlie all unexercised and unexpired stock options that were previously granted by the Corporation under Stock Option Plan Number One. Stock Option Plan Number Two governs only those stock options that were granted thereunder in 2019 and it is intended that Stock Option Plan Number Two will be terminated by the Corporation when the last of those stock options is exercised, expires, or is otherwise terminated.

### **THE PARTICULARS OF THE STOCK OPTION PLANS**

As at December 31, 2023, there were 159,087,336 Common Shares issued and outstanding, and as at the Record Date, there were 159,099,336 Common Shares issued and outstanding.

Each Eligible Person (as defined in Schedule A) is eligible for an annual stock option grant that may be approved from time to time by the Board on the recommendation of the Governance & HR Committee. The number of stock options granted to Eligible Persons is based on a number of factors including the position held by the NEO, base salary, benefits level, and any other factors the Board deems appropriate including prevailing competitive and market conditions, the level of their respective responsibility, as well as their respective personal performance and the performance of the Corporation, relative to pre-determined objectives. Stock option grants may also be considered and approved by the Board, if warranted, for specific performance or for other reasons in special circumstances. For example, directors or employees may be granted stock options upon the commencement of their engagement or employment with the Corporation. When determining whether and how many new stock option grants will be approved, the Board considers all relevant factors. The Board does not take previous grants into account when considering new stock option grants.

Stock Option Plan Number One is the operative plan for all stock option grants that are awarded after May 26, 2020. Stock Option Plan Number One is a “rolling” stock option plan under which stock options may be granted up to a maximum of 10% of the Common Shares issued and outstanding at the time of the grant. The number of Common Shares that may be reserved under the Stock Option Plan Number One automatically increases or decreases as the number of issued and outstanding Common Shares increases or decreases.

Stock Option Plan Number Two was established by the Board as an interim measure as discussed above and the Corporation does not intend to grant any stock options under that plan in the future.

TABLE 5

|  | STOCK OPTION PLAN NUMBER ONE  | STOCK OPTION PLAN NUMBER TWO   |
|--|---|--|
| <b>Aggregate number of Common Shares that underlie the stock options awarded under each of the Stock Option Plans as at December 31, 2023.</b>       | 3,620,100 Common Shares are issuable under the stock options which were granted under Stock Option Plan Number One and are outstanding as at December 31, 2023.<br><br>These Common Shares represent 2.3% of the aggregate number of Common Shares that are issued and outstanding as at December 31, 2023. | 796,590 Common Shares are issuable under the stock options which were granted under Stock Option Plan Number Two and are outstanding as at December 31, 2023.<br><br>These Common Shares represent 0.5% of the aggregate number of Common Shares that are issued and outstanding as at December 31, 2023.  |
| <b>Aggregate number of Common Shares under each of the Stock Option Plans that are available for grant as stock options as at December 31, 2023.</b> | 11,492,044 Common Shares under Stock Option Plan Number One are available for grant as stock options.<br><br>These Common Shares represent 7.2% of the aggregate number of Common Shares that are issued and outstanding as at December 31, 2023.   | The Corporation does not intend in the future to grant any stock options under Stock Option Plan Number Two.<br><br>Accordingly, as at December 31, 2023 there are no Common Shares under Stock Option Plan Number Two that are available for grant as stock options.  |
| <b>Aggregate number of Common Shares that underlie the stock options awarded under each of the Stock Option Plans as at the Record Date.</b>         | 3,565,600 Common Shares are issuable under the stock options which were granted under Stock Option Plan Number One and are outstanding as of the Record Date.<br><br>These Common Shares represent 2.2% of the aggregate number of Common Shares that are issued and outstanding as of the Record Date.     | 796,590 Common Shares are issuable under the stock options which were granted under Stock Option Plan Number Two and are outstanding as of the Record Date.<br><br>These Common Shares represent 0.5% of the aggregate number of Common Shares that are issued and outstanding as of the Record Date.  |
| <b>Aggregate number of Common Shares under each of the Stock Option Plans that are available for grant as stock options as at the Record Date.</b>   | As at the Record Date there are 11,547,744 Common Shares under Stock Option Plan Number One that are available for grant as stock options.<br><br>These Common Shares represent 7.3% of the aggregate number of Common Shares that are issued and outstanding as of the Record Date.                        | The Corporation does not intend in the future to grant any stock options under Stock Option Plan Number Two. Therefore, all stock options granted in the future will be granted under Stock Option Plan Number One, as amended.<br><br>Accordingly, as at the Record Date there are no Common Shares under Stock Option Plan Number Two that are available for grant as stock options. |

Stock Option Plan Number Two has not been used since 2019 and will not be used by the Corporation to issue further stock options. As such, its salient terms are not summarised in this Circular. The following table summarizes the salient terms of Stock Option Plan Number One. Capitalized terms used in the table below have the meanings ascribed to such terms under Stock Option Plan Number One.

TABLE 6

|                                | STOCK OPTION PLAN NUMBER ONE   |
|--------------------------------|--|
| <b>Number of Common Shares</b> | The options to be granted must not be exercisable for more than 10% of the Common Shares issued and outstanding at the time the options are granted, provided that if the options expire or are terminated for any reason before they vest and are exercised, the number of Common Shares underlying such expired or terminated options may again be available under the Plan. |
| <b>Exercise Price</b>          | The Board of Directors shall establish the exercise price, which will not be less than the closing price of the Common Shares on the Exchange on the trading day immediately preceding the date of grant.  |

| STOCK OPTION PLAN NUMBER ONE  |   |
|-------------------------------|---|
| <b>Participation Limits</b>   | <p>(a) The maximum number of Common Shares issuable at any time to Eligible Persons who are Insiders pursuant to the exercise of Options granted under this Plan and securities granted under any other Security Based Compensation Arrangement of the Corporation must not exceed 10% of the aggregate number of Common Shares issued and outstanding from time to time (calculated on a non-diluted basis).</p> <p>(b) The maximum number of Common Shares issued to Eligible Persons who are Insiders within any one year period pursuant to the exercise of Options granted under this Plan and securities granted under any other Security Based Compensation Arrangement of the Corporation must not exceed 10% of the aggregate number of Common Shares issued and outstanding from time to time (calculated on a non-diluted basis).</p> <p>(c) The number of Common Shares that are issuable to eligible persons who are non-executive directors under this Plan and any other Security Based Compensation Arrangement of the Corporation shall not at any time exceed \$150,000 worth of Common Shares annually per non-executive director, of which no more than \$100,000 may be in the form of Options.</p>  |
| <b>Term of Options</b>        | Subject to other terms within the Plan, the expiry date of an option is the date established by the Board of Directors at the time of the granting of the particular option, provided that such date does not extend beyond the fifth anniversary of the date of grant of the option.   |
| <b>Expiry of options</b>      | <p>Subject to other terms within the Plan, options will expire on the following events:</p> <p>(a) The expiry date of the option;</p> <p>(b) 90 days following death of the option holder;</p> <p>(c) 90 days following cessation of employment for all options issued on or after October 24, 2017;</p> <p>(d) At the discretion of the Board of Directors and subject to the approval of the Toronto Stock Exchange and with prior notice to the option holder;</p> <p>(e) On the first day the optionee ceased employment if the option holder was terminated for cause;</p>   |
| <b>Assignment</b>             | Subject to other terms within the Plan, options cannot be assigned or transferred.  |
| <b>Change of Control</b>      | <p>The successor corporation may either (i) assume the Corporation's rights and obligations under outstanding options, or (ii) substitute for outstanding options substantially equivalent options in the successor corporation in a manner that substantially preserves and does not impair the rights of the optionee in any material respect.</p> <p>In the event that an assumption or substitution of options is not made by the successor corporation prior to or in connection with a Change of Control, all options held by an optionee as at the date of the Change of Control, whether vested or unvested, will automatically vest as of the date of the Change of Control.</p> <p>If the employment of an optionee is terminated during the one (1) year period after a Change of Control for any reason other than for cause, or the optionee resigns as a result of constructive dismissal, then any unvested options held by the optionee as at the date of the Change of Control shall accelerate and will fully vest effective on the date of the Change of Control and all options that are vested or deemed to be vested may be exercised by the optionee within 30 days from the termination date.</p> |
| <b>Retroactive Amendments</b> | The Board of Directors may, subject to the approval of the Exchange and subject to other terms within the Plan, retroactively amend the Plan and with the consent of the affected optionees, retroactively amend the terms and conditions of the options that have been granted until then.   |

| STOCK OPTION PLAN NUMBER ONE                         |  |
|--|--|
| <b>Amendments not requiring Shareholder approval</b> | <p>The Board of Directors may, without the approval of the Shareholders (other than any required regulatory or Exchange approvals) but subject to other terms within the Plan, suspend, discontinue, or amend this Plan or any option. Examples of the types of amendments that may be made by the Board without Shareholder approval include, without limitation, the following:</p> <ul style="list-style-type: none"> <li>(a) amendments to ensure continuing compliance with applicable laws, regulations, requirements, rules or policies or any governmental authority or any stock exchange;</li> <li>(b) amendments of a “housekeeping” nature, which include amendments to eliminate any ambiguity or correct or supplement any provision contained herein;</li> <li>(c) amendments respecting the administration of the Plan;</li> <li>(d) changing the vesting provisions of the Plan or any option certificate;</li> <li>(e) changing the termination provisions of any Option that does not entail an extension beyond the original expiry date and</li> <li>(f) any other amendment that does not require the approval of Shareholders.</li> </ul>   |
| <b>Amendments requiring Shareholder approval</b>     | <p>Subject to other terms within the Plan, specific Shareholder approval is required for:</p> <ul style="list-style-type: none"> <li>a) any change to the maximum number of Common Shares issuable under the Plan, including an increase to the fixed maximum percentage or a change from a fixed maximum percentage to a fixed maximum number of Common Shares;</li> <li>b) any amendment which reduces the exercise price of any option after the options have been granted or any cancellation of an option and the substitution of that option by a new option with a reduced price;</li> <li>c) any amendment which extends the option term beyond the original expiry date;</li> <li>d) any amendment to remove or to exceed the participation limits;</li> <li>e) any amendment which would allow non-executive directors to be eligible for awards under the Plan on a discretionary basis or an amendment which would increase limits imposed on non-executive director participation;</li> <li>f) any amendment which would permit any option granted under the Plan to be transferable or assignable by any Eligible Person other than as already permitted under the Plan;</li> <li>g) any amendment to the amendment provision (section 5.2) or the amendments requiring Shareholder approval provision (section 5.3).</li> </ul> |

### Stock Options Outstanding at the Record Date

The table below summarizes the Stock Options that are issued and outstanding under the Stock Option Plans as at the Record Date.

TABLE 7

| GROUP                                | DATE OF GRANT      | AGGREGATE NUMBER OF SHARES ISSUABLE | EXERCISE PRICE (\$) | EXPIRY DATE        |
|--------------------------------------|--------------------|-------------------------------------|---------------------|--------------------|
| <b>Stock Option Plan Number One:</b> |                    |                                     |                     |                    |
| Officers and Employees               | October 8, 2020    | 629,000                             | 0.86                | October 8, 2025    |
| Directors                            | November 17, 2020  | 255,000                             | 0.86                | November 17, 2025  |
| Directors                            | August 19, 2021    | 135,000                             | 0.30                | August 19, 2026    |
| Officers and Employees               | August 19, 2021    | 935,400                             | 0.30                | August 19, 2026    |
| Directors                            | September 15, 2022 | 225,000                             | 1.28                | September 15, 2027 |
| Officers and Employees               | August 31, 2022    | 476,900                             | 1.24                | August 31, 2027    |
| Officers and Employees               | August 31, 2023    | 909,300                             | 0.57                | August 31, 2028    |
| <b>Total</b>                         |                    | <b>3,565,600</b>                    |                     |                    |
| <b>Stock Option Plan Number Two:</b> |                    |                                     |                     |                    |
| Directors                            | July 3, 2019       | 200,000                             | 0.89                | July 3, 2024       |

| GROUP                  | DATE OF GRANT    | AGGREGATE NUMBER OF SHARES ISSUABLE | EXERCISE PRICE (\$) | EXPIRY DATE      |
|------------------------|------------------|-------------------------------------|---------------------|------------------|
| Officers and Employees | July 3, 2019     | 521,590                             | 0.89                | July 3, 2024     |
| Officers and Employees | October 21, 2019 | 75,000                              | 0.92                | October 21, 2024 |
| <b>Total</b>           |                  | <b>796,590</b>                      |                     |                  |

The 3,565,600 Common Shares underlying the issued and outstanding stock options of the Corporation granted under Stock Option Plan Number One have a weighted average exercise price of approximately \$0.70 per Common Share. The 796,590 Common Shares underlying the issued and outstanding stock options of the Corporation granted under Stock Option Plan Number Two have a weighted average exercise price of approximately \$0.89 per Common Share. The Corporation is permitted under the Stock Option Plans to grant stock options, in aggregate, up to a maximum of 10% of the total number of issued and outstanding Common Shares.

### The Annual Burn Rate

TABLE 8

|                         | EQUITY COMPENSATION ARRANGEMENT            | 2021        | 2022        | 2023        |
|-------------------------|--|-------------|-------------|-------------|
| Stock Option Plan No. 1 | Stock Options issued <sup>(1)</sup>        | 1,993,590   | 1,004,500   | 909,300     |
|                         | Weighted Average Common Shares Outstanding | 157,642,287 | 158,220,397 | 159,000,487 |
|                         | Annual Burn Rate                           | 1.3%        | 0.6%        | 0.6%        |
| Stock Option Plan No. 2 | Stock Options issued <sup>(1)</sup>        | 0           | 0           | 0           |
|                         | Weighted Average Common Shares Outstanding | 157,642,287 | 158,220,397 | 159,000,487 |
|                         | Annual Burn Rate                           | 0           | 0           | 0           |

<sup>(1)</sup> Each to acquire one Common Share

In 2023 there were 124,000 options exercised under the Stock Option Plans.

### Risks Associated with Compensation Policies and Practices

The Board and the Governance & HR Committee have considered the implications of the risks associated with the Corporation's compensation policies and practices and have concluded that the programs do not encourage excessive or inappropriate risk-taking and are aligned with the long-term interests of Shareholders.

It is noted that while STIP awards are discretionary and granted as detailed above, the obligatory nature of LTIP awards, as described above, once granted pose payout exposure to the Corporation. That risk is, however, mitigated by the fact that the units and payout are tied to the market value of the Corporation's shares. In each case the Corporation has concluded, at the time that each such objective is established, that its associated risk profile is acceptable to the Corporation and the objective, if achieved, aligns with the long-term interests of its Shareholders.

Additional alignment between the interests of directors and executive officers with the interests of Shareholders is achieved through the Share Ownership Policy which prohibits each director and executive officer from entering into any agreement and from effecting any hedge or other transaction, which has as one of its purposes, or has as one of its consequences or possible consequences, the amelioration, in whole or in part, of the economic impact of a decrease, or possible decrease, in the market value of the Common Shares which are held by such director or executive officer.

Compensation policies are continuously reviewed and updated to best practice standards as undertaken by peer public companies and applicable regulatory changes. In addition, the business conduct of individuals is evaluated against the

Corporation’s prevailing policies including (a) the Code of Ethical Conduct, (b) the Anti-Corruption Policy, (c) the Disclosure Policy, (d) the Trading Restrictions and Blackout Period Policy, (e) the Hedging Policy, (f) the Delegation of Authority Policy, (g) the Credit Policy, (g) the Investment Policy and (h) , each of which further protect the Corporation from the adverse consequences of inappropriate conduct and excessive risk-taking. The senior management team is required to acknowledge annually in writing that they have followed, to the best of their knowledge, all of the above policies.

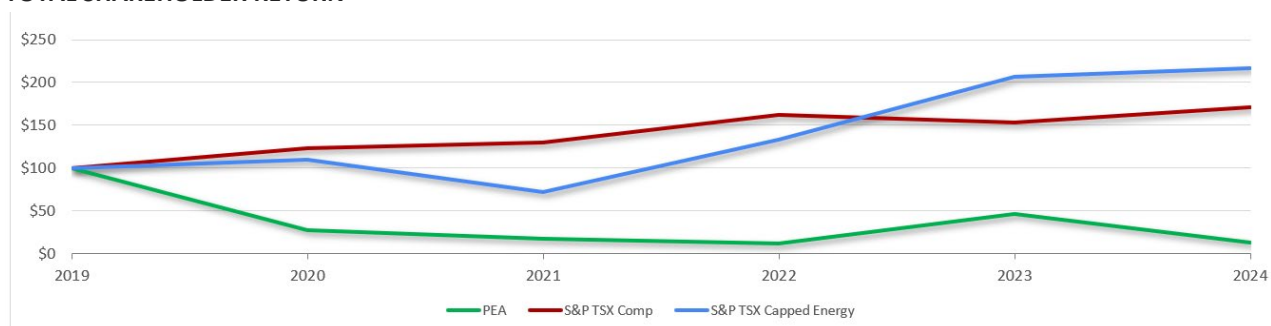
The Clawback Policy requires the CEO, the CFO, the COO and each senior vice president, (collectively, for the purposes of the Clawback Policy, Senior Management), whether current or former, to immediately repay or forfeit that portion of bonuses or equity based compensation paid, granted or vested to them if the Corporation is required to prepare a restatement of any or all its financial statements due to either (a) material non-compliance with any financial reporting requirements under applicable securities laws, or (b) gross negligence or fraud of such member of Senior Management as either admitted to or as proven in a court of competent jurisdiction.

Acknowledging that use of front-loaded cash or equity awards may (a) reduce the Board’s ability to tailor compensation plans to reflect the evolving business strategies, (b) reduce the retention power of an award and (c) increase risk of unintended consequences, the Corporation generally does not provide front-loaded cash or equity awards.

### Performance Graph

The following line graph depicts the cumulative total Shareholder return of the Corporation over the five most recently completed financial years.

#### TOTAL SHAREHOLDER RETURN <sup>(1)</sup>



Source: Bloomberg

(1) This line graph is based on the assumption that \$100 was invested on the first day of the five-year period.

The trend shown by this graph is not reflective of the trend in compensation reported under this Circular which the executive officers received from the Corporation over the same five-year period. Determination of compensation paid to executive officers is described above under “SUMMARY OF EXECUTIVE COMPENSATION”.

### SUMMARY COMPENSATION TABLE

The following table presents information concerning all compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Corporation (or a subsidiary of the Corporation) to each NEO (in any capacity) during the last three financial years including all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given, or otherwise provided to the NEO for services provided and for services to be provided, directly or indirectly, to the Corporation. Further discussion is available under the heading “SUMMARY OF EXECUTIVE COMPENSATION” and in the Notes below the table.

**TABLE 9**

| (a)<br>NAME                           | (b)<br>YEAR | (c)<br>SALARY (\$)      | (d)<br>SHARE-BASED AWARDS (\$) | (e)<br>OPTION-BASED AWARDS (\$) | (f)<br>NON-EQUITY INCENTIVE PLAN COMPENSATION (\$) |  | (h)<br>ALL OTHER COMPENSATION <sup>(7)</sup> (\$) | (i)<br>TOTAL COMPENSATION (\$) |
|---------------------------------------|-------------|-------------------------|--------------------------------|---------------------------------|--|--|---|--------------------------------|
|                                       |             |                         |                                |                                 | (f1)<br>ANNUAL INCENTIVE PLANS <sup>(14)</sup>     | (f2)<br>LONG-TERM INCENTIVE PLANS <sup>(12) (15)</sup> |   |                                |
| DARCY REDING<br>CEO <sup>(1)</sup>    | 2023        | 309,885                 | 220,976 <sup>(13)</sup>        | 74,925 <sup>(11)</sup>          | 208,239  | Nil  | 42,642  | 856,667                        |
|                                       | 2022        | 286,923                 | 191,744 <sup>(12)</sup>        | 88,151 <sup>(10)</sup>          | 176,115  | Nil  | 38,692 <sup>(18)</sup>                            | 781,625 <sup>(19)</sup>        |
|                                       | 2021        | 198,750                 | Nil                            | 26,212 <sup>(9)</sup>           | 64,171   | Nil  | 27,057 <sup>(18)</sup>                            | 316,190 <sup>(19)</sup>        |
| ALFRED SORENSEN<br>CEO <sup>(8)</sup> | 2023        | 227,539                 | -                              | -                               | -  | Nil  | 20,410  | 247,949                        |
|                                       | 2022        | 340,000                 | 221,056 <sup>(12)</sup>        | 101,639 <sup>(10)</sup>         | 258,400  | Nil  | 15,000  | 936,095 <sup>(19)</sup>        |
|                                       | 2021        | 300,000                 | -                              | 23,148 <sup>(9)</sup>           | 99,000   | Nil  | 15,000  | 437,148                        |
| ADAM GRAY<br>CFO <sup>(2)</sup>       | 2023        | 275,000                 | 178,752 <sup>(13)</sup>        | 60,607 <sup>(11)</sup>          | 242,681 <sup>(16)</sup>                            | Nil  | 37,500  | 794,540                        |
|                                       | 2022        | 265,616                 | 178,688 <sup>(12)</sup>        | 82,210 <sup>(10)</sup>          | 164,175  | Nil  | 36,561 <sup>(18)</sup>                            | 727,250 <sup>(19)</sup>        |
|                                       | 2021        | 207,635                 | Nil                            | 25,197 <sup>(9)</sup>           | 77,006   | Nil  | 27,878 <sup>(18)</sup>                            | 337,716 <sup>(19)</sup>        |
| YVONNE MCLEOD<br>VP HSER              | 2023        | 247,115 <sup>(17)</sup> | 150,024 <sup>(13)</sup>        | 23,611 <sup>(11)</sup>          | 60,975   | Nil  | 30,288  | 512,013                        |
|                                       | 2022        | 250,000                 | 150,016 <sup>(12)</sup>        | 32,033 <sup>(10)</sup>          | 59,700   | Nil  | 30,000 <sup>(18)</sup>                            | 521,749 <sup>(19)</sup>        |
|                                       | 2021        | 250,000                 | Nil                            | 7,175 <sup>(9)</sup>            | 32,287   | Nil  | 35,000 <sup>(18)</sup>                            | 324,462 <sup>(19)</sup>        |
| MICHAEL BARTLEY<br>VP HR              | 2023        | 200,000                 | 97,496 <sup>(13)</sup>         | 33,049 <sup>(11)</sup>          | 48,470   | Nil  | 25,000  | 404,015                        |
|                                       | 2022        | 194,615                 | 97,536 <sup>(12)</sup>         | 69,316 <sup>(10)</sup>          | 60,000   | Nil  | 66,461  | 487,928                        |
|                                       | 2021        | 180,000                 | -                              | 10,500 <sup>(9)</sup>           | 5,198  | Nil  | 41,000  | 236,698                        |
| JOHN EMERY<br>COO <sup>(3)(4)</sup>   | 2023        | 250,000                 | 150,024 <sup>(13)</sup>        | 23,611 <sup>(11)</sup>          | 61,000   | Nil  | 30,000  | 514,635                        |
|                                       | 2022        | 234,716 <sup>(5)</sup>  | 129,024 <sup>(12)</sup>        | 19,551 <sup>(10)</sup>          | 59,700   | Nil  | 20,980  | 463,971                        |
|                                       | 2021        | 36,000 <sup>(6)</sup>   | -                              | -                               | -  | Nil  | -   | 36,000                         |

<sup>(1)</sup> Mr. Reding was appointed President & CEO September 1, 2023. Prior to that, he served as COO from April 5, 2021, to March 27, 2022 and President & COO effective March 28, 2022. He did not receive any compensation in 2023 for his role as a director of the Corporation.

<sup>(2)</sup> Mr. Gray was appointed CFO effective March 28, 2022. Prior to that, Mr. Gray was Controller from January 13, 2020, to October 31, 2020, VP & Controller from November 1, 2020 to July 31, 2021 and Interim CFO from August 1, 2021 to March 27, 2022.

<sup>(3)</sup> Mr. Emery joined Pieridae November 8, 2021, as Manager, Operations in a fixed term position.

<sup>(4)</sup> Mr. Emery converted to a full-time salary employee in March 2022 and promoted to VP, Operations November 2022. Mr. Emery was subsequently promoted to Interim COO September 1, 2023, and then to COO January 1, 2024.

<sup>(5)</sup> Figure includes \$65,486 fixed term contract compensation plus \$169,231 full time employee salary.

<sup>(6)</sup> Figure includes fixed term contract compensation at an hourly rate.

<sup>(7)</sup> All Other Compensation (h) includes perquisite allowance, 10% company contributions to retirement savings plan and any retention bonuses.

<sup>(8)</sup> Mr. Sorensen retired as CEO August 31, 2023. He did not receive any compensation in 2023 for his role as a director of the Corporation.

<sup>(9)</sup> To align with market practice, the estimated fair value of the options granted on August 19, 2021, has been calculated using the Black-Scholes-Merton model with the following assumptions: expected volatility of 89%, risk-free interest rate of 0.60% and an expected life of 3.3 years.

<sup>(10)</sup> To align with market practice, the estimated fair value of the options granted on August 31, 2022, has been calculated using the Black-Scholes-Merton model with the following assumptions: expected volatility of 96%, risk-free interest rate of 3.49% and an expected life of 3.5 years.

<sup>(11)</sup> To align with market practice, the estimated fair value of the options granted on August 31, 2023, has been calculated using the Black-Scholes-Merton model with the following assumptions: expected volatility of 91%, risk-free interest rate of 4.2% and an expected life of 3.5 years.

<sup>(12)</sup> The estimated fair value of these awards is based on the five-day volume weighted average price of \$1.28 on August 31, 2022. The estimated fair market value of these awards was incorrectly based on the five-day volume weighted average price of \$1.21 for the 2022 Management Information Circular. Current figures reflect correction to previously disclose information.

<sup>(13)</sup> The estimated fair value of these awards is based on the five-day volume weighted average price of \$0.56 on August 31, 2023.

<sup>(14)</sup> The Corporation's "Annual Incentive Plan (Bonus)" is comprised of STIP payments.

<sup>(15)</sup> The Corporation does not have a pension plan.

<sup>(16)</sup> Figure includes an additional discretionary bonus of \$75,000.

<sup>(17)</sup> Figure reflects period of unpaid leave.

<sup>(18)</sup> Figures updated to reflect group retirement savings plan amounts not included in the 2022 Management Information Circular.

<sup>(19)</sup> Total Compensation figures updated to reflect changes summarized in (12) and (18).

## INCENTIVE PLAN AWARDS

### Outstanding Share-based and Option-based Awards

The following table sets forth information in respect of all awards granted to the NEOs and outstanding as at December 31, 2023.

**TABLE 10**

| NAME                           | OPTION-BASED AWARDS <sup>(1)</sup>                  |                       |                    |  | SHARE-BASED AWARDS (RSUs)     |                        |                 |  |   |  |
|--------------------------------|---|-----------------------|--------------------|--|-------------------------------|------------------------|-----------------|--|---|--|
|                                | NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS | OPTION EXERCISE PRICE | OPTION EXPIRY DATE | VALUE OF UN-EXERCISED IN THE MONEY OPTIONS | RSU GRANT DATE <sup>(2)</sup> | NUMBER OF RSUS GRANTED | RSU GRANT PRICE | AGGREGATE NUMBER OF GRANTED COMMON SHARE-BASED AWARDS THAT HAVE NOT VESTED | MARKET OR PAYOUT VALUE OF COMMON SHARE BASED AWARDS THAT HAVE NOT VESTED <sup>(3)</sup> | MARKET OR PAYOUT VALUE OF VESTED COMMON SHARE BASED AWARDS NOT PAID OUT OR DISTRIBUTED |
|                                | (#)   | (\$)                  |                    | (\$)                                       |                               | (#)                    | (\$)            | (#)  | (\$)  | (\$)   |
| DARCY REDING                   | 146,000   | \$0.30                | August 19, 2025    | \$7,300                                    | August 31, 2023               | 394,600                | \$0.56          | 394,600  | \$138,110 <sup>(3)</sup>  | Nil  |
|                                | 109,800   | \$1.24                | August 31, 2027    | Nil  | August 31, 2022               | 149,800                | \$1.28          | 99,866   | \$34,953 <sup>(3)</sup>   | Nil  |
|                                | 208,800   | \$0.57                | August 31, 2028    | Nil  |                               |                        |                 |  |   |  |
| ALFRED SORENSEN <sup>(4)</sup> | Nil <sup>(4)</sup>                                  | \$0.89                | November 29, 2023  | Nil  | August 31, 2023               | Nil                    | \$0.56          | Nil  | Nil <sup>(3)</sup>  | Nil  |
|                                | Nil <sup>(4)</sup>                                  | \$0.92                | November 29, 2023  | Nil  | August 31, 2022               | Nil                    | \$1.28          | Nil  | Nil <sup>(3)</sup>  | Nil  |
|                                | Nil <sup>(4)</sup>                                  | \$0.86                | November 29, 2023  | Nil  |                               |                        |                 |  |   |  |
|                                | Nil <sup>(4)</sup>                                  | \$0.30                | November 29, 2023  | Nil  |                               |                        |                 |  |   |  |
|                                | Nil <sup>(4)</sup>                                  | \$1.24                | November 29, 2023  | Nil  |                               |                        |                 |  |   |  |
| ADAM GRAY                      | 50,000  | \$0.86                | October 8, 2025    | Nil  | August 31, 2023               | 319,200                | \$0.56          | 319,200  | \$111,720 <sup>(3)</sup>  | Nil  |
|                                | 141,000   | \$0.30                | August 19, 2026    | \$7,050                                    | August 31, 2022               | 139,600                | \$1.28          | 93,066   | \$32,573 <sup>(3)</sup>   | Nil  |
|                                | 102,400   | \$1.24                | August 31, 2027    | Nil  |                               |                        |                 |  |   |  |
|                                | 168,900   | \$0.57                | August 31, 2028    | Nil  |                               |                        |                 |  |   |  |
| YVONNE MCLEOD                  | 136,612   | \$0.89                | July 3, 2024       | Nil  | August 31, 2023               | 267,900                | \$0.56          | 267,900  | \$93,765 <sup>(3)</sup>   | Nil  |
|                                | 75,000  | \$0.92                | October 21, 2024   | Nil  | August 31, 2022               | 117,200                | \$1.28          | 78,133   | \$27,347 <sup>(3)</sup>   | Nil  |
|                                | 35,000  | \$0.86                | October 8, 2025    | Nil  |                               |                        |                 |  |   |  |
|                                | 40,000  | \$0.30                | August 19, 2026    | \$2,000                                    |                               |                        |                 |  |   |  |
|                                | 39,900  | \$1.24                | August 31, 2027    | Nil  |                               |                        |                 |  |   |  |
|                                | 136,612   | \$0.89                | July 3, 2024       | Nil  |                               |                        |                 |  |   |  |
| MICHAEL BARTLEY                | 14,426  | \$0.89                | July 3, 2024       | Nil  | August 31, 2023               | 174,100                | \$0.56          | 174,100  | \$60,935 <sup>(3)</sup>   | Nil  |
|                                | 18,000  | \$0.86                | October 8, 2025    | Nil  | August 31, 2022               | 76,200                 | \$1.28          | 50,800   | \$17,780 <sup>(3)</sup>   | Nil  |
|                                | 21,000  | \$0.30                | August 19, 2026    | \$1,050                                    |                               |                        |                 |  |   |  |
|                                | 55,900  | \$1.24                | August 31, 2027    | Nil  |                               |                        |                 |  |   |  |
|                                | 92,100  | \$0.57                | August 31, 2028    | Nil  |                               |                        |                 |  |   |  |
| JOHN EMERY                     | 34,300  | \$1.24                | August 31, 2027    | Nil  | August 31, 2023               | 267,900                | \$0.56          | 267,900  | \$93,765 <sup>(3)</sup>   | Nil  |
|                                | 65,800  | \$0.57                | August 31, 2028    | Nil  | August 31, 2022               | 100,800                | \$1.28          | 50,800   | \$23,520 <sup>(3)</sup>   | Nil  |



- (1) The value is calculated based on the difference between the market value of the underlying Common Shares at December 31, 2023 and the exercise price of the option and includes all in-the-money unexercised options held at as at December 31, 2023. The closing trading value on the Toronto Stock Exchange of a Common Share on December 31, 2023, was \$0.35.
- (2) RSUs vest 1/3<sup>rd</sup> on each of the first, second and third anniversary from the grant date.
- (3) The value is calculated based on the market value of the underlying Common Shares at December 31, 2023.
- (4) Mr. Sorensen's option-based awards expired 90 days following his retirement and his RSUs expired immediately upon his retirement.

### Incentive Plan Awards – Value Vested or Earned during the Year

The following table provides the value vested in relation to awards held by each NEO during the financial year ended December 31, 2023:

TABLE 11

| NAME            | OPTION-BASED AWARDS –<br>VALUE VESTED DURING<br>THE YEAR <sup>(1)</sup> | SHARE BASED AWARDS –<br>VALUE VESTED DURING<br>THE YEAR | NON-EQUITY INCENTIVE<br>PLAN COMPENSATION –<br>VALUE EARNED DURING<br>THE YEAR <sup>(2)</sup> |
|-----------------|---|---|---|
|                 | (\$)  | (\$)  | (\$)  |
| DARCY REDING    | \$8,468   | \$27,963  | \$208,239   |
| ALFRED SORENSEN | Nil   | Nil   | Nil   |
| ADAM GRAY       | \$8,178   | \$26,059  | \$242,681   |
| YVONNE MCLEOD   | \$2,320   | \$21,878  | \$60,975  |
| MICHAEL BARTLEY | \$1,218   | \$14,224  | \$48,470  |
| JOHN EMERY      | Nil   | \$18,816  | \$61,000  |

(1) This value represents the difference between the Common Share price as at the vesting date and the exercise price at the vesting date.

(2) This value reflects STIP payments.

### SHARE OWNERSHIP POLICY

In order to align the interests of executive officers, directors and Shareholders, the Corporation has adopted a mandatory Share Ownership Policy for each of the Corporation's non-executive directors and Officers (as defined in the Share Ownership Policy). The Share Ownership Policy requires each non-executive director and each Officer, by the date that is the later of five (5) years after the later of (a) October 24, 2017 and (b) the day that the individual first became a director or an Officer of the Corporation (the "Relevant Date"), to directly or indirectly acquire, hold and continue to hold thereafter while they remain a non-executive director or Officer of the Corporation, Common Shares, Deferred Share Units ("DSUs") or RSUs, as applicable, which in aggregate have a Value that meets or exceeds the Minimum Ownership Requirement. The Minimum Ownership Requirement is three (3) times the Total Base Compensation (as defined in the Director Compensation Policy) that is paid or payable to each non-executive director, three (3) times the prevailing annual base salary that is paid or payable to the CEO, or two (2) times the prevailing annual base salary that is paid or payable to each other Officer of the Corporation.

The following table sets out the Minimum Ownership Requirement for each non-executive director and Officer and whether they have met same as of the Record Date.

TABLE 12

| NAME              | POSITION HELD                      | COMMENCEMENT DATE | RELEVANT DATE     | TOTAL SHARES OWNED AS OF THE RECORD DATE | TOTAL DSUs AND RSUs GRANTED BUT NOT SETTLED AS OF THE RECORD DATE <sup>(3)</sup> | MINIMUM OWNERSHIP REQUIREMENT (\$) <sup>(1)</sup> | MINIMUM OWNERSHIP REQUIREMENT MET (Y/N) OR IN PROGRESS (IP) <sup>(2) (3)</sup> (\$) |
|-------------------|------------------------------------|-------------------|-------------------|--|--|---|---|
| CHARLES BOULANGER | Independent Director               | October 24, 2017  | October 24, 2022  | 352,795                                  | 35,917   | 255,000   | Y   |
| RICHARD COUILLARD | Independent Director               | May 26, 2022      | May 26, 2027      | 120,000                                  | 114,936  | 255,000   | IP  |
| DOUG DREISINGER   | Independent Director               | May 26, 2022      | May 26, 2027      | 50,000                                   | 35,917   | 255,000   | IP  |
| GAIL HARDING      | Independent Director               | May 26, 2022      | May 26, 2027      | 75,000                                   | 100,523  | 255,000   | IP  |
| ANDREW JUDSON     | Independent Director               | October 24, 2017  | October 24, 2022  | 332,697                                  | 35,917   | 255,000   | Y   |
| PATRICIA MCLEOD   | Independent Director & Board Chair | May 26, 2022      | May 26, 2027      | 316,417                                  | 114,091  | 405,000   | IP  |
| KIREN SINGH       | Independent Director               | May 26, 2020      | May 26, 2025      | 257,550                                  | 35,917   | 255,000   | IP  |
| DARCY REDING      | President & CEO                    | September 1, 2023 | September 1, 2028 | 105,600                                  | 494,466  | 1,020,000   | IP  |
| ADAM GRAY         | CFO                                | March 28, 2022    | March 28, 2027    | 260,000                                  | 412,266  | 550,000   | IP  |
| PAUL KUNKEL       | CCO                                | September 1, 2023 | September 1, 2028 | 20,000                                   | 341,000  | 500,000   | IP  |
| JOHN EMERY        | COO                                | January 1, 2024   | January 1, 2029   | 25,000                                   | 335,100  | 500,000   | IP  |

<sup>(1)</sup> The Minimum Ownership Requirement for Officers is based on 2023 annual salary and for non-executive directors is based on the 2023 Total Base Compensation.

<sup>(2)</sup> Individuals will have met their Minimum Ownership Requirement if, at any time, the Value of their Qualifying Share Ownership Position meets or exceeds the Minimum Ownership Requirement. Individuals will not have met their Minimum Ownership Requirement if the Relevant Date has passed and the Value of their Qualifying Share Ownership Position is less than the Minimum Ownership Requirement. In Progress indicates that the Relevant Date has not yet occurred, and that the individual has time to achieve the Minimum Ownership Requirement. The Value of each individual's Qualifying Share Ownership Position is determined by multiplying the volume of Shares, DSUs or RSUs acquired in each transaction by the higher of the Actual Cost and the Market Cost of such Shares, DSUs and RSUs.

<sup>(3)</sup> As the total number of Shares held by each non-executive director and Officer and the Value of each non-executive director and Officer's Qualifying Share Ownership Position is not within the knowledge of the Corporation, the non-executive directors and Officers have each confirmed the total number of total Shares held by them and whether the Value of their respective Qualifying Share Ownership Positions meet their Minimum Ownership Requirement as at the Record Date.

Each non-executive director and Officer to whom the Share Ownership Policy applies is prohibited by the Share Ownership Policy from entering into any agreement and from effecting any hedge or other transaction, which has as one of its purposes, or has as one of its consequences or possible consequences, the amelioration, in whole or in part, of the economic impact of a decrease, or possible decrease, in the market value of Common Shares, DSUs or RSUs held by such non-executive director or Officer determined in accordance with the policy.

### TERMINATION AND CHANGE OF CONTROL BENEFITS

As at December 31, 2023, the Corporation was a party to an employment agreement (each, a "Contract of Service") with each NEO. Each Contract of Service includes, among other things, a covenant of confidentiality, non-solicitation, and non-competition. If at any time the Contract of Service is terminated by the Corporation, or the NEO resigns or retires, the NEO will continue to be subject to the covenant of confidentiality indefinitely and to the covenants of non-solicitation and non-competition for twelve months.

Yvonne McLeod, Adam Gray, John Emery, and Michael Bartley are party to Contracts of Service in Form A and Darcy Reding is party to Contract of Service in Form B.

Contract of Service Form A stipulates that the Corporation may terminate the Contract of Service without prior notice irrespective of whether the termination is for “just cause” or is “without just cause” by providing to the particular NEO either: (a) the minimum period of prior notice of termination that the Corporation is required to provide to the NEO pursuant to the *Employment Standards Code, RSA 1980, c. E-10.1* (the “Code”) or (b) a payment in lieu of notice in an amount that is equal to the amount of pay that would have been earned by the NEO during such minimum period of prior notice, computed in accordance with the employment standards legislation applicable in the province in which the NEO was employed.

Notwithstanding the foregoing, Contract of Service Form A also stipulates that if the Corporation terminates the employment of the particular NEO within one hundred (100) days of an event of Change of Control (as defined therein), the minimum period of prior notice shall be deemed to be the lesser of (a) twenty four months and (b) the aggregate of six months and one additional month for each calendar year throughout which the NEO was employed by the Corporation.

In the event of “just cause” termination under Contract of Service Form A, the NEO will not be entitled to further RSU grants, the vesting of further RSUs under existing grants nor the exercise of any options. In the event of “without just cause” termination or termination within one hundred (100) days of an event of Change of Control under Contracts of Service Form A, the NEO will be entitled to exercise its options for a period of 90 days from termination but will not be entitled to further RSU grants or the vesting of further RSUs under existing grants.

Contract of Service Form B stipulates that the Corporation may terminate the NEO immediately, on written notice but without prior notice, for “just cause”. If so terminated, the NEO is entitled to payment of its annual base pay up to the Date of Termination (as defined therein), together with all outstanding vacation pay and any expense reimbursements (“**Base Termination Pay**”). Contract of Service Form B allows the NEO to terminate their employment with the Corporation for any reason upon three months prior written notice. If so terminated, the NEO is entitled to Base Termination Pay.

Contract of Service Form B stipulates that the Corporation may terminate the NEO, immediately with written notice, “without just cause”. If so terminated, the NEO is entitled to Base Termination Pay, plus pro-rated payment of their annual bonus, any termination pay owing under Part 2, Division 8 of the Code, any LTIP entitlements under the applicable plan, continuation of health care benefits for 1 year (or payment of a cash amount equal thereto), reimbursement of outplacement, legal and financial counselling services and, subject to delivery of an executed release and return of all Corporate property, a Severance Amount (altogether, the “**Severance Package**”). The Severance Amount is defined as a lump sum amount equal to 1.5x the annual base salary plus 1.5x the annual bonus for the NEO. Contract of Service Form B allows the NEO to terminate their employment within 30 days of an event constituting Good Reason (as defined therein) upon 30 days prior written notice. If so terminated, the NEO is entitled to Base Termination Pay plus a Severance Package.

Contract of Service Form B further stipulates that the Corporation may terminate the Contract of Service within 20 days of an event of Change of Control (as defined therein), immediately with written notice. If so terminated, the NEO is entitled to Base Termination Pay plus a Severance Package. Contract of Service Form B allows the NEO to terminate their employment within 60 days of an event of Change of Control with Good Reason, upon 30 days prior written notice. If so terminated, the NEO is entitled to Base Termination Pay plus a Severance Package.

In the event of termination of Contract of Service Form B by the Corporation for any reason other than “just cause”, the NEO will also be entitled to exercise its options for a period of 90 days from such termination.

The below table illustrates the foregoing termination and change of control benefits payable assuming a December 31, 2023, Date of Termination.

TABLE 13

| NAME            | PAYMENT IN THE EVENT OF TERMINATION OF EMPLOYMENT WITHOUT CAUSE <sup>(1)</sup> | PAYMENT IN THE EVENT OF TERMINATION OF EMPLOYMENT AFTER CHANGE OF CONTROL <sup>(1)</sup> |
|-----------------|--|--|
| DARCY REDING    | \$1,020,000  | \$1,020,000  |
| ADAM GRAY       | \$10,577   | \$216,827  |
| YVONNE MCLEOD   | \$28,846   | \$258,012  |
| MICHAEL BARTLEY | \$15,385   | \$182,051  |
| JOHN EMERY      | \$9,615  | \$176,282  |

<sup>(1)</sup> The amounts shown are exclusive of any amounts the NEO may receive as a result of an exercise of options in the 90 days following the Date of Termination.

## INFORMATION CONCERNING DIRECTOR COMPENSATION

### DIRECTOR COMPENSATION POLICY

Following receipt of a benchmarking study from Mercer, the Corporation structured its director compensation to reflect:

- the imperative of attracting and retaining knowledgeable and experienced individuals who have integrity and who possess the specific skills commensurate with the Corporation’s requirements and objectives;
- external market competitiveness for talent and the principles of equity and fairness while recognizing the Corporation’s objectives of fiscal prudence and good governance;
- the need to align the Corporation’s long-term success with the basis of compensation;
- the importance of recognizing the additional responsibilities undertaken by the Chair of the Board and the Chair of each Committee; and
- the application of the Share Ownership Policy.

### Director Fees

Further to the review discussed above under “EXECUTIVE AND DIRECTOR COMPENSATION” and the Mercer benchmarking analysis which considered compensation structure and policies of the Corporation’s peer group, the Director Compensation Policy was amended such that director retainers were amended from a cash fee and discretionary stock option grant structure to a 75% cash fee and 25% DSU structure, with an option to increase DSU allocation to 100%, as detailed in the table below. Committee Chairs receive further cash retainers in recognition of their additional responsibilities. There are no other components of director compensation.

TABLE 14

| POSITION                            | 2023 Total Annual Compensation (Fees & DSUs) |                                   |                         |                              |                             |
|-------------------------------------|--|-----------------------------------|-------------------------|------------------------------|-----------------------------|
|                                     | Fees (Cash Retainer)                         | DSU Grant (assumes min 25% grant) | Total Base Compensation | Committee Chair Compensation | Total Director Compensation |
| Chair of the Board                  | \$101,250                                    | \$33,750                          | \$135,000               | -                            | \$135,000                   |
| Chair of the Audit & Risk Committee | \$63,750                                     | \$21,250                          | \$85,000                | \$15,000                     | \$100,000                   |
| Chair of all other Committees       | \$63,750                                     | \$21,250                          | \$85,000                | \$10,000                     | \$95,000                    |
| Other Directors                     | \$63,750                                     | \$21,250                          | \$85,000                | -                            | \$85,000                    |

## THE DEFERRED SHARE UNIT PLAN

The DSU Plan (“**DSU Plan**”) for directors (excluding the CEO) replaces all future awards that would have previously been made under the Stock Option Plans. Its purpose is to align the interests of the directors with those of the Shareholders of the Corporation and to provide a compensation system for directors that, together with the balance of the director compensation package, is reflective of the responsibility, commitment and risk accompanying Board membership and the performance of the duties required of the various Committees of the Board, while balancing the need for Board independence.

Only fees that would otherwise be paid to a director pursuant to the Director Compensation Policy are eligible to be paid out in DSUs on a value-for-value exchange, and the Plan prohibits discretionary grants.

As discussed above, the amended Director Compensation Policy requires that the Total Base Compensation be paid in a combination of fees (“**Payment in Fees**”) and DSUs (“**DSU Grant**”). Each director must elect to receive a minimum of 25% of their Total Base Compensation as a DSU Grant, however a director may elect to receive up to 100% of their Total Base Compensation as a DSU Grant. The annual percentage is nominated by each director no later than fifteen (15) days prior to the start of the calendar year in which the Total Base Compensation is to be earned. In the case of a newly elected director, or a director holding office as of the Effective Date of the Plan (being March 21, 2023) the percentage is to be nominated within thirty (30) days from the date of the annual or annual and special meeting of Shareholders at which they were elected as director or the Effective Date of the DSU Plan, as the case may be.

DSUs are notional securities granted to a director and are related directly to the Common Share price performance from the grant date to the date on which the DSUs are settled. DSUs cannot be settled until a director ceases to hold office.

The Payment of Fees and DSU Grant are each made at or about the end of the first pay period following the end of each quarter. The value of each DSU Grant is calculated by dividing the dollar amount of the compensation payable in DSUs on the grant date by the volume weighted average trading price of the Common Shares for the five (5) trading days immediately preceding the grant date.

When a director ceases to hold office (the “**Termination Date**”), the DSUs are redeemed as at that date and the settlement amount is calculated by multiplying the number of DSUs held by the volume weighted average trading price of the Common Shares on the Exchange for the five (5) trading days immediately preceding the Termination Date and, for this purpose, the volume weighted average trading price shall be calculated by dividing the total value by the total volume of Common Shares traded for such period. This settlement formula thereby establishes an additional alignment between the directors’ interest and remuneration and the interests of Shareholders.

DSUs are settled as soon as practical following the date the director ceases to hold office and before December 31 of the calendar year commencing immediately after the Termination Date.

## DIRECTOR COMPENSATION TABLE

The following table sets forth information with respect to all compensation elements paid to the Independent Directors of the Corporation during the year ended December 31, 2023.

TABLE 15

| (a)<br>NAME                 | (b)<br>FEES<br>EARNED <sup>(1)</sup> | (c)<br>SHARE-<br>BASED<br>AWARDS | (d)<br>OPTION-<br>BASED<br>AWARDS | (e)<br>NON-EQUITY<br>INCENTIVE<br>PLAN<br>COMPENSA-<br>TION | (f)<br>PENSION<br>VALUE <sup>(3)</sup> | (g)<br>ALL OTHER<br>COMPENSAT<br>ION | (h)<br>TOTAL<br>COMPENSA-<br>TION |
|-----------------------------|--------------------------------------|----------------------------------|-----------------------------------|---|--|--------------------------------------|-----------------------------------|
|                             | (\$)                                 | (\$)                             | (\$)                              | (\$)  | (\$)                                   | (\$)                                 | (\$)                              |
| CHARLES BOULANGER           | 74,471                               | 15,751 <sup>(4)</sup>            | -                                 | -   | -                                      | -                                    | 90,222                            |
| RICHARD COUILLARD           | 44,047                               | 50,405 <sup>(4)</sup>            | -                                 | -   | -                                      | -                                    | 95,452                            |
| DOUG DREISINGER             | 69,077                               | 15,751 <sup>(4)</sup>            | -                                 | -   | -                                      | -                                    | 84,828                            |
| GAIL HARDING                | 46,813                               | 44,090 <sup>(4)</sup>            | -                                 | -   | -                                      | -                                    | 90,903                            |
| ANDREW JUDSON               | 69,077                               | 15,751 <sup>(4)</sup>            | -                                 | -   | -                                      | -                                    | 84,828                            |
| PATRICIA MCLEOD             | 84,421                               | 50,034 <sup>(4)</sup>            | -                                 | -   | -                                      | 50,000 <sup>(5)</sup>                | 184,455                           |
| DARCY REDING <sup>(2)</sup> | -                                    | -                                | -                                 | -   | -                                      | -                                    | -                                 |
| KIREN SINGH                 | 82,269                               | 15,923 <sup>(4)</sup>            | -                                 | -   | -                                      | -                                    | 98,192                            |

<sup>(1)</sup> Represents the payment of fees made or due to directors for services in 2023, as set forth in the Director Compensation Policy.

<sup>(2)</sup> Darcy Reding received no compensation as director of the Corporation. All compensation received by Darcy Reding is summarized in the "EXECUTIVE SUMMARY COMPENSATION TABLE".

<sup>(3)</sup> The Corporation does not have a pension plan.

<sup>(4)</sup> The estimated fair value of these awards is based on the five (5) day volume weighted average price on the grant date.

<sup>(5)</sup> Figure includes additional compensation in recognition of CEO succession efforts.

Following the review and implementation of the updated director compensation which saw the introduction of the DSU Plan, the Board concluded that, from March 21, 2023, onwards, the Stock Option Plans will no longer be used for directors as compensation, bonuses, or other awards. In this way the compensation package and policies better align the interests of the directors with those of the Shareholders and the Corporation.

For the year ended December 31, 2023, the directors of the Corporation earned an aggregate total of \$728,880 in total compensation (inclusive of share-based awards and all other compensation). The directors are reimbursed for all reasonable expenses incurred in the execution of their functions as directors of the Corporation. The aggregate total of such expenses was \$24,428.

### OPTION-BASED AWARDS

No option-based awards were issued to directors during 2023.

### INCENTIVE PLAN AWARDS – VALUE VESTED OR EARNED DURING THE YEAR

The following table provides the value vested in relation to awards held by each non-executive director during the financial year ended December 31, 2023.

TABLE 16

| NAME              | OPTION-BASED AWARDS (VALUE VESTED DURING THE YEAR) <sup>(1)</sup><br>(\$) | SHARE-BASED AWARDS (VALUE VESTED DURING THE YEAR) <sup>(2)</sup><br>(\$) |
|-------------------|---|--|
| CHARLES BOULANGER | Nil   | \$16,794   |
| RICHARD COUILLARD | Nil   | \$53,743   |
| DOUG DREISINGER   | Nil   | \$16,794   |
| GAIL HARDING      | Nil   | \$47,009   |
| ANDREW JUDSON     | Nil   | \$16,794   |
| PATRICIA MCLEOD   | Nil   | \$53,348   |
| KIREN SINGH       | Nil   | \$16,794   |

<sup>(1)</sup> No option-based awards were granted to directors in 2023.

<sup>(2)</sup> DSUs issued to non-executive directors in 2023 are deemed vested and calculated at the closing common share price as at the vesting date. Payment is deferred until each non-executive director ceases to be a Director of the Corporation.

## INFORMATION CONCERNING GOVERNANCE

### BOARD OF DIRECTORS

The mandate of the Board is to supervise the management of the affairs of the Corporation and to act in the best interests of the Corporation. The Board has a written mandate which includes a position description of the Chair, the text of which is reproduced in Schedule B to this Circular.

The Board meets at least once quarterly and at each meeting it reviews the activities of the Corporation. The frequency of the meetings of the Board and the nature of the items on the agenda will vary depending on the activities and priorities of the Corporation. The non-executive directors do not hold regularly scheduled meetings at which members of Management are not in attendance. However, during each meeting of the Board and each meeting of its Committees, an in-camera session is held which excludes members of Management (including directors who hold an executive office).

Darcy Reding is deemed to be a non-independent director of the Corporation pursuant to relevant securities legislation and all other directors being proposed for re-election on pages 16 to 19 of this Circular are deemed to be independent.

Each director, whether or not independent, is expected to exercise independent judgment at all times when discharging their responsibilities as a director of the Corporation. The Board is able to exercise independent supervision over Management due to the fact that a majority of the members of the Board and of each of its Committees is composed of non-executive directors and at every meeting of the Board and of each of its Committees, the non-executive directors on the Board and each Committee meet in-camera in the absence of Management. In addition, the Board's responsibilities include the appointment of the CEO, the approval of the CEO's primary duties as well as the terms and conditions (including compensation) of the CEO's employment by the Corporation. The role and responsibilities of the CEO are delineated and described in the Mandate of the Board and in the various policies approved by the Board and adopted by the Corporation, including the Delegation of Authority Policy.

### NOMINATION OF DIRECTORS

The Governance & HR Committee is responsible for establishing and reporting a director succession plan and a candidate identification and nomination process to the Board. To this end, the Committee develops and recommends selection criteria for potential candidates that strives to attain a diversity of competencies, genders, personal qualities, geographical representations, business background, cultural backgrounds, experience, overall expertise, financial competency, and independence, considering the Corporation's circumstances and needs.

At least annually, the Governance & HR Committee will conduct an assessment of the Board, each Committee and each individual director regarding their performance, effectiveness and contribution and report such findings to the Board, taking into consideration (a) in the case of the Board or a Committee, its mandate and (b) in the case of an individual director, any applicable position description, as well as the competencies and skills each individual director is expected to bring to the Board.

At least annually, the Governance & HR Committee will assess the current size, composition, operation and organisation of the Board and the Committees, considering legal and regulatory requirements with a view to facilitating effective decision making, and make recommendations relating to the foregoing to the Board for approval.

#### **ADOPTION OF DIRECTOR TERM LIMIT POLICY**

In 2023 the Governance & HR Committee approved and recommended, and the Board adopted, a Term Limit Policy, limiting a director's engagement to a maximum of 10 years commencing from the later of October 24, 2017, or, if the individual was not engaged with the Corporation as a director on that date, the first day that the individual became a director.

#### **ORIENTATION AND CONTINUING EDUCATION**

As new directors are elected to the Board, they are provided with an in-depth orientation program which typically consists of two full days of presentations from the President & CEO, COO, CFO and VP, HR & Corporate Services as well as site visits and facility tours. Presentations generally cover the Corporation's history, engineering and operations, financial reporting, Code of Conduct, other key policies, and budgeting process. New directors also receive copies of all Board and Committee mandates, workplans and other key governance documents.

Directors keep themselves informed by receiving, in advance, information and materials relevant to upcoming Board and Committee meetings. In accordance with the Board Mandate, the Corporation's directors also keep informed on key strategic, risk and governance topics through review of relevant publications and attendance at continuing education seminars and discussions. Board education topics in 2023 included enhancing governance practices, AER permitting, insurance, climate disclosure and sustainability reporting, and cyber security. With respect to cyber security risk, the directors completed mandatory quarterly cyber security training. Directors are expected to independently update their knowledge base on relevant matters and the Corporation supports them in updating or improving their skills by allocating an annual Board budget of \$10,000 for relevant education and professional development activities in conjunction with the expectation of a co-contribution from each director.

The Corporation offers a program of voluntary seminars, webinars and "lunch and learn" sessions to all employees, including directors, on topics of importance to the Corporation. In recent years these included such topics as indigenous relations, GHG emissions, *Technology Innovation and Emissions Reduction Regulation, Alta Reg 133/2019* ("TIER"), and Canada's carbon tax, gas marketing and hedging, hydrogen, and carbon storage.



## BOARD COMMITTEES

The Board has the following three standing Committees.

| BOARD COMMITTEES |
|------------------|
| Audit & Risk     |
| Governance & HR  |
| Reserves & HSE   |

The Board will continue to ensure the proper functioning of itself and each Committee by annually reviewing and assessing the effectiveness and contribution of individual directors. The Board has adopted a written mandate for each Committee. Each such mandate includes a position description for the Chair of each Committee.

### *Audit & Risk Committee*

The Audit & Risk Committee is comprised of Kiren Singh (who serves as the Chair), Charles Boulanger, Gail Harding, and Andrew Judson (each of whom is considered to be an independent member). Ms. Singh is an Audit Financial Expert. An Audit Financial Expert is any person who is a (a) chartered accountant, (b) chartered professional accountant, (c) current or former CFO of a public company or corporate controller of similar experience, (d) current or former partner of an audit firm or company, or (e) someone having similar meaningful audit experience.

Additional information regarding the relevant education and experience of each Committee member, the amount and nature of the fees that were paid by the Corporation to its external auditors, and a copy of the mandate for the Audit & Risk Committee are disclosed on page 30 and Appendix D respectively of the Annual Information Form of the Corporation for the year ended December 31, 2023, a copy of which can be found under the Corporation’s profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and which was filed on SEDAR+ on March 20, 2024.

With regards to ESG matters, the Committee reviews and recommends to the Governance & HR Committee, the financial data to be included in the Corporation’s ESG report. It ensures the processes and procedures are in place to verify the accuracy and completeness of the Corporation’s quantitative reporting of this data. At least annually, the Committee reviews it and its members education activities to ensure they remain educated on the latest rules, regulations, industry trends and best practices regarding ESG and climate-related issues specific to the scope of the Committee.

### *Governance & HR Committee*

The Governance & HR Committee is comprised of Gail Harding (who serves as the Chair), Kiren Singh, Richard Couillard and Doug Dreisinger (each of whom is considered to be an independent member). Information regarding the education and experience of each Committee member is available under “*BIOGRAPHICAL INFORMATION REGARDING THE NOMINEES*”.

The primary objective of the Governance and Human Resources (“**Governance & HR**”) Committee is to assist the Board in carrying out its duties and responsibilities regarding corporate governance, overseeing executive officer compensation and performance and reviewing public disclosure related to governance, executive and director compensation, board, individual director and Committee effectiveness, director compensation, director nominations and reviewing public disclosure of the Corporation’s annual ESG report and associated ESG matters.

It also provides oversight of the Corporation’s human resources strategy, policies, and programs with special focus on Management development and succession and leadership planning.

It is responsible for recommending policies regarding the director nomination process and assessing the qualifications, expertise, and characteristics of Board members, with the goal of a diverse, experienced, and high-quality representation. In so doing, the Governance & HR Committee will consider such factors as independence, integrity, diversity, age, skills matrix and willingness and ability to devote adequate time and effort to Board responsibilities. .

The Governance & HR Committee is also charged with the overall responsibility of reviewing and recommending the Corporation's compensation philosophy, compensation policies that reward the creation of Shareholder value and reflect an appropriate balance between short and long-term performance and monitoring the implementation of those policies.

To that end, it is specifically responsible for monitoring the implementation of compensation policies, periodically reviewing compensation policies, periodically reviewing compensation practices and plans of the Corporation, recommending appropriate changes to the Board for consideration, administering the Corporation's incentive plans, including the Stock Option Plans, RSU Plan and DSU Plan in accordance with their terms and recommending to the Board the granting of incentives as appropriate. The Governance & HR Committee annually reviews and recommends to the Board for approval the goals and objectives of the Corporation, CEO's performance, and compensation and periodically reviews the level of compensation of the members of the Board and its Committees and recommends appropriate changes to the Board for consideration.

In discharging its responsibilities, the Governance & HR Committee will seek the advice of the CEO. However, the CEO will not participate in the deliberations of the Governance & HR Committee or the Board regarding the evaluation of the CEO's performance or on matters concerning CEO compensation. The Governance & HR Committee may not delegate any of its responsibilities under its mandate to another entity or to an individual without the approval of the Board.

With regards to ESG, following annual receipt and review of financial and key performance indicator ("KPI") information and related recommendations from each of the Audit & Risk and Reserves & HSE Committees, the Governance & HR Committee may offer guidance and recommendations to the Board regarding the Corporation's ESG framework. In addition, it considers and recommends policies that conform with this framework. In conjunction with the CEO, it assists the Board in setting the Corporation's general strategy on ESG matters including, amongst other things, the identification and management of material ESG risks and opportunities, reviewing any concomitant ESG goals, setting realistic future targets, and the integration of such matters into the business strategy, processes, and compensation philosophy of the Corporation.

### *Reserves & HSE Committee*

The Reserves & HSE Committee is comprised of Richard Couillard (who serves as the Chair), Charles Boulanger, Doug Dreisinger and Andrew Judson (each of whom is considered to be an independent member).

Pursuant to National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* ("NI 51-101"), the Board has delegated to the Reserves & Health, Safety and Environment ("HSE") Committee responsibility for, among other things, consulting with the Corporation's senior personnel responsible for oil and gas reserves and other information regarding the Corporation's oil and gas activities and reviewing and reporting to the Board on: (a) the Corporation's procedures relating to the disclosure of such information; (b) the appointment of, or any changes to, the independent consultant engaged to report on the Corporation's oil and gas reserves; and (c) the Corporation's procedures for providing information to the consultant.

The Reserves & HSE Committee is also responsible for reviewing the health, safety and environment policies of the Corporation and exercising oversight of the Corporation's compliance with all applicable laws in the conduct of its activities to ensure the ongoing protection by the Corporation of the health and safety of its employees and of the environment. In addition, with the combined effort of the Governance & HR Committee, its purpose is to ensure that the Corporation carries out appropriate environmental and social practices or mandates in the areas in which it operates.

The Reserves & HSE Committee reviews and recommends the HSE KPIs to be included in the Corporation's annual ESG report to the Governance & HR Committee and ensures the processes and procedures are in place to verify the accuracy and completeness of the Corporation's quantitative reporting of these KPIs. At least annually, the Board ensures the Reserves & HSE Committee and its members remain educated on the latest rules, regulations, industry trends and best practices regarding ESG and climate-related issues specific to the scope of the Reserves & HSE Committee.

Prior to filing the Statement of Reserves Data and Other Oil and Gas Information and related consultant's report required under NI 51-101, the Reserves & HSE Committee meets with responsible management of the Corporation and the independent consultant to review the evaluation report and thereafter reports to the Board and recommends, as

appropriate, the approval, release and filing of the Statement of Reserves Data and Other Oil and Gas Information and related reports required under NI 51-101.

## COMPETENCIES AND SKILLS OF DIRECTORS

The following table provides an indicative list of the skills, experience and competencies desired for the directors. This list is reviewed annually and modified as required in order to meet the needs of the Corporation.

TABLE 17

| SKILL/EXPERIENCE                        | COMPETENCY   |
|---|--|
| Strategic Planning                      | Experience with developing, executing, and evaluating business strategies to create value.   |
| Business Development                    | Experience in evaluating and executing on, value creation opportunities through acquisitions, divestitures, mergers, or developmental opportunities.   |
| Enterprise Risk Management              | Experience in identifying, evaluating, and managing a broad range of risks faced by an organization.   |
| Oil & Gas Operations                    | Management or executive experience with oil and gas operations.  |
| Reserves Evaluation                     | Experience with oil and natural gas reserves evaluation and reporting.   |
| Health & Safety                         | Experience with regulations and workplace health and safety.   |
| Audit & Financial Reporting             | Experience in reading and analyzing financial statements and projections and a strong understanding of IFRS reporting standards and internal controls over financial reporting.  |
| Capital Markets                         | Experience in capital markets, corporate finance, investor relations and banking matters.  |
| Environmental, Social, Governance       | Experience or a strong understanding of good corporate governance and corporate responsibility practices, including ESG reporting.   |
| Human Resources & Compensation          | Experience with human resource matters including compensation structures, talent management and succession planning at the executive level.  |
| Legal and Regulatory                    | Broad understanding of corporate, securities, land tenure and oil and natural gas law, regulatory regimes in Western Canada and governmental royalty, incentive and taxation policies or a legal background in more than one of these areas. |
| Information Technology & Cyber Security | Experience with good information security practices, standards, and controls to protect assets, systems, data and networks from damage and unauthorized access.  |
| Audit Financial Expert                  | Is either a chartered accountant or certified public accountant, a former or current CFO or corporate controller of a public company, a current or former partner of an audit firm or a person with similar meaningful audit experience      |

The following table summarizes the level of experience, background, and technical expertise of each Nominee, as self-declared by each nominee, with respect to the noted categories of director competencies and skills. These competencies and skills are relevant and important to the Corporation because they enable the Corporation to discharge its statutory and common law responsibilities.

TABLE 18

|   | RANGE              |                   |                 |                        |               |                             |             |              |
|---|--------------------|-------------------|-----------------|------------------------|---------------|-----------------------------|-------------|--------------|
|   | 3 = HIGH EXPERTISE |                   |                 | 2 = MODERATE EXPERTISE |               | 1 = MINIMAL OR NO EXPERTISE |             |              |
|   | CHARLES BOULANGER  | RICHARD COUILLARD | DOUG DREISINGER | GAIL HARDING           | ANDREW JUDSON | PATRICIA MCLEOD             | KIREN SINGH | DARCY REDING |
| Strategic Planning                      | 3                  | 3                 | 3               | 3                      | 2             | 3                           | 3           | 2            |
| Business Development                    | 3                  | 3                 | 3               | 3                      | 3             | 3                           | 3           | 3            |
| Enterprise Risk Management              | 2                  | 2                 | 2               | 3                      | 2             | 3                           | 3           | 2            |
| Oil & Gas Operations                    | 3                  | 3                 | 3               | 1                      | 2             | 1                           | 2           | 3            |
| Reserves Evaluation                     | 3                  | 3                 | 3               | 1                      | 3             | 1                           | 1           | 3            |
| Health & Safety                         | 2                  | 3                 | 3               | 2                      | 2             | 2                           | 2           | 3            |
| Audit & Financial Reporting             | 3                  | 2                 | 2               | 3                      | 2             | 2                           | 3           | 2            |
| Capital Markets                         | 3                  | 2                 | 3               | 3                      | 3             | 2                           | 3           | 2            |
| Environmental, Social & Governance      | 2                  | 2                 | 2               | 3                      | 2             | 3                           | 3           | 2            |
| Human Resources & Compensation          | 3                  | 2                 | 3               | 3                      | 2             | 3                           | 2           | 2            |
| Legal & Regulatory                      | 2                  | 2                 | 2               | 3                      | 2             | 3                           | 2           | 2            |
| Information Technology & Cyber Security | 2                  | 2                 | 2               | 2                      | 1             | 2                           | 2           | 2            |
| Audit Financial Expert                  |                    |                   |                 |                        |               |                             | X           |              |

### MANAGEMENT CONTRACTS

Although the Corporation and certain of its subsidiaries do regularly engage management persons under contracts for service, none of those persons have authority to enter into legal relations for or on behalf of the Corporation or any of its subsidiaries or have authority to incur expenses or liabilities on their behalf. Accordingly, there are no management functions of the Corporation or any of its subsidiaries that are performed to any substantial degree by persons other than their respective directors or executive officers.

### ETHICAL BUSINESS CONDUCT

The directors and Management of the Corporation lead by example in setting the highest standards in ethical business conduct.

The Board has adopted a written Code of Ethical Conduct for the directors, officers, and other employees of the Corporation. The Code of Ethical Conduct is posted on the website which the Corporation maintains at <https://www.pieridaenergy.com>.

In addition, the Corporation has adopted and maintains a Whistleblower Policy whereby individuals are invited to report incidents of actual or suspected non-compliance with the Code of Ethical Conduct, or any policy adopted by the Corporation, to the Chair of the Audit & Risk Committee via a third-party email address. All such reports are investigated in accordance with the Whistleblower Policy.

The Board has approved, and the Corporation has adopted, a Disclosure Policy which requires, inter alia, the disclosure of conflicts of interest. When the Board becomes aware of a transaction or an agreement in which a director or executive officer has a material interest, that transaction or agreement is carefully considered by those directors who do not have a conflict of interest and is discussed and voted upon by them without the participation of any director or executive officer who has the potential conflict of interest.

## ESG COMMITMENT

The Corporation believes integrating ESG through all aspects of the organization is a key factor to sustainable operational and financial success. The Corporation updates stakeholders on progress of its ESG commitments and goals through the publication of an annual ESG report. The Corporation focuses on supporting long-term sustainability while driving positive results for Shareholders, the community, and the environment.

In 2023, the Corporation issued its third annual ESG report for the year ending December 31, 2022, a copy of which can be viewed and downloaded at <https://pieridaenergy.com/our-responsibility/esg-report>. Highlights in the ESG report include:

- Statement of the Corporation’s ESG vision to be responsible stewards of the environment, to foster mutually beneficial relationships with Indigenous Peoples and stakeholders and to be leaders in governance;
- Performed and updated ESG materiality assessment with a broad range of stakeholders in 2023;
- Continued ESG report disclosures followed the globally accepted international reporting frameworks from the Sustainability Accounting Standards Board, in addition to referencing frameworks from the Taskforce on Climate-Related Financial Disclosures and the Global Reporting Initiative;
- Completed the Corporation’s first Carbon Management Plan (“CMP”), a strategy tool for targeting climate-related risks and opportunities, and undertook a variety of proposed activities to successfully reduce the Corporation’s carbon emissions;
- Summary of Indigenous knowledge-sharing workshop events;
- Summary of reduced total Scope 1 and Scope 2 GHG emissions and combined Scope 1 and 2 GHG emissions intensity, and;
- Summary of community and social investment funding.

Scope 1 and Scope 2 emissions reductions for 2023 will be released in the 2024 ESG report for the year ending December 31, 2023. In addition to the Corporation’s ESG report and CMP, which will be further updated in 2024, the Corporation anticipates completing its first report under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, SC 2023, c. 9, in 2024.

## CYBER SECURITY RISK

The Company was not materially impacted by a cyber security breach in 2023. Acknowledging the potential loss that can result from cyber security breaches and the escalating risk cyber security breaches pose globally, the Board monitors this risk at least annually and receives quarterly updates on the Corporation’s risk mitigation activities. During 2023, the Company retained a Manager of IT Operations and entered into a Virtual Chief Security Officer consulting agreement with a third-party cyber security advisory firm. Additionally, an updated risk assessment and gap analysis was completed in 2023. Identified high risk gaps are being remediated through the procurement and implementation of additional software tools, the revision of certain IT policies and procedures and continued cyber security training.

## INFORMATION CONCERNING DIVERSITY & REPRESENTATION OF WOMEN

### DIVERSITY STATEMENT

The Corporation does not have a written policy relating to the identification and nomination of women directors on its Board because its Diversity and Inclusion Policy addresses the identification and nomination of a broader slate of diverse candidates for election or appointment to the Board or for employment at every level.

As acknowledged in the Corporation’s Diversity and Inclusion Policy, the Corporation values the benefits that the participation of women and overall diversity can bring to its Board, senior management team and employee group. These benefits include the promotion of differing perspectives and the broadening of ideas while improving oversight, decision-making and governance. Moreover, diversity on the Board and the senior management team evidences the Corporation’s dedication to diversity at all levels within the organization and its commitment to foster an inclusive corporate culture that is based on merit and is free of bias whether conscious or unconscious.

The Corporation believes that the promotion of women and persons with diverse backgrounds and lived experiences within the organization is best served through an objective evaluation of the knowledge, experience, expertise, and backgrounds of each nominee for director and each potential employee, in relation to the needs of the Corporation with a view to enhance diversity but without undue focus on any single diversity characteristic. The Corporation strives to maintain a Board and senior management team which are comprised of talented and dedicated individuals with a diverse mix of knowledge, experience, expertise, and backgrounds who collectively are able to oversee and execute the strategic objectives of the Corporation while reflecting the diversity within the society in which the Corporation operates. Thus, the Corporation considers candidates based on objective criteria, having due regard to the benefits of diversity and the needs of the Corporation when assessing the composition of the Board, the senior management team and employee group and when identifying suitable candidates for election or appointment to the Board or for employment at every level.

Specifically with respect to representation of women and persons identifying as belonging to a designated group on the Board, the Governance & HR Committee is mandated to: (a) establish and report to the Board a director succession plan and candidate identification and nomination process, (b) develop and recommend to the Board criteria for selecting potential director candidates that strives to attain a diversity of competencies and personal characteristics, and (c) assess the effectiveness of the Board nomination process at achieving its diversity objectives including measurement of annual and cumulative progress in achieving the Board’s gender and other diversity objectives.

The Corporation’s Board and Management encourage their human resources representatives to identify and select for consideration in all recruitment processes, having regard for existing levels of diversity ascertained from its diversity survey results, employee candidates and director nominees who identify as a member of a designated group. However, due to varying interpretations, inconsistencies in self-reporting and resulting identification and measurement difficulties, the Corporation has not at this time established a target number or percentage, or a range of target numbers or percentages, for members of any designated group to hold positions on its Board or to be members of the senior management team by a specific date.

### CANADA BUSINESS CORPORATIONS ACT REQUIRED DISCLOSURE ON DIVERSITY

The following information is disclosed by the Corporation pursuant to Section 172.1 of the CBCA and Part 8.2 of the *Canada Business Corporations Regulations*, 2001, SOR/2001-512, as amended (“**CBCA Regulations**” and collectively with the CBCA, the “**Applicable Legislation**”).

For the purposes of complying with the disclosure obligations under Applicable Legislation, “designated groups” means women, Aboriginal peoples<sup>1</sup>, persons with disabilities<sup>2</sup> and members of visible minorities<sup>3</sup> and, at the election of the Corporation, includes LGBT persons<sup>4</sup>. “Members of senior management” means the chair and vice-chair of the board of directors, the president of the corporation, the chief executive officer and chief financial officer, the vice-president in charge of a principal business unit, division, or function, including sales, finance or production, and an individual who performs a policy-making function in respect of the corporation.

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<sup>1</sup>“Aboriginal peoples” means persons who are Indians, Inuit, or Métis.

<sup>2</sup> “Persons with disabilities” means persons who have a long-term or recurring physical, mental, sensory, psychiatric or learning impairment and who either (a) consider themselves to be disadvantaged in employment by reason of that impairment, or (b) believe that a employer or potential employer is likely to consider them to be disadvantaged in employment by reason of that impairment and includes persons whose functional limitations owing to their impairment have been accommodated in their current job or workplace.

<sup>3</sup> “Members of visible minorities” means persons, other than Aboriginal peoples, who are non-Caucasian in race or non-white in colour.

<sup>4</sup> “LGBT persons” means persons, other than members of any other designated group, who self-identify as either lesbian, gay, bisexual, or transgender.

As stated in its written diversity statement, the Corporation values the benefits that diversity can bring to its Board, senior management team and employees. Thus, the level of the representation of designated groups on its Board and among members of the senior management team will be considered by the Corporation among the relevant factors in identifying and nominating candidates for election or re-election on the Board and in appointing members of the senior leadership team. Each candidate for nomination to the Board or for membership to the senior management team is evaluated on a broad spectrum of criteria (including their degree of diversity) and in each case, the Corporation engages the best candidate for each position. More information on how the Board considers the representation of designated groups in identifying and nominating directors and appointing members of the senior management team is provided under the section titled “DIVERSITY STATEMENT” above.

The following table, based on self-disclosure, indicates the levels of diversity on the Corporation’s Board and among the Corporation’s senior management team as of the 2023 and 2024 Record Dates.

**TABLE 19**

|                               | BOARD                 |     |                       |     | SENIOR LEADERSHIP TEAM |     |                       |     |
|-------------------------------|-----------------------|-----|-----------------------|-----|------------------------|-----|-----------------------|-----|
|                               | 2023                  |     | 2024                  |     | 2023                   |     | 2024                  |     |
|                               | NUMBER OF INDIVIDUALS | %   | NUMBER OF INDIVIDUALS | %   | NUMBER OF INDIVIDUALS  | %   | NUMBER OF INDIVIDUALS | %   |
| WOMEN                         | 3                     | 43% | 3                     | 43% | 2                      | 25% | 2                     | 20% |
| ABORIGINAL PEOPLES            | 0                     | 0%  | 0                     | 0   | 0                      | 0%  | 0                     | 0   |
| PERSONS WITH DISABILITIES     | 0                     | 0%  | 0                     | 0   | 0                      | 0%  | 0                     | 0   |
| MEMBERS OF VISIBLE MINORITIES | 1                     | 14% | 1                     | 14% | 2                      | 17% | 1                     | 10% |
| LGBT PERSONS                  | 0                     | 0%  | 0                     | 0   | 0                      | 0%  | 0                     | 0   |

The Corporation’s Governance & HR Committee monitors annual and cumulative levels of diversity, including with reference to each designated group that exists within the organization, at least annually and reports progress in its Management Information Circular and ESG report. It is anticipated that, over time, progress will be evident from a chronological comparison of the results disclosed in these reports.

The Corporation conducted its annual diversity survey in February 2024. The survey is voluntary and confidential. 47% of the directors, members of the senior leadership and employees invited to participate responded. The results of the 2023 and 2024 annual diversity surveys are detailed below.

**TABLE 20**

|                               | RESULTS OF 2023 SURVEY |     | RESULTS OF 2024 SURVEY |     |
|-------------------------------|------------------------|-----|------------------------|-----|
|                               | NUMBER OF INDIVIDUALS  | %   | NUMBER OF INDIVIDUALS  | %   |
| WOMEN                         | 47                     | 26% | 35                     | 22% |
| ABORIGINAL PEOPLES            | 11                     | 6%  | 7                      | 4%  |
| PERSONS WITH DISABILITIES     | 11                     | 6%  | 8                      | 5%  |
| MEMBERS OF VISIBLE MINORITIES | 17                     | 10% | 18                     | 11% |
| LGBT PERSONS                  | 8                      | 5%  | 5                      | 3%  |

## **REGISTRAR AND TRANSFER AGENT**

The transfer agent and registrar for the Common Shares is Odyssey Trust Company, having offices at Suite 702 – 67 Yonge St, Toronto, Ontario M5E 1J8.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of the current or former directors, executive officers, or employees of the Corporation, nor any associate of any of the foregoing persons, is or was indebted, directly or indirectly, to the Corporation or any of its subsidiaries at any time since January 1, 2023.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

There were no material interests, direct or indirect, of any director or executive officer of the Corporation, any proposed director of the Corporation or any other “informed person” (as such term is defined in NI 51-102), or any associate or affiliate of any of the foregoing persons, in any transaction since January 1, 2023 or in any proposed transaction which has materially affected, or would materially affect, the Corporation or any of its subsidiaries.

## **INDEMNIFICATION OF DIRECTORS AND SENIOR MANAGEMENT**

The Corporation covenants to indemnify and save harmless the directors and officers of the Corporation and its affiliated entities from and against any and all losses, liabilities, claims, damages, fines, penalties, costs, charges or expenses (including, but not limited to, an amount paid to settle any action or to satisfy any judgment, legal fees on a solicitor and client basis, other professional fees, out-of-pocket expenses for attending proceedings including discoveries, trials, hearings and meetings and any amount for which the indemnified is liable by reasons of any statutory provision whether civil, criminal or otherwise and whether such claim is anticipated, threatened, pending, commenced, continued or completed. The foregoing includes any appeal, (as well as the amount of any taxes or interest payable as a result of other payments made thereunder) suffered or incurred by the indemnified, directly or indirectly, as a result or by reason of the indemnified being or having been a director or officer of the Corporation or any of its affiliated entities, or by reason of any action taken or not taken by the indemnified in the capacity of director or officer of the Corporation or of any of its affiliated entities, provided that he or she acted honestly and in good faith with a view to the best interests of the Corporation and, in the case of a criminal or administrative action or proceeding, that he or she had reasonable grounds for believing that his or her conduct was lawful. The policy provides further that such costs, charges, or expenses must not be suffered or incurred as a result of the fraud, dishonesty or wilful default by the indemnified.

## **LIABILITY INSURANCE FOR DIRECTORS AND SENIOR MANAGEMENT**

The Corporation maintains a policy of insurance for the benefit of its directors and members of its senior management which cover them from losses (including damages, costs and similar amounts) which they suffer or incur as a result or by reason of being, or having been, a director or a member of its senior management except to the extent that such losses are suffered or are incurred as a result of their own fraud, dishonesty or wilful default. The insurance policy, effective October 1, 2023, and expiring on September 30, 2024, provides coverage of \$20 million per event and per policy year.

## **EQUITY COMPENSATION PLAN INFORMATION**

Other than the Stock Option Plan Number One and Stock Option Plan Number Two, the Corporation does not maintain any other compensation plans under which Common Shares are authorized for issuance. The following table sets forth information regarding the Corporation’s Stock Option Plans as at December 31, 2023:



TABLE 21

| PLAN CATEGORY  | NUMBER OF COMMON SHARES TO BE ISSUED UPON EXERCISE OF OUTSTANDING OPTIONS | WEIGHTED-AVERAGE EXERCISE PRICE OF OUTSTANDING OPTIONS | NUMBER OF COMMON SHARES REMAINING AVAILABLE FOR FUTURE ISSUE UNDER EQUITY COMPENSATION PLANS <sup>(1)</sup> |
|--|---|--|---|
| Equity compensation plans approved by security holders (i.e. Stock Option Plan Number One)     | 3,620,100 <sup>(2)</sup>  | \$0.69   | 11,492,044 <sup>(3)</sup>   |
| Equity compensation plans not approved by security holders (i.e. Stock Option Plan Number Two) | 796,590 <sup>(4)</sup>  | \$0.89   | 0 <sup>(5)</sup>  |
| <b>Total</b>   | <b>4,416,690</b>  | <b>\$0.73</b>  | <b>11,492,044</b>   |

- <sup>(1)</sup> The number of Common Shares remaining available for future issuance under equity compensation plans exclude the number of Common Shares that are to be issued upon the exercise of the options which are currently outstanding.
- <sup>(2)</sup> Represents the number of Common Shares to be issued upon exercise of outstanding options that were granted under the Stock Option Plan Number One with the approval of the Board.
- <sup>(3)</sup> Represents the number of Common Shares remaining available for future issuance under the Stock Option Plan Number One excluding the number of Common Shares remaining available for future issuance under the Stock Option Plan Number Two.
- <sup>(4)</sup> Represents the number of Common Shares to be issued upon exercise of outstanding options that were granted under the Stock Option Plan Number Two with the approval of the Board.
- <sup>(5)</sup> The Corporation does not intend in the future to grant any stock options under Stock Option Plan Number Two. Therefore, all stock options granted in the future will be granted under Stock Option Plan Number One, as amended.

As at the Record Date, the number of Common Shares remaining available for future issue under Stock Option Plan Number One is 11,547,744.

### Stock Option Plans

See the section entitled “*INFORMATION CONCERNING EXECUTIVE COMPENSATION*” for additional information pertaining to stock options issued by the Corporation.

## OTHER BUSINESS

Management knows of no amendment, variation, or other matter to come before the Meeting other than those set forth in the Notice of Meeting. However, if any other matter properly comes before the Meeting, the Common Shares represented by the accompanying proxy will be voted on such matter in accordance with the best judgment of the person or persons voting the proxy.

## SHAREHOLDER PROPOSALS

Pursuant to the provisions of the CBCA, any Shareholder wishing to present a proposal to be considered for inclusion at the next annual meeting of Shareholders in 2025 must submit such proposal to the Corporation to be received during the prescribed period which is the 60-day period that begins on the 150th day before the anniversary of the previous annual meeting of Shareholders. Any such proposal must meet all the requirements of the CBCA and the CBCA Regulations. A Shareholder proposal must be addressed to the Corporate Secretary and either (a) mailed to Pieridae Energy Limited at 308 - 4th Avenue S.W., Suite 3100, Calgary, Alberta, Canada T2P 0H7, or (b) emailed to [legal@pieridaenergy.com](mailto:legal@pieridaenergy.com).

## ADVANCE NOTICE BY-LAW

By-Law No.3: The Advance Notice By-Law (the “**By-Law**”) was adopted by the Board on February 6, 2020, and confirmed by the Shareholders at the Annual and Special Meeting of Shareholders on May 26, 2020. The By-Law establishes the procedures, timeframe, and forms which a Shareholder must follow in order to nominate a person for election as a director of the Corporation at the Meeting.

To be timely, a nominating Shareholder’s notice to the Corporate Secretary of the Corporation must be made:

- (a) in the case of an annual meeting (including an annual and special meeting) of Shareholders, not less than thirty (30) days prior to the date of the annual meeting of Shareholders; provided, however, that in the event that the annual meeting of Shareholders is to be held on a date that is less than fifty (50) days after the date on which the first public announcement (the “**Notice Date**”) of the date of the annual meeting was made by the Corporation, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10<sup>th</sup>) day following the Notice Date;
- (b) in the case of a special meeting (which is not also an annual meeting) of Shareholders called for the purpose of electing directors (whether or not called for other purposes as well), not later than the close of business on the fifteenth (15<sup>th</sup>) day following the day on which the first public announcement of the date of the special meeting of Shareholders was made by the Corporation, and;
- (c) in the case of an annual meeting (including an annual and special meeting) of Shareholders or a special meeting of Shareholders called for the purpose of electing directors (whether or not also called for other purposes) where notice-and-access is used for delivery of proxy related materials, not less than forty (40) days prior to the date of the meeting (but in any event, not prior to the Notice Date); provided, however, that in the event that the meeting is to be held on a date that is less than fifty (50) days after the Notice Date, notice by the Nominating Shareholder shall be made, in the case of an annual meeting of Shareholders, not later than the close of business on the tenth (10<sup>th</sup>) day following the Notice Date and, in the case of a special meeting of Shareholders, not later than the close of business on the fifteenth (15<sup>th</sup>) day following the Notice Date.
- (d) Each of the notice periods set forth above shall reset if the meeting is adjourned and/or postponed and for these purposes the date on which the first public announcement of the date of the meeting was made shall be the date of the first public announcement of the adjournment and/or postponement.

The notice must be addressed to the attention of the Corporate Secretary and delivered by either (a) personal delivery to Pieridae Energy Limited 308 - 4<sup>th</sup> Avenue S.W., Suite 3100 , Calgary, Alberta, Canada T2P 0H7, (b) facsimile to (403) 261 5902, or (c) email to [legal@pieridaenergy.com](mailto:legal@pieridaenergy.com) and shall be deemed to have been given and made only at the time it is served by personal delivery, email or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Corporate Secretary at the address noted above. If delivery or electronic communications is made on a day which is not a business day or later than 5:00 pm Mountain Time on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

The Chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the By-Law and, if any proposed nomination is not in compliance with the By-Law, to declare that such defective nomination shall be disregarded. Notwithstanding the foregoing, the Board may, in its sole discretion, waive all or any requirements in the By-Law. A copy of the By-Law can be found on our website (<https://www.pieridaenergy.com/our-company/governance>).

## ADDITIONAL INFORMATION

Additional information relating to the Corporation can be found under the Corporation's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Additional financial information is provided in the Corporation's comparative financial statements for the year ended December 31, 2023 and related MD&A which can be found under the Corporation's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) or on the Corporation's website at [www.pieridaenergy.com](http://www.pieridaenergy.com). Shareholders may also obtain these documents, without charge, upon request sent by mail to the CFO at Pieridae Energy Limited, 308 – 4th Avenue SW, Suite 3100, Calgary, Alberta, Canada, T2P 0H7 or sent by email to [legal@pieridaenergy.com](mailto:legal@pieridaenergy.com).

## APPROVAL OF DIRECTORS

The contents and the sending of this Circular have been approved by the directors of the Corporation.

DATED as of the March 25, 2024.

*"Darcy Reding"*

Darcy Reding

President & Chief Executive Officer

## SCHEDULE A – AMENDED AND RESTATED STOCK OPTION PLAN

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### 1 Definitions and interpretations

#### 1.1 Definitions

Unless otherwise required by the context or subject matter, the following terms, as used herein, have the meanings set forth below.

- a) **Affiliate** has the meaning given to that term in the *Securities Act* (Alberta), including the rules and regulations promulgated thereunder, as may be amended from time to time.
- b) **Black-Out Period** has the meaning given to that term in Section 3.4 hereof.
- c) **Board of Directors** means the board of directors of the Corporation.
- d) **Business Day** means a day that is not a Saturday, Sunday, or a general holiday in Alberta.
- e) **Change of Control** means:
  - (i) any transaction (other than a transaction described in clause (iii) below) pursuant to which any person or group of persons acting jointly or in concert acquires the direct or indirect beneficial ownership of securities of the Corporation representing 50% or more of the aggregate voting power of all of the Corporation's then issued and outstanding securities entitled to vote in the election of directors of the Corporation;
  - (ii) a consummated arrangement, amalgamation, merger, consolidation, take-over bid, compulsory acquisition or similar transaction involving (directly or indirectly) the Corporation if, immediately after the consummation of such arrangement, amalgamation, merger, consolidation or similar transaction, the Shareholders of the Corporation immediately prior thereto do not beneficially own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving or resulting entity in such arrangement, amalgamation, merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power of the parent of the surviving or resulting entity in such arrangement, amalgamation, merger, consolidation or similar transaction;
  - (iii) the sale, lease, exchange, license or other disposition of all or substantially all of the Corporation's assets to a person other than a person that was an Affiliate of the Corporation at the time of such sale, lease, exchange, license or other disposition, other than a sale, lease, exchange, license or other disposition to an entity, more than fifty percent (50%) of the combined voting power of the voting securities of which are beneficially owned by Shareholders of the Corporation in substantially the same proportions as their beneficial ownership of the outstanding voting securities of the Corporation immediately prior to such sale, lease, exchange, license or other disposition;
  - (iv) the passing of a resolution by the Board of Directors or Shareholders to substantially liquidate the assets of the Corporation or wind up the Corporation's business or significantly rearrange its affairs in one or more transactions or series of transactions or the commencement of proceedings for such a liquidation, winding-up or re-arrangement (except where such re-arrangement is part of a *bona fide* reorganization of the Corporation in circumstances where the business of the

Corporation is continued and the shareholdings remain substantially the same following the re-arrangement);

- (v) the election at a meeting of the Corporation's Shareholders of a number of directors to the Board of Directors who were not director nominees proposed to the Corporation's Shareholders by the Corporation's prior Board of Directors and would represent a majority of the Board of Directors; or
  - (vi) the appointment of a number of directors to the Board of Directors which would represent a majority of the Board of Directors and which were nominated by any holder of Shares of the Corporation or by any group of holders of Shares of the Corporation acting jointly or in concert and not approved by the Corporation's prior Board of Directors.
- f) **Constructive Dismissal** means constructive dismissal as defined at common law; however, it does not include any of the following with respect to an Optionee:
- (i) a reduction in compensation unless greater than 15% of the Optionee's total compensation;
  - (ii) a reduction in compensation, regardless of quantum, where such reduction in compensation has been applied in a similar manner to all or substantially all employees of the Corporation;
  - (iii) a change in duties where such change is reasonably required pursuant to a reorganization or restructuring of the Corporation;
  - (iv) a re-location of position;
  - (v) any material change to the Optionee's terms and conditions of employment made with the consent of the Optionee and
  - (vi) a promotion.
- g) **Corporation** means Pieridae Energy Limited and any corporation which it controls pursuant to the *Canada Business Corporations Act*.
- h) **Date of Grant** in respect of an Option means the date on which the Board of Directors grants the particular Option in favour of an individual.
- i) **Eligible Persons** means directors, senior executives and employees of the Corporation and Service Providers to the Corporation.
- j) **Event** has the meaning given to that term in Section 3.8 hereof.
- k) **Exchange** means the Toronto Stock Exchange.
- l) **Exercise Notice** in respect of an Option means the notice regarding the exercise of the particular Option, in the form approved by the Corporation, duly executed by the Optionee.
- m) **Exercise Period** in respect of an Option means the period during which the particular Option may be exercised, which runs from the Date of Grant inclusively, provided that all of the regulatory approvals have been obtained, up to and including the Expiry Date.
- n) **Exercise Price** in respect of an Option means the price at which the Option may be exercised, as established pursuant to Section 3.6 hereof.

- o) **Expiry Date** in respect of an Option means the date established in respect thereof pursuant to Section 3.3 hereof.
- p) **Insider** has the meaning given to that term in the TSX Company Manual<sup>5</sup>.
- q) **Insider Participation Limits** means, collectively, the limits set out in Section 2.6 hereof.
- r) **Market Value** means the closing price of the Shares on the Exchange on the trading day immediately preceding the Date of Grant.
- s) **Notice** has the meaning given to that term in Section 3.4 hereof.
- t) **Option Certificate** in respect of an Option means the certificate representing the Option.
- u) **Option** or **Options** means, as the case may be, one or several options granted pursuant to the Plan for the purpose of purchasing Shares.
- v) **Optionee** in respect of an Option means the employee, director, senior executive or Service Provider, as the case may be, their Personal Representative that hold the Option.
- w) **Personal Representative** of an Optionee means (i) in the case of a deceased Optionee, the Optionee's legatees in accordance with the terms and conditions of the Optionee's last will or the Optionee's representative with respect to the Optionee's estate and (ii) in the case of an Optionee who, for any reason whatsoever, is incapable of managing his or her affairs, the person legally authorized to act on behalf of such Optionee.
- x) **Plan** means this Stock Option Plan.
- y) **Security Based Compensation Arrangement** has the meaning given to that term in the TSX Company Manual<sup>6</sup>.
- z) **Service Provider** has the meaning given to that term in the TSX Company Manual<sup>7</sup>.
- aa) **Share** or **Shares** means, as the case may be, one or several common shares in the share capital of the Corporation.
- bb) **Shareholder** means a holder of one or more Shares.
- cc) **Successor Corporation** has the meaning given to that term in Section 5.4 (a).
- dd) **Termination Date** means the date on which an Optionee ceases to be an Eligible Person as a result of a termination of employment or engagement with the Corporation for any reason, including death, disability, resignation, or termination with or without cause, but not including an Optionee's absence from active employment or engagement with the Corporation during a period of authorized leave of absence. For greater certainty, the Termination Date shall be the last day of the Optionee's actual and active employment or

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<sup>5</sup> See "Interpretation" in the TSX Company Manual

<sup>6</sup> Section 613(b) of the TSX Company Manual

<sup>7</sup> *Ibid.*

engagement with the Corporation, whether such day is selected by agreement with the individual, unilaterally by the Corporation and whether with or without advance notice to the Optionee. No period of notice, if any, or payment instead of notice that is given or that ought to have been given under applicable law, whether by statute, imposed by common law or otherwise, in respect of such termination of employment or engagement that follows or is in respect of a period after the Optionee's last day of actual and active employment or engagement will be considered as extending the Optionee's period of employment or engagement for the purposes of determining his or her entitlement under this Plan.

## 1.2 Governing Law

The Plan is established pursuant to the laws in effect in the Province of Alberta and the policies of the Exchange and its provisions shall be interpreted pursuant to such laws and policies.

## 1.3 Headings

The headings herein are for the convenience of the reader and shall in no way affect the interpretation of the Plan.

## 2 Purpose and Participation

### 2.1 Purpose

The Plan was designed to allow the Corporation, through Shares, to retain and motivate competent directors, senior executives, employees and Service Providers, to compensate directors, senior executives, employees and Service Providers to whom the Board of Directors may grant Options pursuant to the Plan from time to time further to their efforts in attaining the goals of the Corporation and to allow such individuals to purchase Shares as an investment and to encourage them to act in this manner.

### 2.2 Participation

From time to time, the Board of Directors will designate, at its discretion, the Eligible Persons who are to be granted Options and will establish the number of Shares with respect to which each Option may be exercised and grant the Options based on these decisions. The granting of an Option to an Eligible Person will not, at any time, entitle such person to receive Options thereafter, nor will it prevent such person from receiving Options thereafter.

### 2.3 Notice of Granted Options

- a) After the Board of Directors has approved the granting of an Option, any member of the Board of Directors or any other individual designated by the Board of Directors for such purpose shall give written notice of the grant (a **Notice**) to the applicable Eligible Person and shall include therewith the Option Certificate representing the Option thus granted.
- b) In the case of an Option which is proposed to be granted to an employee of the Corporation or a Service Provider, no such Option shall be granted by the Board of Directors to such individual unless and until the Corporation has declared that such individual is a *bona fide* employee of the Corporation or a Service Provider, as the case may be.

### 2.4 Copies of the Text of the Plan

At the time that a Notice is delivered to an Eligible Person upon the initial granting of an Option, that Eligible Person must be provided with either one copy of the text of the Plan or the address of the website from which the text of the Plan can be downloaded by the Eligible Person and within ten (10) days following the receipt of the Notice and the accompanying Option Certificate, each such Eligible Person shall sign that Notice acknowledging that the Eligible

Person has read the Plan and unconditionally agreeing to the terms and conditions stipulated in the Plan, the Option Certificate and the Notice. Notwithstanding any other provision hereof, the grant of such Option by the Corporation to that Eligible Person shall not be effective unless and until the Eligible Person complies with the requirements of this Section 2.4 and all of the other conditions herein relating to such Grant are satisfied.

## 2.5 No Additional Rights

The Plan does not entitle an Optionee to be, or continue to be, an employee or a director of the Corporation nor does it create an obligation on the part of the Optionee. The Plan does not grant the Optionee any rights as a Shareholder with respect to the Shares underlying the Options before such time as the Optionee has exercised his or her Options, or a part thereof and he or she is duly registered as a Shareholder. All decisions regarding the granting of Options shall be made at the sole discretion of the Board of Directors. The Plan does not hinder, limit, force, restrict, or prevent the Board of Directors with respect to the allocation or the issuance of Shares or of any other security of the Corporation, except as specified in the Plan.

## 2.6 Participation Limits

- a) The maximum number of Shares issuable at any time to Eligible Persons who are Insiders pursuant to the exercise of Options granted under this Plan and securities granted under any other Security Based Compensation Arrangement of the Corporation must not exceed 10% of the aggregate number of Shares issued and outstanding from time to time (calculated on a non-diluted basis).
- b) The maximum number of Shares issued to Eligible Persons who are Insiders within any one-year period pursuant to the exercise of Options granted under this Plan and securities granted under any other Security Based Compensation Arrangement of the Corporation must not exceed 10% of the aggregate number of Shares issued and outstanding from time to time (calculated on a non-diluted basis).

## 2.7 Non-Employee Director Participation Limits

- a) The number of Shares that are issuable to Eligible Persons who are non-employee directors under this Plan and any other Security Based Compensation Arrangements of the Corporation shall not at any time exceed \$150,000 worth of Shares annually per non-employee director, of which no more than \$100,000 may be in the form of Options.

# 3 Terms and Conditions of the Options

## 3.1 Issuance of Shares by the Board of Directors

The Shares to be issued to Optionees upon the exercise of the Options shall not be issued by the Corporation unless and until the issuance of such Shares is duly authorized by the Board of Directors.

## 3.2 Number of Shares

The Options to be granted under the Plan must not be exercisable for more than 10% of the Shares issued and outstanding at the time the Options are granted, provided that if the Options expire or are terminated for any reason before they vest and are exercised, the number of Shares underlying such expired or terminated Options may again be available under the Plan.

## 3.3 Term of Options

Subject to Sections 3.5 and 5.2 hereof, the Expiry Date of an Option is the date established by the Board of Directors at the time of the granting of the particular Option, provided that such date does not extend beyond the fifth anniversary of the Date of Grant of the Option, or such later date as determined in accordance with Section 3.4 hereof.



### 3.4 Black-Out Periods

Despite any other provision of this Plan, if the Expiry Date of an Option falls on, or within nine (9) Business Days immediately following, a date upon which an Optionee is prohibited from exercising an Option due to a blackout period or other trading restriction imposed by the Corporation (but, for greater certainty, not a cease trade order or other restriction imposed by any person other than the Corporation) (a Black-Out Period), then the Expiry Date of such Option will be automatically extended to the <sup>te</sup>nth (10th) Business Day following the date the relevant black-out period or other trading restriction imposed by the Corporation is lifted, terminated or removed.

### 3.5 Termination of Options

Subject to Section 3.1 hereof, Optionees may exercise an Option in whole or in part, at any time or from time to time during the Exercise Period, provided that the Option has vested on or before such time pursuant to the terms of the Option Certificate evidencing such Option and provided that, with respect to the exercise of a part of an Option, the Board of Directors shall be entitled, at any time and from time to time, to establish the number of Shares with respect to which an Optionee may exercise a part of the Option held by such Optionee. All of the Options, or parts of an Option, that have not been exercised during the Exercise Period will terminate and become null and void on the day immediately following the Expiry Date. The Expiry Date of an Option will correspond to the earlier of:

- a) the date established by the Board of Directors as the Expiry Date at the time of the granting of the Option and
- b) the date established pursuant to subparagraphs (i) to (v) hereinafter:
  - (i) *Death* – Upon the death of an Optionee who is an Eligible Person, the date established hereby in respect of each Option held by such Optionee at the date of death is the earlier of (A) the Expiry Date of the Option and (B) the expiry of a period of ninety (90) days following the Termination Date; provided that any such Options, or the remainder thereof, which are vested at the Termination Date and which have been granted to such Optionee may be exercised on or before such date by the Optionee’s Personal Representative in accordance with the terms of the Plan
  - (ii) *Cessation of Employment* – If an Optionee at any time on a particular day ceases to be employed by the Corporation (other than as a consequence of the termination of employment by the Corporation for cause), or ceases to hold an office of director of the Corporation, or ceases to be engaged by the Corporation as a Service Provider, for any reason other than death and the Option is held by the Optionee at that time, the date established hereby in respect of such Option is three hundred and sixty five (365) days after the Termination Date if such Option was granted to the Optionee by the Corporation at any time on or before October 24, 2017 and in any other case, the date established hereby in respect of such Option is ninety (90) days after the Termination Date.
  - (iii) Notwithstanding subparagraphs (i) and (ii) above, the Board of Directors may, at its discretion and subject to the approval of the Exchange, if required, by means of a prior notice sent to an Optionee or to his or her Personal Representative, allow an Option, or part of an Option, to remain valid and in effect and may direct that the Expiry Date of an Option or part of an Option held by the Optionee be deemed to be the Termination Date, or a date after any of such events.
  - (iv) *Termination of Employment for Cause* – If the employment of an Optionee is terminated for cause, the date established hereby in respect of each Option held by such Optionee is the first day that the Optionee ceased to be employed by the Corporation after expiration of the applicable period of notice of termination, if any.

- (v) *Discretion of the Board of Directors* – The Board of Directors may, at any time or from time to time, with the consent of an Optionee and, subject to the approval of the Exchange, accelerate or postpone the Expiry Date of an Option or of any part of an Option held by the Optionee if the Board of Directors establishes, at its discretion, that this measure is warranted under the circumstances and provided that the Expiry Date of the Option does not extend beyond the fifth anniversary of the Date of Grant.

### 3.6 Exercise Price

- a) No consideration will be payable with respect to the granting of an Option. Consideration will be payable pursuant to paragraph 3.6(b) hereunder.
- b) At the time of the granting of an Option, the Board of Directors shall establish the price at which an Optionee may purchase an underlying Share upon the exercise of his or her Option. Said price will not be less than the Market Value.
- c) The Board of Directors may reduce the Exercise Price of an Option with the consent of the Optionee, subject to the prior approval of the disinterested Shareholders of the Corporation and any other requirements of the Exchange, if the Optionee is an insider.

### 3.7 Assignment of Options

Options may not be assigned or transferred. However, to the extent provided for pursuant to Section 4.1 hereof, the Personal Representative of an Optionee may exercise Options during the Exercise Period.

### 3.8 Adjustments

Prior to the exercise of an Option, if a stock dividend is paid with respect to the Shares or if the Shares are consolidated, subdivided, converted, exchanged, or redesignated, or if they are in any way replaced (collectively an **Event**), the Option, to the extent that it has not been exercised, will, subject to the approval of the Exchange, entitle the holder thereof, upon its exercise pursuant to its terms and conditions, to the number and type of Shares, other securities or assets that the holder would have been entitled to receive as a result of the Event as if such holder were the owner of the underlying Shares at the time the Event occurred and the Exercise Price of the Option will be the same as if the underlying Shares initially subject to the Option had been purchased pursuant hereto. No fractional Shares will be issued upon the exercise of the Options and if an Optionee is entitled to a fraction of a Share as a result of an Event, then such Optionee will only be entitled to purchase the nearest lower full number of Shares and no payment or any other adjustment will be made with respect to the fractional participation that is not taken into account. If an Event occurs, the number of Shares that the Board of Directors has authorized pursuant to the Plan as set forth in Section 3.2 hereof will be adjusted accordingly.

## 4 Exercise of Options

### 4.1 Exercise of Options

Only the Optionee or his or her Personal Representative, as the case may be, has the right hereunder to exercise an Option in accordance with the provisions of the Plan. An Optionee, or his or her Personal Representative, may exercise an Option in whole or in part, at any time or from time to time during the Exercise Period provided that the Option has vested on or before such time pursuant to the terms of the Option Certificate evidencing such Option, by delivering to the Board of Directors:

- a) an Exercise Notice duly signed by the Optionee or his or her Personal Representative, as the case may be;
- b) the applicable Option Certificate;

- c) if the Exercise Notice is signed by a Personal Representative of the Optionee whose Options are exercised, any documentation that the Corporation may request and
- d) and a certified cheque or bank draft payable to the Corporation in an amount equal to the aggregate of (i) the aggregate Exercise Price of the underlying Shares that are being purchased as a result of the exercise of the Option and (ii) the amount of the applicable withholding tax as determined by the Corporation.

#### 4.2 Issuance of Shares

As soon as possible after the receipt of the Exercise Notice, the Board of Directors will direct management to ensure that a certificate for the Shares thus purchased on the exercise of an Option is delivered to the Optionee or his or her Personal Representative, as the case may be. If the number of Shares thus purchased is less than the number of Shares represented by the Option Certificate that is surrendered, the Board of Directors shall make a note thereon indicating the number of Shares with respect to which the Option was exercised and shall return such Option Certificate to the Optionee or his or her Personal Representative, as the case may be, at the same time as the Share certificate mentioned above is issued.

#### 4.3 Conditions of the Issuance

The issuance of Shares by the Corporation as a result of the exercise of an Option is subject to the laws (including the *Income Tax Act* (Canada), rules and regulations of all of the authorities and public bodies applicable with respect to the issuance and the distribution of Shares, including but not limited to the Exchange. The Optionee agrees to comply with all of these laws, rules and regulations, to provide the Corporation with the information, reports and covenants necessary in order to comply with such laws, rules and regulations and to fully collaborate with the Corporation with respect to such compliance.

### 5 Administration, Amendments and Termination of the Plan

#### 5.1 Administration

The Board of Directors will administer the Plan in its sole discretion. The Board of Directors will have the full power and sole responsibility to interpret the provisions of the Plan and to make regulations and formulate administrative provisions for its implementation and to make such changes in the regulations and administrative procedures as, from time to time, the Board of Directors deems proper and in the best interests of the Corporation and to reserve and issue Shares issuable pursuant to the exercise of Options. Such regulations and provisions may include the delegation to a committee of the Board of Directors of such administrative duties and powers of the Board of Directors as it may, in its sole discretion, deem fit. The determinations of the Board of Directors in the administration of the Plan shall be final and conclusive.

#### 5.2 Amendment

The Board of Directors may, at any time and from time to time, without the approval of the Shareholders (other than any required regulatory or Exchange approvals), suspend, discontinue, or amend this Plan or any Option. Examples of the types of amendments that may be made by the Board without Shareholder approval include, without limitation, the following:

- a) amendments to ensure continuing compliance with applicable laws, regulations, requirements, rules or policies or any governmental authority or any stock exchange;
- b) amendments of a “housekeeping” nature, which include amendments to eliminate any ambiguity or correct or supplement any provision contained herein;
- c) amendments respecting the administration of the Plan;

- d) changing the vesting provisions of the Plan or any Option Certificate;
- e) changing the termination provisions of any Option that does not entail an extension beyond the original Expiry Date and
- f) any other amendment that does not require the approval of Shareholders under Section 5.3 hereof.

### 5.3 Amendments Requiring Shareholder Approval

Notwithstanding Section 5.2 hereof, specific Shareholder approval is required for:

- a) any change to the maximum number of Shares issuable from treasury under the Plan, including an increase to the fixed maximum percentage or a change from a fixed maximum percentage to a fixed maximum number of Shares, other than an adjustment pursuant to Section 3.8;
- b) any amendment which reduces the exercise price of any Option after the Options have been granted or any cancellation of an Option and the substitution of that Option by a new Option with a reduced price, except in the case of an adjustment pursuant to Section 3.8;
- c) any amendment which extends the Option Term beyond the original expiry date, except as provided in Section 3.4 hereof;
- d) any amendment to remove or to exceed the Insider Participation Limits;
- e) any amendment which would allow non-employee directors to be eligible for awards under the Plan on a discretionary basis or an amendment which would increase limits imposed on non-employee director participation pursuant to Section 2.7;
- f) any amendment which would permit any Option granted under the Plan to be transferable or assignable by any Eligible Person other than as allowed by Section 3.7;
- g) any amendment to the amendment provisions of this Plan found in Section 5.2 or this Section 5.3.

### 5.4 Change of Control

- a) In the event of a Change of Control, the surviving, continuing, successor or purchasing corporation or Affiliate thereof, as the case may be (the **Successor Corporation**), may either assume the Corporation's rights and obligations under outstanding Options or substitute for outstanding Options substantially equivalent options in the Successor Corporation in a manner that substantially preserves and does not impair the rights of the Optionees thereunder in any material respect.
- b) In the event that an assumption or substitution of Options is not made by the Successor Corporation in accordance with paragraph a) prior to or in connection with a Change of Control, all Options held by an Optionee as at the date of the Change of Control, whether vested or unvested, will automatically vest as of the date of the Change of Control.
- c) If the employment of an Optionee is terminated by the Corporation during the one (1) year period after a Change of Control for any reason other than for Cause, or the Optionee resigns from his employment as a result of Constructive Dismissal, then any unvested Options held by the Optionee as at the date of the Change of Control shall accelerate and will fully vest effective on the date of the Change of Control and all Options that are vested or deemed to be vested may be exercised by the Optionee within 30 days from the Termination Date.

**5.5 Retroactive Amendment**

The Board of Directors may, from time to time and subject to the approval of the Exchange, retroactively amend the Plan provided they are permitted to do so under this Section 5 hereof and, with the consent of the affected Optionees, retroactively amend the terms and conditions of the Options that have been granted until then.

**5.6 Termination of the Plan**

The Board of Directors may terminate the Plan at any time, provided that such termination does not affect the rights of any Optionee pursuant to any Option and does not amend the terms and conditions of any Option that has been granted to such Optionee before the date of such termination and, notwithstanding such termination, the Corporation, the Options and the Optionees will continue to be subject to the provisions of the Plan.

## SCHEDULE B – BOARD OF DIRECTORS MANDATE

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### 1. PRIMARY OBJECTIVE

The primary objective of the Board in discharging its mandate is the effective and efficient conduct by the Corporation of its business and affairs in accordance with its articles, by-laws, and policies and in a manner and to the extent consistent with applicable law and with the purpose of enhancing and preserving Shareholder value while taking into account the legitimate interests of employees, customers, lenders and the wider communities.

Accordingly, the Board will be concerned with such matters as strategic and financial planning, risk assessment and mitigation, senior management determination, corporate governance, public disclosure, and compliance monitoring.

### 2. DIRECTORS

Each director has the duty to act in the best interests of the Corporation and in so doing must thoroughly understand the nature and extent of the Corporation’s business and affairs while maintaining an acute awareness of the political, economic, social, legal, and environmental realities and constraints prevailing in all jurisdictions in which the Corporation conducts, or proposes to conduct, its business and affairs. In exercising their powers and in discharging their duties, the directors shall:

- act honestly and in good faith with a view to the best interests of the Corporation;
- exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances;
- disclose to the Corporation the nature and extent of any interest that the director has in a material contract or material transaction with the Corporation if the director is a party to the contract or transaction, is a director or an officer, or an individual acting in a similar capacity, of a party to the contract or transaction or has a material interest in a party to the contract or transaction;
- comply with the CBCA and the regulations enacted thereunder as well as with the Corporation’s articles and by-laws; and
- comply with their obligations under applicable law and the policies adopted by the Corporation.

### 3. MANDATE

#### (a) statutory responsibilities

The Board has the statutory responsibility:

- to supervise the management of the business and affairs of the Corporation;
- to review and to approve the annual consolidated financial statements of the Corporation;
- to place before the Shareholders at every annual meeting the annual consolidated financial statements of the Corporation, the report of the auditor and any further information respecting the financial position of the Corporation and the results of its operations required by the articles and by-laws of the Corporation.

The Board is also responsible for considering the following matters as a full Board which in law may not be delegated to management or to a committee of the Board:

- any submission to the Shareholders of a question or matter requiring the approval of the Shareholders;
- the filling of a vacancy among the directors or in the office of auditor, or appointment of additional directors;
- the declaration of dividends;
- the purchase, redemption, or any other form of acquisition of securities issued by the Corporation;
- the approval of a management proxy circulars;
- the approval of any take-over bid circular or directors' circular;
- the approval of annual consolidated financial statements of the Corporation; and

- the adoption, amendment, or repeal of the by-laws of the Corporation.

**(b) strategic and financial planning**

The Board has the responsibility:

- to review and consider for approval the strategic and financial objectives of the Corporation proposed by management;
- to review and consider for approval the operating and capital budgets of the Corporation proposed by management;
- to review and consider for approval all amendments or departures from the established strategic and financial objectives and budgets of the Corporation as proposed by management; and
- to review financial performance of the Corporation measured against the financial objectives and budgets of the Corporation.

**(c) risk assessment and mitigation**

The Board has the responsibility:

- to ensure that management has identified and assessed the principal risks attendant on the business and affairs of the Corporation and has achieved an appropriate balance between the risks incurred and the anticipated benefits; and
- to confirm that there are systems in place which effectively monitor and mitigate those risks with a view to achieving the strategic and financial objectives of the Corporation.

**(d) senior management determination**

The Board has the responsibility:

- to appoint the CEO and approve the primary duties of the CEO;
- to approve the terms and conditions (including compensation) of the CEO’s employment by the Corporation;
- to monitor and assess the performance of the CEO measured against the strategic and financial objectives of the Corporation;
- if requested by the CEO, to advise and counsel the CEO in the execution o’ the CEO’s duties;
- in consultation with the CEO, to approve the appointment of the other Officers and to approve the terms and conditions (including compensation) of those Officer’s employment by the Corporation; and
- to assess the adequacy of the processes implemented by the Corporation to train and develop the Officers and other members of senior management and to achieve the orderly succession of management.

**(e) corporate governance**

The Board has the responsibility:

- to implement appropriate structures and procedures to permit the Board to function independently of management;
- to analyse the definition of independence and its application to individual directors on a periodic basis;
- to establish appropriate practices for the regular evaluation of the effectiveness of the Board, its committees, and individual directors;
- to establish committees and approve their respective mandates and the limits of authority delegated to each committee;
- to establish limits of authority delegated to Officers; and
- to assess the integrity and professional conduct of the Officers and other members of senior management, to monitor their compliance with applicable law and the policies adopted by the Corporation and to evaluate their success in creating a corporate culture of integrity, professionalism, and compliance with legal and corporate standards.

**(e) public disclosure**

The Board has the responsibility:

- to supervise the Corporation’s compliance with its public disclosure obligations;
- to verify that the Corporation has in place policies and programs that ensure that the Corporation communicates effectively and on a timely basis with Shareholders, employees, other stakeholders, and the public generally;
- to verify that management of the Corporation discharges its responsibilities in relation to the preparation and fair presentation of the Corporation’s annual consolidated financial statements in accordance with International Financial Reporting Standards;
- to verify that the financial performance of the Corporation is adequately reported to Shareholders and regulators on a timely and regular basis;
- to verify the timely disclosure of any other developments that have, or could have, a material or significant impact on the business or affairs of the Corporation; and
- to report at least annually to the Shareholders of the Corporation on its stewardship of the business and affairs of the Corporation.

**(g) compliance monitoring**

The Board has the responsibility to:

- to monitor the Corporation’s compliance with applicable law in the conduct of its business and affairs including compliance with each of its contractual obligations;
- to monitor the Corporation’s compliance with its policies and procedures in the conduct of its business and affairs including compliance with policies and procedures concerning such matters as the health and safety of its employees, the protection of the environment and ethical business conduct;
- to verify that the Corporation maintains adequate internal controls and information systems for the purpose of ensuring that the Corporation satisfies all of its compliance obligations; and
- to take remedial action if the Corporation fails to satisfy any of its compliance obligations.

**(h) other responsibilities**

The Board has the responsibility to:

- to ensure that all new directors receive an orientation respecting the Corporation's business and affairs and receive continuing education opportunities to enhance their skills; and
- to take such other action that is consistent with this mandate, the Corporation's articles, bylaws and policies and applicable law as the Board considers necessary or appropriate acting reasons.

**4. MEETINGS AND OPERATION**

The Chair or any two directors may call a meeting of the Board, at such time and at such place as they determine, by giving at least forty-eight hours’ notice of such meeting to all directors.

The Board shall meet as often as it determines, but not less frequently than quarterly.

Independent directors shall meet regularly and as often as necessary to fulfil their responsibilities, without non-independent directors and management participation.

A quorum for meetings of the Board will be a majority of directors and the rules for calling, holding, conducting and adjourning meetings of the Board will be those prescribed by the articles and by-laws of the Corporation.



The affirmative vote of a majority of the directors participating in any meeting of the Board is necessary for the adoption of any resolution.

The Chair will preside at all meetings of the Board, unless the Chair is not present, in which case the directors that are present will designate from among such members the Chair for the purposes of the meeting.

Agendas, approved by the Chair, will be circulated to the directors along with background information on a timely basis prior to the Board meetings. Minutes of all meetings of the Board will be taken. The minutes of the Board will be recorded and maintained.

All directors are expected to allow sufficient time to review meeting materials and be prepared for Board meetings. Directors are expected to attend most, if not all, Board meetings.

A director or directors may participate in a meeting of the Board by means of such telephonic, electronic, or other communication facilities that permit all persons participating in the meeting to communicate adequately with each other and a director participating in such a meeting by any such means is deemed to be present at that meeting.

The CEO will attend meetings of the Board where matters relating to the functions as the Board are dealt with, unless otherwise excused from all or part of any such meeting by the Chair. The Board may invite such other Officers, directors, and employees of the Corporation as it sees fit from time to time to attend at meetings of the Board and assist in the discussion and consideration of the matters being considered by the Board.

Subject to the articles and by-laws of the Corporation and applicable law, the Board may delegate powers, duties, and responsibilities to committees of the Board and the Board retains the responsibility of managing its own affairs including selecting its Chair, nominating candidates for election to the Board, constituting committees of the full Board, determining directors' compensation and assessing the effectiveness of the Board, committees and directors in fulfilling their responsibilities.

## **5. INDEPENDENT ADVISORS**

The Board has the authority to retain such independent advisors as it may consider necessary or advisable for its purposes. The expenses related to such engagement shall be funded by the Corporation.

## **6. RESPONSIBILITIES OF THE CHAIR**

The Chair of the Board is appointed at the pleasure of and reports to the Board. The responsibilities of the Chair include:

- working collaboratively with the CEO to coordinate the affairs of the Board and to ensure effective relations with Officers, Shareholders, other stakeholders and the public and
- ensuring that the Board is organized properly, functions effectively and meets its obligations; and
- responsibilities in all aspects of its work.

### **(a) relationship with the CEO**

The Chair will maintain unfettered bi-lateral communication with the CEO. The Chair's interaction with all other Officers is permitted as appropriate.

The Chair will work collaboratively with the CEO:

- to act as the principal sounding board, counsellor, and confidant for the CEO, including helping to review strategies, define issues, maintain accountability, and build relationships;
- to ensure the CEO is aware of concerns of the directors, other Officers, Shareholders, other stakeholders, and the public;

- to assess, in conjunction with the relevant committees, the performance of the CEO and provide input with respect to compensation and succession;
- to work closely with the CEO to ensure management strategies, plans and performance are appropriately presented to the Board; and
- at the request of the CEO, to provide assistance on major policy issues such as acquisitions, divestitures and new strategic initiatives.

#### **(b) relationship with the board**

The Chair will work collaboratively with the other members of the Board:

- to lead the Board in monitoring and evaluating the performance of the CEO, the accountability of the CEO and the implementation of management succession and development plans;
- to ensure the Board receives adequate and regular updates from the CEO on all issues important to the interests of the Corporation;
- to maintain a liaison and communication with all directors and committee Chairs to coordinate input from directors and optimize the effectiveness of the Board and its committees; and
- in collaboration with the CEO, to ensure data requested by directors or committees is provided in a timely manner and meets their needs.

#### **(c) board meetings**

The Chair has the responsibility:

- to chair meetings of the Board;
- to ensure the directors are alert to their obligations to the Corporation, Shareholders, management, other stakeholders and pursuant to law;
- to establish the frequency of meetings of the Board and review such frequency from time to time, as considered appropriate or as requested by the directors;
- to assist the appropriate committee in identifying a slate of directors to be nominated for election to the Board;
- to recommend board committees and their composition, review the need for and the performance and suitability of, those committees and make such adjustments as are deemed necessary from time to time, all in conjunction with the CEO and the relevant committees;
- to prepare the agenda and coordinate the distribution of the agenda, information packages and related materials for meetings of the Board in consultation with the CEO;
- to coordinate the review and assessment of individual attendance, performance and compensation of directors and the size and composition and overall performance of the Board, all in conjunction with the relevant committees of the Board;
- to endeavour to ensure that the Board's key discussions take place when as many of the directors as possible are present and that essential decisions are made when as many directors as possible are present (either in person or by telephone);
- to endeavour to ensure that Board meetings can be scheduled to deal with important business that arises outside of the regular periodic meetings;
- to endeavour to ensure that the Board is able to function independently of management;
- to consider and allow for, when appropriate a meeting of all independent directors, so that Board meetings can take place without management being present;
- to endeavour to ensure reasonable procedures are in place to allow for directors to engage outside advisors at the expense of the Corporation, in appropriate circumstances; and
- to apply the Rules of Order:
  - to ensure that the meeting is duly constituted;
  - to ensure the meeting provides for reasonable accommodation;
  - to confirm the admissibility of all persons at the meeting;
  - to preserve order and the control of the meeting; and

- to ascertain the sense of the meeting by a vote on all questions properly brought before the meeting.

**(d) Shareholder meetings**

The Chair has the responsibility:

- to chair meetings of Shareholders;
- to ensure, in collaboration with the CEO and relevant committees, that the Corporation's management and, where applicable, the Board are appropriately represented at official functions and meetings with major Shareholder groups and other stakeholder groups;
- at the request of the CEO, to assist in representing the Corporation at specific Shareholder presentations, or with senior levels of industry or government to promote specific corporate objectives;
- at the request of the CEO, to undertake public service activities in conjunction with the Corporation's charitable, educational, and cultural objectives and
- to apply the Rules of Order:
  - to ensure that the meeting is duly constituted;
  - to ensure the meeting provides for reasonable accommodation;
  - to confirm the admissibility of all persons at the meeting;
  - to preserve order and the control of the meeting;
  - to appoint scrutineers if requested and instructing them in their duties;
  - to rule on the validity of proxies; and
  - to ascertain the sense of the meeting by a vote on all questions properly brought before the meeting.

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