



## NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that an annual general and special meeting (the “**Meeting**”) of the holders of common shares (the “**Shareholders**”) in the capital of Kiwetinohk Energy Corp. (the “**Company**”) is to be held at Livingston Place, 250 – 2nd Avenue S.W., West Tower, Suite 1700 on Thursday, May 9, 2024 at 9:30 a.m. (Calgary time) for the following purposes:

- (1) to receive the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2023 and the independent auditors’ report thereon;
- (2) to elect each of the directors of the Company;
- (3) to appoint Deloitte LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year;
- (4) to consider and, if thought advisable, pass an ordinary resolution of shareholders (on a disinterested basis) approving the unallocated options under the Company’s option plan; and
- (5) to transact any other business as may properly come before the Meeting and any adjournment(s) or postponement(s) of the Meeting.

Dated at Calgary, Alberta this 21<sup>st</sup> day of March, 2024.

**BY ORDER OF THE BOARD OF DIRECTORS OF  
KIWETINOHK ENERGY CORP.**

*(signed)* “Kevin Brown”  
Chair of the Board

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# MANAGEMENT INFORMATION CIRCULAR

## GENERAL INFORMATION

### Meeting Date and Time

Kiwetinohk Energy Corp. (the “**Company**” or “**Kiwetinohk**”) will be holding an annual general and special meeting (the “**Meeting**”) of holders (“**Shareholders**”) of its common shares (“**Common Shares**”) on Wednesday, May 9, 2024 at 9:30 a.m. (Calgary time) at Livingston Place, 250 – 2nd Avenue S.W., West Tower, Suite 1700.

### Date of Information

Information in this management information circular (the “**Information Circular**”) is given as of March 21, 2024 unless otherwise noted.

### Voting Shares and Principal Holders

As at March 21, 2024, there were 43,662,644 Common Shares issued and outstanding. The Common Shares trade under the symbol “KEC” on the Toronto Stock Exchange (“**TSX**”).

To the knowledge of the directors and officers of Kiwetinohk, as of March 21, 2024, no person or company beneficially owns or exercises control or direction over, directly or indirectly, more than 10% of the voting rights attached to all of the outstanding Common Shares, other than as set forth below:

Name	Number of Common Shares <sup>(4)</sup>	Percentage of Common Shares
ARC <sup>(1)(2)</sup>	27,539,624	63.1%
Luminus Energy IE Designated Activity Company <sup>(3)</sup>	5,202,334	11.9%

**Notes:**

- (1) “ARC” means ARC Equity Management (Fund 8) Ltd. (as the general partner of ARC Equity Management (Fund 8) Limited Partnership, as the general partner of ARC Energy Fund 8 Canadian Limited Partnership, ARC Energy Fund 8 United States Limited Partnership, ARC Energy Fund 8 International Limited Partnership and ARC Capital 8 Limited Partnership) and ARC Equity Management (Fund 9) Ltd. (as the general partner of ARC Energy Fund 9 Canadian Limited Partnership, ARC Energy Fund 9 United States Limited Partnership, ARC Energy Fund 9 International Limited Partnership and ARC Capital 9 Limited Partnership).
- (2) Such Common Shares are owned both of record and beneficially by ARC.
- (3) Such Common Shares are owned both of record and beneficially by Luminus Energy IE Designated Activity Company (“Luminus”).
- (4) Based on information publicly filed by the shareholder and/or the Company’s records.

### Additional Information

Additional information concerning Kiwetinohk, including Kiwetinohk’s consolidated comparative interim and annual financial statements and management’s discussion and analysis thereon, as well as

Kiwetinohk's 2023 annual information form, is available through the internet on the Company's profile on the Canadian System for Electronic Document Analysis and Retrieval ("**SEDAR+**") which may be accessed at [www.sedarplus.ca](http://www.sedarplus.ca). This information may also be accessed on the Company's website at [kiwetinohk.com](http://kiwetinohk.com). Financial information in respect of Kiwetinohk's most recently completed financial year is contained in Kiwetinohk's comparative annual financial statements and management's discussion and analysis thereon.

Upon request by a securityholder to Kiwetinohk at the address set out below, Kiwetinohk will provide to such securityholder, without charge, copies of Kiwetinohk's 2023 annual information form, consolidated comparative financial statements for fiscal 2023 together with the independent auditors' report and management's discussion and analysis thereon, interim financial statements for subsequent periods and this Information Circular.

## Contact Information

Head Office: Suite 1700, 250 – 2nd Street SW  
Calgary, Alberta, Canada  
T2P 0C1  
Attention: Senior Vice President, Business Systems  
Telephone: 587-392-4424  
Website: [www.kiwetinohk.com](http://www.kiwetinohk.com)

## VOTING AND PARTICIPATION INFORMATION

### General Voting Information

#### *Proxy Solicitation*

Proxies are being solicited by management of Kiwetinohk to be used at the Meeting, or any adjournment(s) or postponement(s) of the Meeting. Solicitations will be primarily by mail but may also be by newspaper publication, in person or by telephone, electronic transmission or communication by directors, officers, employees or agents of Kiwetinohk. All costs of the solicitation will be paid by Kiwetinohk.

#### *Who is Entitled to Vote*

If you are a registered holder of Common Shares at the close of business on March 21, 2024 (the "**Record Date**"), you are entitled to receive notice of and vote at the Meeting. You will be entitled to vote all of the Common Shares that you held on the Record Date at the Meeting.

When Common Shares are held jointly by two or more persons, those shares may be voted at the Meeting (either in person or by proxy) by any one of those holders, or, alternatively, by all such holders jointly. Each Common Share is entitled to one vote.

#### *Quorum*

Quorum for the Meeting will be at least two individuals present in person, being Shareholders or proxyholders entitled to vote at the Meeting, who own or represent Common Shares having not less than 25% of the votes entitled to be cast at the Meeting.

### **Proxy Voting**

You can indicate on your proxy how you want your proxyholder to vote your Common Shares or you can let your proxyholder decide for you. If you specify how you want your Common Shares voted, then your proxyholder must vote in accordance with your instructions. In the absence of specific instructions, your proxyholder can vote your Common Shares as he or she sees fit. **If you appoint Kevin Brown, the Company's Board Chair, of Calgary, Alberta or failing him, Patrick Carlson, the Company's CEO, also of Calgary, Alberta, and do not specify how you want your Common Shares to be voted, your Common Shares will be voted as follows:**

Election of each management nominee as a director	FOR
Appointment of auditors	FOR
Approval of unallocated options	FOR

The persons named in the enclosed proxy will have discretionary authority with respect to any amendments or variations of the matters of business to be acted on at the Meeting or any other matters properly brought before the Meeting or any adjournment or postponement thereof, in each instance, to the extent permitted by law, whether or not the amendment, variation or other matter that comes before the Meeting is routine and whether or not the amendment, variation or other matter that comes before the Meeting is contested.

### **Amendments or Other Matters**

At the time of printing this Information Circular, Kiwetinohk's management does not know of any matter that may come before the Meeting other than the matters referred to above or of any potential amendment to, or variation of, these matters. If any other matters or any amendments to, or variations of, the above matters do properly come before the Meeting, your proxyholder will vote on them using his or her best judgment.

### **Shareholder Proposals**

The *Canada Business Corporations Act* ("**CBCA**") permits eligible Shareholders to submit shareholder proposals for consideration at each annual meeting of Shareholders. The date for submission of proposals by Shareholders to the Company for inclusion in the Information Circular in connection with the Meeting is between December 5, 2023 and February 3, 2024, being the date that is between 90 to 150 days before the anniversary of the last annual Shareholder meeting. The Company did not receive any shareholder proposals for the current year. The date for submission of proposals by Shareholders to the Company for inclusion in next year's Information Circular in connection with the Meeting is between December 9, 2023 and February 7, 2024. All proposals must be sent by registered mail to:

Kiwetinohk Energy Corp.  
Attn: Senior Vice President, Business Systems  
Suite 1700, 250 – 2nd Street SW  
Calgary, Alberta, Canada T2P 0C1

## Registered Shareholder Voting

If your Common Shares are held in your name and you have a share certificate you are a registered Shareholder. You may vote in person at the Meeting, by proxy, by telephone, or by internet. For further instructions, see the enclosed form of proxy.

### *Voting in Person*

If you plan to attend the Meeting and vote your Common Shares in person, do not complete the enclosed proxy form. When you arrive at the Meeting, register with Kiwetinohk's transfer agent, Computershare Trust Company of Canada, and your vote at the Meeting will be counted.

### *Voting by Proxy*

Registered Shareholders may vote their Common Shares by proxy delivered by mail or by proxy delivered by telephone or the internet in accordance with the instructions contained in the enclosed proxy.

If you choose to vote by proxy delivered by mail, you may use the enclosed proxy or complete another proper instrument of proxy. In either case, you must deliver the completed and executed proxy to either:

- (i) the registered office of the Company at Suite 1700, 250 – 2nd Street SW, Calgary, Alberta, T2P 0C1, Attention: Senior Vice President, Business Systems; or
- (ii) the Company's transfer agent, Attention of the Proxy Department of Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1;

no later than 9:00 a.m. (Calgary time) on May 7, 2024 or, if the Meeting is adjourned or postponed, at least 48 hours (excluding weekends and holidays) before the time set for the Meeting to resume (the "**Proxy Deposit Deadline**"). If you choose to vote by proxy delivered by telephone or the internet, you must do so by the Proxy Deposit Deadline. **The time limit for deposit of proxies may be waived or extended by the Chair of the Meeting at his or her discretion without notice.** If you have voted by proxy, you may not vote in person at the Meeting unless you revoke your proxy.

### *Revoking your Proxy*

You may revoke your proxy any time before it is acted upon by:

- (i) signing a new proxy bearing a later date and delivering it to Kiwetinohk's registered office or to Kiwetinohk's transfer agent, Computershare Trust Company of Canada, at either of the above addresses at least 48 hours (excluding weekends and holidays) prior to the commencement of the Meeting or any adjournment or postponement of the Meeting;
- (ii) depositing written notice of revocation at Kiwetinohk's registered office or to Kiwetinohk's transfer agent, Computershare Trust Company of Canada, at either of the above addresses at any time prior to the Meeting or any adjournment or postponement thereof, or delivering it to the Chair of the Meeting at the Meeting; or
- (iii) attending and voting at the Meeting.

### *How to Appoint a Proxyholder to Participate in the Meeting*

The persons named in the enclosed proxy are directors and/or senior officers of Kiwetinohk. **You may appoint some other person to be your proxyholder at the Meeting by inserting that person's name in the blank space provided in the enclosed form of proxy or by completing another proper instrument of proxy.**

## Beneficial Shareholder Voting

If your Common Shares are held in the name of a nominee or intermediary (i.e., deposited with a securities broker, bank or other institution) you are a beneficial Shareholder. You may vote in person at the Meeting as proxy for the registered holder of your Common Shares or provide voting instructions to the registered holder of your Common Shares via mail, telephone or internet. For further instructions, see the voting instruction or proxy form provided to you.

### *Voting in Person*

If you plan to attend the Meeting and vote your Common Shares in person as proxyholder for the registered holder of your Common Shares, insert your name on the voting instruction or proxy form provided to you and follow the applicable instructions on that form. When you arrive at the Meeting, register with Kiwetinohk's transfer agent, Computershare Trust Company of Canada, and your vote at the Meeting will be counted, provided the proxy is in good order.

### *Voting Instructions*

Beneficial Shareholders should note that only proxies deposited by Shareholders whose names appear on the records of the registrar and transfer agent for Kiwetinohk as the registered holders of Common Shares can be recognized and acted upon at the Meeting. Beneficial Shareholders may vote by providing voting instructions to the registered holder of the Common Shares via mail, telephone or internet. For further instructions, see the voting instruction form provided to you by your nominee or intermediary.

Applicable regulatory policies require registered shareholders who hold their shares as nominees to seek (or have an intermediary seek on their behalf) voting instructions from their respective beneficial shareholders in advance of shareholders' meetings. Every nominee and intermediary has its own mailing procedures and provides its own voting and return instructions. The voting and return instructions for your applicable nominee or intermediary are set out in the voting instruction that they have provided to you. You must carefully follow the instructions on this form in order to ensure your Common Shares are voted at the Meeting. The vast majority of nominees delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). If your nominee has appointed Broadridge, you should have received a scannable voting instruction form from Broadridge, and you will need to either complete and return this form to Broadridge by mail, or alternatively, convey your voting instructions to them via the internet or by calling a toll-free telephone number as set out in the form. Broadridge will tabulate the results of all instructions that it receives and provide appropriate voting instructions to Computershare Trust Company of Canada for use at the Meeting. **A beneficial Shareholder must comply with the instructions on the voting instruction or proxy form provided to it well in advance of the Meeting in order to ensure their Common Shares can be voted at the Meeting.**

## BUSINESS OF THE MEETING



## Financial Statements

Kiwetinohk's consolidated financial statements as at and for the year ended December 31, 2023 and the auditors' report thereon have been mailed to registered Shareholders and will be placed before the Shareholders at the Meeting.

## Election of Directors

Kiwetinohk's articles provide that the Board of Directors (the "**Board**") shall consist of a minimum of three and a maximum of eleven directors. The Board has fixed the number of directors to be elected at the Meeting at nine, each of whom will serve until the next annual meeting of Shareholders or until their respective successors are elected or appointed. The nine nominees are:

- Kevin Brown
- Beth Reimer-Heck
- Judith Athaide
- Colin Bergman
- Patrick Carlson
- Leland Corbett
- Kaush Rakhit
- Steven Sinclair
- John Whelen

All director nominees have consented to being named in this Information Circular and to serve as directors if elected. Kiwetinohk's management does not contemplate that any of the director nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, your proxyholder has the right to use his or her discretion in voting for another nominee unless you have specified in your voting instruction or proxy form that he or she does not have such authority. The Company's articles permit the Board, between annual meetings of Shareholders, to appoint one or more additional directors (up to a maximum of 1/3 of the number of directors who held office at the expiration of the last annual meeting of Shareholders).

Your proxyholder will vote FOR the election of each of these nominees as a director of Kiwetinohk unless you indicate in your voting instruction or proxy form that your Common Shares are to be voted against one or more nominee(s).

**The Canada Business Corporations Act requires majority voting for the election of directors, meaning that a nominee director will not be elected unless the votes cast in his or her favour represent a majority of the total votes cast for and against him or her by Shareholders. Management recommends voting FOR each of the nominees.**

## Appointment of Auditors

Unless you indicate in the enclosed voting instruction or proxy form that authority to vote for the re-appointment of the Company's current auditors is withheld, your proxyholder will vote FOR the re-

appointment of Deloitte LLP, Chartered Professional Accountants, at their offices in Calgary, Alberta, as auditors of the Company to hold office until the next annual meeting of Shareholders. Deloitte LLP have been Kiwetinohk's auditors since 2018.

The information regarding Kiwetinohk's audit committee as required by section 5.1 of National Instrument 52-110 is set forth in Kiwetinohk's 2023 annual information form under the heading "Audit Committee Information" and in Appendix "C" thereto.

**In order for this resolution to be passed, it must be approved by a simple majority of the votes cast (50% plus one vote) by Shareholders in person or represented by proxy at the Meeting. Management recommends voting FOR the resolution.**

## **Approval of Unallocated Options Under the Company's Option Plan**

Kiwetinohk's option plan (the "**Option Plan**") is described in "Schedule B – Option Plan" attached hereto. Pursuant to the Option Plan, options to acquire Common Shares ("**Options**") may be granted to eligible participants, including directors, officers, employees and service providers of Kiwetinohk, which are exercisable for one Common Share per Option. Additional Common Shares that may be issued pursuant to the Option Plan but are not subject to current Option grants are referred to as unallocated Options. For a detailed description of the Option Plan please refer to the heading "*Equity Compensation Plan Information - Options*".

Kiwetinohk's Option Plan is considered a "rolling" plan as it does not have a fixed maximum number of Common Shares that may be issued pursuant to Options. Pursuant to the rules of the TSX, unallocated options, rights or other entitlements under a security-based compensation plan which do not have a fixed number of maximum securities issuable, such as the Option Plan, must be approved by a majority of the issuer's directors and shareholders every three years.

Kiwetinohk's Option plan was approved in connection with the listing of the Common Shares on the TSX in January 2022. If this resolution is passed, Kiwetinohk will not be required to seek further approval of the unallocated options until May 9, 2027. If this resolution is not passed, outstanding Options will not be affected, however Kiwetinohk will not be permitted to make any further Option grants under the Option Plan until Shareholder approval has been obtained, and all unallocated options will be cancelled. If the Option Plan Resolution (as defined below) is not approved at the Meeting, the Company will have to consider alternate forms of performance-based compensation, including additional cash bonuses, other equity incentive plans or other means in order to attract and retain qualified personnel.

Based on 43,662,644 issued and outstanding Common Shares at March 21, 2024, the number of Options that may be issued under the Option Plan is currently limited to 4,366,264 of which Options to purchase 2,768,069 Common Shares are outstanding, leaving unallocated 1,598,195 Common Shares available for future Option grants. The weighted average exercise price of outstanding Options to purchase Common Shares is \$10.68. The average contractual life at December 31, 2023 of the outstanding Options is 3.6 years.

Kiwetinohk's Option Plan is designed to strengthen the alignment between compensation and the long-term interests of Shareholders. Kiwetinohk views the continuing ability to grant Options under the Option Plan as being key to attracting, retaining and motivating the personnel required to execute Kiwetinohk's vision and strategy. As such, the Board has unanimously approved the unallocated options under the Option Plan on March 5, 2024.

At the Meeting, Shareholders will be asked to consider, and if thought advisable, pass the following ordinary resolution (the "**Option Plan Resolution**") to approve the unallocated Options under the Option Plan:

BE IT RESOLVED THAT:

- (1) all unallocated Options under the Option Plan be and are hereby approved;
- (2) the Company shall have the ability to continue granting Options under the Option Plan until May 9, 2027, which is the date that is three years from the date of the shareholder meeting at which shareholder approval is being sought; and
- (3) any officer or director of the Company be and is hereby authorized to do such things and to sign, execute and deliver all documents that such director and officer may, in their discretion, determined to be necessary in order to give full effect to the intent and purpose of this resolution.

**In order for the Option Plan Resolution to be passed, it must be approved by a simple majority of the votes cast by Shareholders in person or represented by proxy at the Meeting after excluding the votes attached to shares held by any "insider", as that term is defined in the TSX Company Manual, who is an eligible participant under the Option Plan, or a current holder of the Options and in each case their associates. Management recommends voting FOR the resolution.**

The TSX requires shareholder approval of the allocation renewal whereby any "insider", as that term is defined in the TSX Company Manual, who is an eligible participant under the Option Plan or a holder of Options is excluded from voting in each case along with their associates because the plan does not contain TSX complaint insider participation limits.

Based on the shareholdings of individuals eligible to participate in the Option Plan plus individuals who are holders of the Options and the associates of such individuals, a total of 29,063,669 Common Shares will be excluded from voting on the Option Plan Resolution, representing approximately 67% of the total issued and outstanding Common Shares as of the Record Date.

## Other Matters to Be Acted Upon

Management knows of no matters to come before the Meeting other than the matters referred to in the enclosed Notice of Annual and Special General Meeting of Shareholders to which this Information Circular is attached. If any matters which are not known at the time of the Information Circular should properly come before the Meeting, proxies will be voted on such matters in accordance with the best judgment of the person holding such proxy.

## NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS

The following table provides information with respect to the nine director nominees.

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### Kevin Brown

Calgary, Alberta, Canada  
 Chair of the Board  
 (Non-Independent)  
 Director Since: December 2018

Kevin Brown is the Executive Chairman and Director of ARC Financial Corp. He has been with ARC since it was founded in 1989 and has accumulated over 30 years of energy related finance, investment research, corporate strategy and direct investment experience. Until recently, represented ARC as the chair of the board of KANATA Energy Group Ltd. (private). Mr. Brown has a Master of Economics and a Bachelor of Science in Chemical Engineering, both from the University of Alberta.

<b>Kiwetinohk Board / Committee Participation</b>	<b>2023 Meeting Attendance</b>
Board of Directors (Chair)	7/7 (100%)
Audit Committee	4/4 (100%)
Governance and Nominating Committee	4/4 (100%)

#### **Kiwetinohk Holdings**

Common Shares <sup>(1)(2)</sup> :	Nil - \$0
Options <sup>(3)</sup> :	52,932
Performance Warrants <sup>(3)</sup> :	158,530
DSUs <sup>(3)</sup> :	14,288
Minimum Share Ownership <sup>(4)</sup> :	N/A <sup>(2)</sup>

#### **Other Reporting Issuer Directorships**

None

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### Beth Reimer-Heck

Calgary, Alberta, Canada  
 Lead Director (Independent)  
 Director Since: September 2021

Beth Reimer-Heck is senior counsel at the law firm of Borden Ladner Gervais LLP. She has over 30 years of legal experience especially for companies and industries in transformative change including providing advice on risk and compliance, public policy, corporate, commercial and governance matters. She is also an advisory board member of Saskatchewan Mines and Minerals Inc. and a director of United Way of Calgary and Area.

Ms. Reimer-Heck has a Bachelor of Laws from the University of Alberta and a Bachelor of Arts from the University of Calgary. She has been recognized professionally by being awarded the designation of King's Counsel by the Province of Alberta and ICD.D. by the Institute of Corporate Directors

<b>Kiwetinohk Board / Committee Participation</b>	<b>2023 Meeting Attendance</b>
Board of Directors	7/7 (100%)
Audit Committee	4/4 (100%)
Governance and Nominating Committee (Chair)	4/4 (100%)
Sustainability Committee	4/4 (100%)

#### **Kiwetinohk Holdings**

Common Shares <sup>(1)</sup> :	9,100 - <b>\$103,285</b>
Options:	10,000
Performance Warrants:	20,000
DSUs:	14,288
Minimum Share Ownership <sup>(4)</sup> :	Complete

#### **Other Reporting Issuer Directorships**

None

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## Judith Athaide

Calgary, Alberta, Canada  
Independent Director  
Director Since: February 2022

Judith Athaide is a Corporate Director and the President and Chief Executive Officer of The Cogent Group Inc. Ms. Athaide is a Professional Engineer with more than 25 years of experience in the energy industry and has experience in matters of strategy, risk, ESG, health and safety, technology as an enabler of transformation, succession and talent management, regulatory and compliance and corporate governance.

Ms. Athaide holds a Bachelor of Commerce (Honours) from the University of Manitoba, a Master of Business Administration from the University of Alberta, and a Bachelor of Science in Mechanical Engineering from the University of Alberta. She has been awarded the designation of ICD.D by the Institute of Corporate Directors and the designation of GCB.D by Global Competent Boards and is a Life Member of the Association of Professional Engineers and Geoscientists of Alberta ("APEGA").

<b>Kiwetinohk Board / Committee Participation</b>	<b>2023 Meeting Attendance</b>
Board of Directors	7/7 (100%)
Governance and Nominating Committee	4/4 (100%)
Sustainability Committee	4/4 (100%)

### **Kiwetinohk Holdings**

Common Shares <sup>(1)</sup> :	9,020 - <b>\$102,377</b>
Options:	—
Performance Warrants:	—
DSUs:	11,166
Minimum Share Ownership <sup>(4)</sup> :	Complete

### **Other Reporting Issuer Directorships**

None

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## Colin Bergman

Calgary, Alberta, Canada  
Independent Director  
Director Since: May 2023

Colin Bergman is a Vice-President at ARC Financial Corp. where he is focused on the origination, due diligence and execution of new investment opportunities. Prior to joining ARC, Colin was an investment banking professional at BMO Capital Markets. While at BMO, Colin was involved in over \$10 billion in capital markets transactions including mergers and acquisitions, equity and debt offerings and restructurings. Prior to his nomination to the Kiwetinohk Board, Mr. Bergman was an observer to the Board since January 2019.

Mr. Bergman holds a Bachelors of Commerce degree with honours from Queen's University and is a CFA Charterholder.

<b>Kiwetinohk Board / Committee Participation</b>	<b>2023 Meeting Attendance</b>
Board of Directors	5/5 (100%)
Reserves Committee	2/2 (100%)
Sustainability Committee	2/2(100%)

### **Kiwetinohk Holdings**

Common Shares <sup>(1)</sup> :	Nil - \$0
Options <sup>(3)</sup> :	—
Performance Warrants <sup>(3)</sup> :	—
DSUs <sup>(3)</sup> :	3,942
Minimum Share Ownership <sup>(4)</sup> :	N/A <sup>(2)</sup>

### **Other Reporting Issuer Directorships**

N/A

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## Patrick Carlson

Calgary, Alberta, Canada  
Non-Independent Director  
Director Since: February 2018

Patrick Carlson is the Chief Executive Officer (“CEO”) of Kiwetinohk. Prior thereto, he was the CEO of Kiwetinohk Resources Corp. (“KRC”) since February 2018 and the President and CEO of Distinction Energy Corp. (“Distinction”) since April 2021, until the business combination of KRC and Distinction in September 2021. Prior to founding KRC, he was the founding CEO and a director of Seven Generations Energy Ltd., a company that he led through its initial public offering in 2014, until his retirement as CEO in June 2017 and his resignation from the board of Seven Generations Energy Ltd. in May 2018.

Mr. Carlson earned a Bachelor of Science in Chemical Engineering from the University of Calgary. He is a Professional Engineer and an active member of APEGA. Mr. Carlson holds the ICD.D designation from the Institute of Corporate Directors and is an executive of the Calgary branch of the Institute of Corporate Directors.

<b>Kiwetinohk Board / Committee Participation</b>	<b>2023 Meeting Attendance</b>
Board of Directors	7/7 (100%)
Reserves Committee	4/4 (100%)
Sustainability Committee	4/4 (100%)

### **Kiwetinohk Holdings**

Common Shares <sup>(1)</sup> :	1,010,400 <sup>(5)</sup> - \$11,468,040
Options:	535,169
Performance Warrants:	1,342,000
DSUs:	—
PSUs:	51,070
RSUs:	25,497
Minimum Share Ownership <sup>(4)</sup> :	Complete

### **Other Reporting Issuer Directorships**

N/A

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## Leland Corbett

Calgary, Alberta, Canada  
Independent Director  
Director Since: August 2018

Leland Corbett is a partner at the law firm Stikeman Elliott LLP. He has been at Stikeman Elliott LLP since 1994 and has over 25 years of experience practicing law in debt and equity public and private capital markets, corporate governance, and mergers and acquisitions. Mr. Corbett is also a director of Habitat for Humanity Canada and its Southern Alberta affiliate.

Mr. Corbett holds a Bachelor of Laws, a Master of Business Administration and a Bachelor of Science in Mechanical Engineering all from the University of Alberta.

<b>Kiwetinohk Board / Committee Participation</b>	<b>2023 Meeting Attendance</b>
Board of Directors	7/7 (100%)
Compensation Committee (Chair)	4/4 (100%)
Governance and Nominating Committee	4/4 (100%)
Sustainability Committee	4/4 (100%)

#### **Kiwetinohk Holdings**

Common Shares <sup>(1)</sup> :	30,838 - \$350,011
Options:	62,998
Performance Warrants:	158,530
DSUs:	18,347
Minimum Share Ownership <sup>(4)</sup> :	Complete

#### **Other Reporting Issuer Directorships**

None

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### **Kaush Rakhit**

Calgary, Alberta, Canada  
Independent Director  
Director Since: August 2018

Kaush Rakhit is a former senior executive at Canadian Discovery Ltd. ("CDL"). He founded Rakhit Petroleum Consulting Ltd. in 1989, which purchased and merged with CDL in 2005. He is currently the Chairman of the Board of Directors of CDL.

Mr. Rakhit earned a Bachelor of Science in Earth Sciences from the University of Waterloo and a Master of Science in Petroleum Hydrogeology from the University of Alberta. He is a Professional Geologist, an active member of APEGA and holds the ICD.D designation from the Institute of Corporate Directors.

<b>Kiwetinohk Board / Committee Participation</b>	<b>2023 Meeting Attendance</b>
Board of Directors	7/7 (100%)
Compensation Committee	4/4 (100%)
Reserves Committee (Chair)	4/4 (100%)

#### **Kiwetinohk Holdings**

Common Shares <sup>(1)</sup> :	102,000 - \$1,157,700
Options:	55,951
Performance Warrants:	158,530
DSUs:	11,166
Minimum Share Ownership <sup>(4)</sup> :	Complete

#### **Other Reporting Issuer Directorships**

None

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### **Steven Sinclair**

Calgary, Alberta, Canada  
Independent Director  
Director Since: September 2021

Steven Sinclair is a corporate director with over 30 years of senior operating and financial management experience with a number of publicly traded and private companies. Until recently, he was a director and chair of the audit committee of TransGlobe Energy Company and Deltastream Energy Corp. Mr. Sinclair retired from his position of Senior Vice President and Chief Financial Officer ("CFO") of ARC Resources Ltd. in 2014.

Mr. Sinclair has a Chartered Accountant's designation and a Bachelor of Commerce degree from the University of Calgary.

<b>Kiwetinohk Board / Committee Participation</b>	<b>2023 Meeting Attendance</b>
Board of Directors	7/7 (100%)
Audit Committee (Chair)	4/4 (100%)
Compensation Committee	4/4 (100%)

#### **Kiwetinohk Holdings**

Common Shares <sup>(1)</sup> :	20,000 - \$227,000
Options:	10,000
Performance Warrants:	20,000
DSUs:	11,166
Minimum Share Ownership <sup>(4)</sup> :	Complete

#### **Other Reporting Issuer Directorships**

None

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### **John Whelen**

Calgary, Alberta, Canada  
Independent Director  
Director Since: February 2022

John Whelen is a corporate director. Prior to his retirement in November 2020, he was a senior executive at Enbridge Inc. where he held a number of roles over a 25+ year career, including Executive Vice President and Chief Development Officer, Executive Vice President and CFO, Senior Vice President and Controller and Senior Vice President of Corporate Development. Prior to joining Enbridge, Mr. Whelen worked in the financial services sector.

Mr. Whelen holds a Masters of Business Administration (Finance) degree from McMaster University and a Bachelor of Science (Economics) degree from the University of Victoria. He also holds the ICD.D designation from the Institute of Corporate Directors.

<b>Kiwetinohk Board / Committee Participation</b>	<b>2023 Meeting Attendance</b>
Board of Directors	7/7 (100%)
Audit Committee	4/4 (100%)
Compensation Committee	4/4 (100%)

#### **Kiwetinohk Holdings**

Common Shares <sup>(1)</sup> :	40,000 - \$454,000
Options:	—
Performance Warrants:	—
DSUs:	11,166
Minimum Share Ownership <sup>(4)</sup> :	Complete

#### **Other Reporting Issuer Directorships**

None

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#### **Notes:**

- (1) Represents all Common Shares beneficially owned or controlled or directed, directly or indirectly, by the proposed director, including Common Shares registered in the name of other entities. Value of Common Shares represents the number of common shares held multiplied by the closing price of the Common Shares on the TSX on December 29, 2023 of \$11.35.
- (2) Mr. Brown and Mr. Bergman are officers and/or employees of ARC Financial Corp. Certain ARC entities that are affiliates of ARC Financial Corp. collectively hold 27,504,624 Common Shares. As Mr. Brown and Mr. Bergman are not permitted to hold the Company's securities personally, the minimum share ownership requirement is not applicable to them.
- (3) Options, Performance Warrants and DSUs granted to Kevin Brown and Colin Bergman are held by such individuals for the benefit of ARC (or its fund manager or general partner).
- (4) The Company adopted share ownership guidelines on November 23, 2021 requiring each of its non-executive directors, executive officers and other employees specified by the Board to acquire, within five years from: (i) the date they become a director or officer; or (ii) the date of the share ownership guidelines, Common Shares having a value equal to at least three times their annual base salary (for the CEO); one and a half times their annual base salary (for the CFO and other officers/participants); and three times the previous year's cash retainer fee (for non-executive directors). Common shares (or notional Common Shares) underlying Options, Performance Warrants and DSUs are counted. See "Share Ownership Requirements". There was no cash retainer for the directors for 2021 and therefore no benchmark for share ownership; however there is for 2022 go forward.
- (5) Mr. Carlson's wife, Darlene Constance Carlson, who is a part-time employee of Kiwetinohk, holds 500,200 Common Shares. Mr. Carlson holds the other 500,200 Common Shares.

Pursuant to the investment rights agreement between Kiwetinohk and ARC, assuming there are a total of nine directors elected to the Board, ARC has the right to designate: (a) one director nominee for election



to the Board for so long as ARC exercises control or direction over 10% or more of the Common Shares; (b) two director nominees for election to the Board for so long as ARC exercises control or direction over 25% or more of the Common Shares; and (c) three director nominees for election to the Board for so long as ARC exercises control or direction over 40% or more of the Common Shares, and if so, one of such nominees shall be the Chair unless ARC otherwise agrees. If the size of the Board is changed, the foregoing rights shall be adjusted accordingly. For so long as ARC is entitled to have a nominee on the Board, Kiwetinohk shall take such action as may be necessary to ensure that the nominee of ARC is either appointed to or granted observer rights on each committee of directors formed by the Board. At this time, ARC has the right to designate three Board nominees but has only designated two Board nominees as ARC is supportive of the current management nominated directors.

Pursuant to the investment rights agreement between Kiwetinohk and Luminus, Luminus has the right to designate one director nominee for election to the Board for so long as Luminus exercises control or direction over 10% or more of the Common Shares. For so long as Luminus is entitled to have a nominee on the Board, Kiwetinohk shall take such action as may be necessary to ensure that the nominee of Luminus is either appointed to or granted observer rights on each committee of directors formed by the Board. At this time, Luminus has not designated a Board nominee.

The information as to Common Shares owned directly or indirectly by each director nominee, not being within the knowledge of the Company, has been furnished by the nominees.

## Corporate Cease Trade Orders or Bankruptcies

Other than as disclosed below, to the knowledge of Kiwetinohk, no director of Kiwetinohk is, as at the date hereof, or has been, within ten years before the date hereof, a director, CEO or CFO of any corporation (including the Company) that while that person was acting in that capacity:

- (i) was the subject of a cease trade or similar order or an order that denied the relevant corporation access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (ii) was subject to an order that was issued after the director ceased to be a director or officer and which resulted from an event that occurred while that person was acting in the capacity as director or officer.

Other than as disclosed below, to the knowledge of Kiwetinohk, no director of Kiwetinohk:

- (i) is, as at the date hereof, or has been within the ten years before the date hereof, a director or executive officer of any company (including the Company) 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; or
- (ii) has, within the ten years before the date hereof, 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 the director, executive officer or shareholder.

Kaush Rahkit served as a director of Kinwest 2008 Energy Inc. at the time that it entered into bankruptcy proceedings on May 12, 2016.

## Penalties or Sanctions

To the knowledge of Kiwetinohk, no director of Kiwetinohk has been subject to:

- (1) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (2) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

## Conflicts of Interest

Certain officers and directors of Kiwetinohk are also officers and/or directors of other companies engaged in the crude oil and natural gas business generally. As a result, situations may arise where the interest of such directors and officers conflict with their interests as directors and officers of other companies. The resolution of such conflicts is governed by applicable corporate laws, which require that directors act honestly, in good faith and with a view to the best interests of Kiwetinohk. Conflicts, if any, will be handled in a manner consistent with the procedures and remedies set forth in the CBCA. The CBCA provides that in the event that a director has an interest in a material contract or material transaction, whether made or proposed, the director shall disclose his interest in such contract or transaction to the Company and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided by the CBCA.

Certain directors of Kiwetinohk have existing business relationships with Kiwetinohk. While such business relationships are not considered to be material to Kiwetinohk, they could be perceived as giving rise to a conflict of interest. Related party transactions are further described in Kiwetinohk's audited financial statements and the accompanying notes, which may be viewed on Kiwetinohk's SEDAR+ profile.

## Independence of Director Nominees

Of the nine director nominees, seven (more than three quarters) are currently independent. A majority of the members of the Audit Committee, Governance and Nominating Committee, Reserves Committee and Sustainability Committee are independent and all of the members of the Compensation Committee are independent. Independence is based on the definitions contained in National Instrument 52-110, National Instrument 58-101 and National Policy 58-201. See also "*Corporate Governance – Board of Directors*" in this Information Circular.

Director Nominee	Independent	Non-Independent	Reason for Non-Independence
Kevin Brown		✓	Executive officer and/or director of ARC Financial Corp. and of the general partners of the limited partnerships comprising ARC, which hold an aggregate of approximately 62% of the issued and outstanding Common Shares.
Beth Reimer-Heck	✓		
Judith Athaide	✓		
Colin Bergman	✓		
Patrick Carlson		✓	Chief Executive Officer of the Company
Leland Corbett	✓		
Kaush Rakhit	✓		
Steven Sinclair	✓		
John Whelen	✓		

Ms. Beth Reimer-Heck, an independent director, is the Board’s Lead Director. Her duties include, among other things, acting as a liaison between the independent directors and management, ensuring that differences between the responsibilities of the Board and management are understood by all, and ensuring that independent directors have adequate opportunities to meet to discuss issues without management and non-independent directors present. The position description for the Lead Director is available on the Company’s website at [www.kiwetinohk.com](http://www.kiwetinohk.com).

The Board mandate requires that an *In-camera* meeting of independent directors be held in connection with all Board meetings and the Board committees also follow this practice.

## Competency Matrix for Director Nominees

<p>The Board, with the oversight of the Governance and Nominating Committee, has developed a competency matrix to ensure that the members of the Board, through their knowledge, business expertise and experience, meet the needs of the Board. The following table sets out some of the relevant knowledge, expertise and experience of the director nominees:</p> <p><b>RATING SCALE</b></p> <p>(1. Worked directly or had individuals directly reporting to you in specific area.</p> <p>(2. No direct experience in specific area, but some level of knowledge and expertise</p> <p>(3. Little or no experience or expertise in specific area</p>									
	Kevin Brown	Beth Reimer-Heck	Judith Athaide	Colin Bergman	Patrick Carlson	Leland Corbett	Kaush Rakhit	Steven Sinclair	John Whelen
<b>Quality Assets and Operational Excellence</b>									
<b>Corporate and Operational Leadership:</b> experience as a CEO or senior officer in various aspects of energy development and operations, including technology & innovation, exploration, and marketing.	2	2	3	3	1	2	1	1	2

The Board, with the oversight of the Governance and Nominating Committee, has developed a competency matrix to ensure that the members of the Board, through their knowledge, business expertise and experience, meet the needs of the Board. The following table sets out some of the relevant knowledge, expertise and experience of the director nominees: <b>RATING SCALE</b>  (1. Worked directly or had individuals directly reporting to you in specific area. (2. No direct experience in specific area, but some level of knowledge and expertise (3. Little or no experience or expertise in specific area	Kevin Brown	Beth Reimer-Heck	Judith Athaide	Colin Bergman	Patrik Carlson	Leland Corbett	Kaush Rakhit	Steven Sinclair	John Whelen
<b>Reserves Evaluation:</b> general experience or executive experience with oil and gas reserves evaluation.	2	3	3	2	1	3	1	2	3
<b>Profitable Capital Allocation:</b> experience with, and understanding of, the importance of the role of capital allocation and risk in value creation.	1	1	1	1	1	2	1	1	1
<b>Health, Safety and Environment:</b> direct experience with, or strong knowledge of, industry regulations and best practices related to workplace health, safety and environmental issues.	2	1	1	2	1	2	1	3	2
<b>Global Experience:</b> international energy business experience and perspective.	1	1	1	2	1	2	1	1	2
<b>Commercial Activities and Risk Management</b>									
<b>Strategic Planning:</b> experience in leading and developing business strategies to create value and managing business development activities for short-term and long-term results.	1	1	1	1	1	2	1	1	1
<b>Market Access:</b> experience with, and knowledge of, strategies to proactively leverage market access opportunities.	1	2	3	2	1	2	3	1	2
<b>Change Management:</b> experience leading major organizational change and/or managing significant M&A activities.	1	1	2	1	3	2	2	1	1
<b>Decision Quality:</b> proven track record in complex decision making and the ability to work well with other Board members to reach decisions.	1	1	1	1	1	1	1	1	1
<b>Risk Evaluation:</b> experience in evaluating and managing a broad range of business risks, including ESG issues.	1	1	1	1	1	2	1	1	1
<b>Financial Sustainability and Return on Investment</b>									
<b>Financial Expertise:</b> formal qualifications and/or management experience in financial reporting, internal controls and corporate finance.	2	2	2	2	2	2	2	1	1
<b>Financial Literacy:</b> ability to critically read and analyze financial statements.	1	1	1	1	2	2	2	1	1

The Board, with the oversight of the Governance and Nominating Committee, has developed a competency matrix to ensure that the members of the Board, through their knowledge, business expertise and experience, meet the needs of the Board. The following table sets out some of the relevant knowledge, expertise and experience of the director nominees:

**RATING SCALE**

(1. Worked directly or had individuals directly reporting to you in specific area.  
 (2. No direct experience in specific area, but some level of knowledge and expertise  
 (3. Little or no experience or expertise in specific area

	Kevin Brown	Beth Reimer-Heck	Judith Athaide	Colin Bergman	Patrik Carlsson	Leland Corbett	Kaush Rakhit	Steven Sinclair	John Whelen
<b>Business Economics:</b> experience in analysis of project and corporate returns.	1	1	1	1	1	2	1	1	1
<b>ESG, People and Culture</b>									
<b>Sustainability:</b> experience with, or knowledge of, risks and opportunities related to a broad range of environmental, social and overall shareholder engagement and communication.	1	1	1	1	1	1	1	2	1
<b>Corporate Governance:</b> experience as a senior executive and/or board member (public, private or not-for-profit) that provides a strong understanding of requirements of	1	1	1	1	1	1	1	1	1
<b>Government Relations:</b> broad regulatory, political and public policy experience in Canada and other jurisdictions.	2	1	2	3	1	1	2	2	2
<b>Human Resources:</b> experience with responsibility for human resources, succession planning and executive compensation.	1	2	1	1	1	1	1	2	2
<b>Culture:</b> experience in oversight of corporate culture to ensure strong ethics, governance practices and quality decision making.	1	1	1	2	1	1	1	1	2

## Board Interlocks

Kiwetinohk does not have a formal policy on board interlocks, however it does monitor the other public directorships held by its members. A board interlock occurs when two of the Company's directors also serve together on the board of another public company. There are currently no board interlocks among the director nominees.

## COMPENSATION DISCUSSION AND ANALYSIS

### Introduction

#### Compensation Philosophy

Kiwetinohk acknowledges that social licence to operate is critical to an expectation of Shareholder value performance over the long term. The Board looks to the CEO to advance Kiwetinohk's business in accordance with Kiwetinohk's Code of Conduct. The Code of Conduct prescribes the expectations Kiwetinohk has of those in its service with respect to communicating with and satisfying stakeholders. Kiwetinohk's directors, who have a duty in law to act in the best interests of Kiwetinohk, believe that differentiated (relative to peers) performance for investors is most probable if Kiwetinohk also differentiates in the service of groups of people who have the capacity to aid or impair Kiwetinohk in its pursuit of its business objectives. Kiwetinohk refers to these groups of people as stakeholders. Among Kiwetinohk's stakeholders are:

- (i) the environment and those who have taken on a duty to protect it;
- (ii) governments and regulators who, faced with the challenges presented by climate change seek to evolve regulation so that the energy industry can better serve society;
- (iii) all communities most impacted by Kiwetinohk's activities;
- (iv) industry partners who expect Kiwetinohk to honor its arrangements and reasonably accommodate change and adaptation;
- (v) customers who want Kiwetinohk to reliably deliver its products at the specifications and in the amounts that it forecasts;
- (vi) suppliers and service providers who want an opportunity to compete for Kiwetinohk's business, to be paid promptly and fairly and to learn marketable skills as they contribute to the evolution of Kiwetinohk's business;
- (vii) employees who want an energizing, inclusive, happy work environment where everyone is treated with dignity and respect, to be compensated fairly and to have a safe and healthy workplace; and
- (viii) capital providers who want strong returns on their investment, effective communication and management of risks: environmental, financial, personal and reputational.

The role of the CEO is to lead the employees in developing and implementing a balance of practices and policies which meet the needs of all stakeholders. In measuring the CEO's performance, the Board looks to gauge Kiwetinohk's relationships with its stakeholders.

The CEO leads the management team in identifying and assessing alternative business strategies. These assessments guide the Board to adoption and revision of strategies that are designed to differentiate Kiwetinohk in the eyes of its stakeholders, as demanded by the Code of Conduct. The CEO oversees the management team to implement strategies. Key performance indicators include measurement of performance by gauges most important to each stakeholder. For example, Shareholders want to see cash returns and/or share price growth and strong performance in the factors underlying shareholder value (including reserves volumes and value, production rate, unit operating costs and capital investment performance metrics). Communities want to know what is going on in their area, to contribute to strategies and plans and to participate in operations as employees or contractors. Individuals tasked with environmental protection, non-governmental environmental organizations and the broader community want, to varying degrees, to see conservation of natural habitat, protection of the land, water and atmosphere from releases of pollutants including greenhouse gases, and restoration of lands when Kiwetinohk is no longer using them for value generation. Governments and regulators want Kiwetinohk to

comply with all laws and regulations, to build good relationships with its other stakeholders and to help them understand, in the rapidly evolving energy transition world, how they, also, can better serve society. Within the foregoing context, the purposes of Kiwetinohk's compensation policy are: (a) to attract and retain individuals that have the training, experience, required certifications and track records of excellent performance to serve as executive officers and employees of Kiwetinohk; (b) to motivate and/or reward performance in proportion to level of achievement; and (c) to align the interests of executive officers and employees of Kiwetinohk with the long-term interests of Shareholders.

Kiwetinohk's executive compensation philosophy reflects the following principles:

- (i) Compensation levels should be competitive - A competitive compensation program is vital to Kiwetinohk's ability to attract and retain executive officers and employees that can do all that is required to position Kiwetinohk among the leaders of its peer group.
- (ii) Compensation should be related to performance - A significant portion of the compensation of the executive officers should be based on corporate and individual performance. During periods when performance exceeds expectations, executive officers should receive compensation at levels that are above targeted levels. When performance is below expectations, incentive award payments, if any, and compensation generally should be lower than targeted levels.
- (iii) Compensation at risk should represent a significant percentage of an executive officer's total compensation - A significant percentage of compensation should be paid in the form of short-term and long-term incentives, calculated and paid based on performance for Kiwetinohk's stakeholders. Executive officers' incentives must be aligned with stakeholder satisfaction with special consideration to Shareholder value creation and realization.
- (iv) Incentive compensation should balance short-term and long-term performance - Executive officers receive both short-term and long-term incentives. Short-term incentives focus on achievements for the current year, while equity-based compensation creates a focus on increasing long-term Shareholder value.

### ***Oversight of Executive Compensation***

The Compensation Committee oversees the compensation of the named executive officers ("**NEOs**"), being Kiwetinohk's CEO, CFO and next three most highly compensated executive officers. As of the date of this Information Circular, the Compensation Committee consists of the following independent directors: Leland Corbett (Chair), Kaush Rakhit, Steven Sinclair and John Whelen. Each of the Compensation Committee members has served as a senior officer and/or as a director of numerous organizations or has direct experience in executive and corporate compensation programs, and therefore has the necessary background and skills to provide effective oversight of executive and director compensation and ensure that sound risk management principles are being adhered to in order to align executive officers' and Shareholders' interests.

The Compensation Committee monitors the compensation practices of Kiwetinohk to ensure that its compensation practices allow Kiwetinohk to attract and retain high performing executive officers and employees. The Compensation Committee has engaged, and can in the future engage, the services of consulting compensation experts to assist it in fulfilling its duties.

The written mandate of the Compensation Committee is available on Kiwetinohk's website at [www.kiwetinohk.com](http://www.kiwetinohk.com).

In offering and reviewing compensation for other employees, historically, the Compensation Committee has relied on various external sources of information, including industry compensation surveys which provide market data on executive officer and non-executive officer compensation. The Compensation Committee took into account industry compensation survey information and other factors in determining executive officer and non-executive officer compensation levels for 2023.

The Compensation Committee reviews, on an annual basis, the compensation of each executive officer. In each case, the Compensation Committee takes into account the scope of responsibilities, experience and contribution and performance of the executive officer, as well as the achievements of Kiwetinohk, and balances these against competitive compensation levels considering peer data.

In connection with this annual review by the Compensation Committee, the CEO presents to the Compensation Committee management's evaluation of Kiwetinohk's performance relative to its comparator group, his evaluation of each executive officer, which includes a review of each executive officer's contribution and performance over the past year, strengths, weaknesses, development plans and succession potential. The Compensation Committee members also have the opportunity to interface with the executive officers during the year.

### Comparator Group

Following completion of the Business Combination and its TSX listing in January 2022, Kiwetinohk completed a review of its compensation practices to ensure they aligned with public company best practices and, engaged Mercer (Canada) Limited ("**Mercer**") as a compensation consultant. Since that time, Kiwetinohk has worked closely with Mercer to establish and refine compensation practices aligned with public company best practices including developing and subsequently updating an appropriate peer comparator group for compensation purposes.

The current peer group, developed in consultation with Mercer, consists of the following companies and was used to set 2023 total compensation:

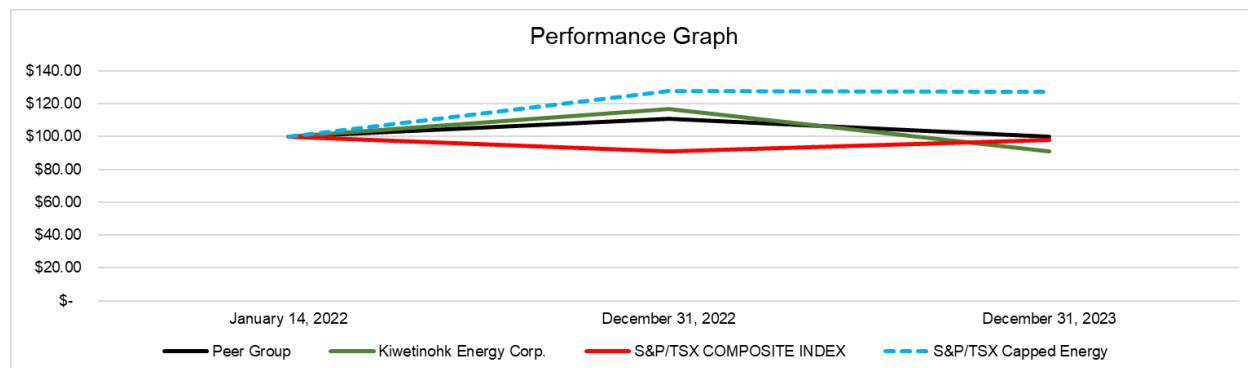
Advantage Energy Ltd.	Cardinal Energy Ltd.	Paramount Resources Ltd.
Anaergia Inc.	Crew Energy Inc.	Peyto Exploration & Development Corp.
Algonquin Power & Utilities Corp.	Innergex Renewable Energy Inc.	Spartan Delta Corp.
Athabasca Oil Corporation	Kelt Exploration Ltd.	Tamarack Valley Energy Ltd.
Boralex Inc.	Logan Energy Corp.	Tidewater Midstream and Infrastructure Ltd.
Birchcliff Energy Ltd.	Maxim Power Corp.	Tidewater Renewables Ltd.
California Resources Corporation	Northland Power Inc.	TransAlta Corp.
Capital Power Corporation	NuVista Energy Ltd.	Whitecap Resources Inc.

Kiwetinohk recently added Algonquin Power & Utilities Corp., Birchcliff Energy Ltd., Logan Energy Corp. and Maxim Power Corp. to the peer group, and removed TransAlta Renewables Inc. and Pipestone Energy Corp. from the peer group. The supplemented peer group was used to determine short-term incentive payments for 2023 as well as base salaries for 2024. The peer group consists of companies within the industry sectors of traditional upstream oil and gas, clean technology and other renewable energy and their inclusion is based on factors including assets, revenue, enterprise value, market capitalization and business operations as well as natural competitors for employees. Additionally, the majority of the peer group are Canadian-based companies headquartered in Western Canada.



## 2023 Performance Graph

The following graph shows the cumulative total return on a \$100 investment in Common Shares compared to the cumulative total return of the S&P/TSX Composite Index, the S&P/TSX Capped Energy Index and our peer group over the same period from when our shares were listed on the TSX (January 14, 2022) to December 31, 2023. The peer group shown in black on the graph is the same peer group that is described immediately above under the heading “Compensation Discussion & Analysis – Introduction – Comparator Group”.



Kiwetinohk's mission is to build a profitable energy transition business providing clean, reliable, dispatchable, affordable energy. Kiwetinohk is advancing execution on its 10-year strategy in order to be a significant player in the energy transition business with current projects including upstream liquids rich natural gas assets, seven power development projects and two carbon hubs. The share price performance above reflects operational and financial performance that are within the Company's control as well as regulatory approvals, volatile commodity prices, trading multiples and economic and market conditions that are beyond the Company's control.

Kiwetinohk's share price through December 31, 2023 has trended slightly below its peer group and the S&P/TSX Composite Index and below the S&P/TSX Capped Energy Index. This reflects, among other things, the small public float of the Company's shares and lack of liquidity, the economic conditions and commodity prices year over year, growth in production levels from the prior year and uncertainty from ongoing policy discussions between provincial and federal governments that may impact timing on Kiwetinohk's power development portfolio.

On a year over year basis, total executive compensation increased in 2023 which is reflective of the decision to increase Pat Carlson, CEO, salary from \$1 per annum to \$488,000 per annum effective February 16, 2023. The Company believes that as an energy transition company with expected vertical integration opportunities (for example, natural gas and carbon capture to clean power and circular economy hubs) it will continue to generate positive returns on capital invested.

## Pay Positioning

Kiwetinohk currently seeks to position pay at approximately the 50<sup>th</sup> of total compensation for its peer group, generally near the median of its peer group when performance meets expectations, above this level when performance exceeds expectations and below this level when performance is below expectations.

## Named Executive Officers

Under applicable securities laws, a company's NEOs are: (i) the CEO, (ii) the CFO, (iii) the next three most highly compensated executive officers serving at the end of the most recent financial year and (iv) any officer who would have been among the next three most highly compensated executive officers if they had been serving at the end of the most recent financial year. The Company's CEO and CFO, who are NEOs, and its other NEOs for 2023 are listed below.

- Patrick Carlson, CEO
- Jakub Brogowski, CFO
- Mike Backus, Chief Operating Officer, Upstream
- Janet Annesley, Chief Sustainability Officer
- Chris Lina, Senior Vice President, Projects

### **Compensation Components**

The components of Kiwetinohk's executive officer compensation program are base salary, annual (short-term) incentive, long-term incentive and benefits each as described below. The components of compensation Kiwetinohk will use to recruit and maintain a workforce include:

- (i) cash compensation including base salary and bonuses (short-term incentives);
- (ii) share-based compensation (long-term incentives);
- (iii) health and life insurance; and
- (iv) the employee share purchase matching program.

Aside from the above, Kiwetinohk expects its culture, standards and reputation will also provide a basis for employer competitiveness.

### **Cash Compensation – Base Salary**

As to cash compensation, Kiwetinohk generally targets base salaries for its NEOs near the 50<sup>th</sup> percentile of its peer group. Base salaries may be adjusted in individual cases based on the scope of responsibilities, experience and contribution and performance of the NEO, as well as other factors.

### **Cash Compensation – Bonuses (Short-Term Incentives)**

Kiwetinohk awards cash bonuses to officers based on performance of the individual and the Company. For 2023, the NEOs for 2023 were paid an aggregate of \$1,253,650, reflecting corporate performance generally at or above targets in 2023.

In 2022 the Compensation Committee, with the assistance of Mr. Carlson, implemented a process of incorporating corporate achievements and personal KPIs and achievements into its short-term incentive program ("STIP"). In determining cash bonuses for such NEOs for 2023, the Compensation Committee considered, among other things, the organic growth achieved by the Company, the Company's operational, financial and ESG performance in 2023, the Company's progress on its business strategies and the performance of the individual NEO.

The Compensation Committee, together with management, established a broad set of corporate and personal objectives for 2023 which comprised a mix of quantitative and qualitative objectives, not all of

which would apply to each employee (some objectives are differentiated by function and responsibility). Each objective is broken down by gold, silver and bronze thresholds and these objectives served as a foundation for the Company's qualitative and quantitative key performance indicators for the STIP. The Company's STIP has qualitative and quantitative objectives tied to Kiwetinohk's financial performance, operational performance, safety performance and ESG performance as well as the successful execution of Kiwetinohk's stated business strategies and objectives. The STIP is purposefully flexible and adaptable, however, to ensure that the plan is continually incentivizing and rewarding the right behaviours and desired results for Kiwetinohk and its stakeholders in an evolving and rapidly changing energy industry.

### **Share-Based Compensation – Long-Term Incentives**

Kiwetinohk's current outstanding long-term incentives include a mix of stock options to purchase Common Shares ("**Options**"), performance warrants to purchase Common Shares ("**Performance Warrants**") and grants of cash-settled restricted share units ("**RSUs**") and performance share units ("**PSUs**") pursuant to the previously adopted restricted and performance share unit plan (the "**Share Unit Plan**"), all of which were designed to strengthen the alignment between compensation and the long-term interests of Shareholders. The Company ceased to issue Performance Warrants once the Common Shares became listed on the TSX and, accordingly, the Company's only current long-term incentive program for NEOs is the grant of Options, RSUs and PSUs. In 2023 the Compensation Committee engaged Mercer to assist in the assessment of the Company's long-term incentive plan and provide recommendations to ensure the Company's long-term incentive program adequately addressed long-term retention and competitive considerations for recruitment.

The grant of share-based compensation is determined by the Board on the recommendation of the Compensation Committee, in accordance with the terms of the applicable incentive plan or certificate. Awards are designed to provide Shareholder aligned incentives to Kiwetinohk's directors, officers, employees and consultants who make material contributions to the successful operation of the business of Kiwetinohk, to increase their ownership interest in Kiwetinohk and to allow Kiwetinohk to attract and retain outstanding talent. The long-term incentives are administered by the Board or the Compensation Committee, which, from time to time, recommends to the Board, grants to eligible persons after considering their present and potential contributions and other relevant factors.

Options are exercisable (unless otherwise determined by the Board) for Common Shares, and (unless otherwise determined by the Board) vest 1/3 per year on each of the first three anniversaries of the date of grant. Options have a term of seven years.

See "*Compensation Discussion & Analysis – Equity Compensation Plan Information – Share Unit Plan*" for a discussion of the features of the RSUs and PSUs.

Grants of long-term incentive awards of Options, Performance Warrants, RSUs and/or PSUs to NEOs and other management have varied based on corporate and individual performance, market conditions, other compensation paid to the NEO and availability of awards for grant.

Options have no value unless the trading price of the Common Shares increases above the exercise price of the Option. This links a portion of executive compensation directly to Shareholders' interests by providing an incentive to increase the trading price of the Common Shares. Performance Warrants have an escalating exercise price, further aligning the interests of executive officers with the interests of Shareholders.

### **Pension, Benefits and Perquisites**

Kiwetinohk does not currently have a pension plan or post-employment compensation and benefits in place for any of its employees.

The Compensation Committee annually reviews the benefits provided to executive officers, which are generally the same as those provided to other employees of Kiwetinohk, to determine if adjustments are appropriate. The executive officers receive minimal perquisites in each case with an aggregate value of less than \$20,000 per executive officer per year and which includes paid parking.

### **Employee Savings Plan**

As an alternative to a pension plan, Kiwetinohk has an employee savings plan. Through the terms of the plan an employee may direct a portion of his or her salary to savings managed by a third party employee-benefits provider. Any savings plan contribution amount so directed by the employee is then matched dollar for dollar (to a maximum of 8% of salary) by a contribution by Kiwetinohk.

### **Compensation Mix**

In determining compensation for the NEOs, consideration is given to all forms of compensation paid or payable so that an appropriate mix is attained between fixed compensation (consisting primarily of base salary) versus variable or at-risk pay (currently consisting of cash bonuses, Options and RSUs). The majority of such compensation is intended to be variable or at-risk and all long-term incentives are variable. NEOs have been granted Options, Performance Warrants, RSUs and PSUs, the value of which depends on the trading price of the Common Shares, thereby aligning NEO interests with Shareholder interests. Historically, Kiwetinohk granted Options (and Performance Warrants prior to going public) to its NEOs as the long-term incentive portion of their compensation. KEC has granted, and expects to continue to grant, RSUs and PSUs to its NEOs as the primary long-term incentive portion of their compensation.

## **Equity Compensation Plan Information**

### **Option Plan**

The purposes of the stock option plan (the “**Option Plan**”) are: (a) to provide an incentive to eligible participants, being the directors, officers, employees, consultants and other personnel of Kiwetinohk or any of its subsidiaries to achieve the longer-term objectives of Kiwetinohk; (b) to give suitable recognition to the ability and industry of such persons who contribute materially to the success of Kiwetinohk; and (c) to attract and retain in the employ of Kiwetinohk or any of its subsidiaries, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in Kiwetinohk.

Pursuant to the Option Plan, Kiwetinohk may grant Options to directors, officers, employees and service providers of Kiwetinohk, which are exercisable for one Common Share per Option. The maximum number of Common Shares issuable under the Option Plan and all other security-based compensation arrangements of the Company (excluding the Performance Warrants) must not exceed 10% of the aggregate number of issued and outstanding Common Shares from time to time (calculated on an undiluted basis). There are currently 2,768,069 outstanding securities awarded under the Option Plan, which represents 6.3% of the total issued and outstanding securities of the Company. A total of 1,598,195 securities, representing 3.7% of the total issued and outstanding securities of the Company, remain eligible to be granted under the Option Plan.

The grant of Options under the Option Plan, together with Common Shares that may be issuable pursuant to all other security-based compensation arrangements of Kiwetinohk (excluding the

Performance Warrants), will also not result at any time in: (a) the number of Common Shares issuable to insiders of Kiwetinohk exceeding 10% of the aggregate number of issued and outstanding Common Shares from time to time (calculated on an undiluted basis); (b) the issuance to insiders of the Company within a one year period, of a number of Common Shares exceeding 10% of the aggregate number of issued and outstanding Common Shares from time to time (calculated on an undiluted basis); or (c) the issuance to any individual insider of the Company and such insider's associates, within a one year period, of a number of Common Shares exceeding 5% of the aggregate number of issued and outstanding Common Shares from time to time (calculated on an undiluted basis). In addition to the foregoing restrictions: (a) no Options may be granted to non-employee directors of Kiwetinohk if the granting of such Options would result in the issuance to such individuals (as a group) of a number of Common Shares exceeding 1% of the aggregate number of issued and outstanding Common Shares from time to time (calculated on an undiluted basis); and (b) within any one fiscal year, the total value of Options under the Option Plan, together with grants pursuant to the other security-based compensation arrangements of Kiwetinohk (excluding the Performance Warrants), to a non-employee director, as determined by the Board (or the Compensation Committee), will not exceed a grant value of \$100,000 of Options and \$150,000 in total equity on the date of such grant.

The percentage maximums described above are "evergreen" provisions such that if any Options granted under the Option Plan are terminated or cancelled for any reason without the Common Shares issuable thereunder having been issued in full or if any Common Shares are issued pursuant to any Option under the Option Plan, any such Common Shares shall be available for the purposes of further Option grants under the Option Plan. No right or interest under the Option Plan or in or under any Option is assignable or transferable, in whole or in part, either directly or by operation of law or otherwise in any manner.

The Option Plan is administered by the Board (or the Compensation Committee). Under the Option Plan, the Board has the authority to determine the terms, limitations, restrictions and conditions, if any, applicable to an Option, provided that:

- (i) the exercise price per Common Share of each Option shall be an amount at least equal to the volume weighted average trading price of the Common Shares on the TSX for the five trading days immediately preceding the particular day, calculated by dividing the total value by the total volume of Common Shares traded for the five trading-day period (the "**Market Price**") at the time of grant of such Option;
- (ii) vested Options held by a holder who ceases to be an eligible participant under the Option Plan for any reason other than death or disability or termination for cause terminate upon the earlier of the expiry date of such Options and 90 days after the holder ceases to be a director, officer, employee or service provider of Kiwetinohk or its subsidiaries, and the holder does not continue in at least one of such capacities;
- (iii) vested Options held by a holder who ceases to be an eligible participant under the Option Plan for reason of death or disability terminate upon the earlier of the expiry date of such Options and 365 days after the holder ceases to be a director, officer, employee or service provider of Kiwetinohk or its subsidiaries;
- (iv) the Options of a holder who is terminated for cause terminate immediately; and
- (v) the Options vest as to 1/3 of the total grant on each of the first three anniversaries of the grant date, or as otherwise determined by the Board.

The Option Plan also contains provisions which allow the Board, acting reasonably, to make such adjustments as it deems appropriate to the number of Common Shares authorized by the Option Plan

and the number of Common Shares covered by grants made under the Option Plan in the event of a subdivision, redivision, consolidation, reclassification, amalgamation, merger or any other change in the corporate structure of shares of Kiwetinohk.

In the event of a change of control (as defined in the Option Plan), such as the sale of assets of Kiwetinohk and/or its subsidiaries having a fair market value greater than 50% of the fair market value of the assets of Kiwetinohk and its subsidiaries, any person acquiring 50% or more of the voting securities of Kiwetinohk (subject to certain exceptions) or any transaction or series of transactions where holders of the voting securities of Kiwetinohk immediately prior to such transaction(s) hold less than 50% of the voting securities of Kiwetinohk or of the continuing entity following such transaction(s), the Board may, in its sole and absolute discretion and without the need for the consent of any Option holder, take one or more of the following actions contingent upon the occurrence of that change of control: (a) cause any or all outstanding Options to become vested and immediately exercisable, in whole or in part; (b) cause any outstanding Option to become fully vested and immediately exercisable for a reasonable period in advance of the change of control and, to the extent not exercised prior to that change of control, cancel that Option upon closing of the change of control; (c) cancel any Option in exchange for a substitute award, or (d) with respect to any Option held by an Option holder, cancel that Option in exchange for cash and/or other substitute consideration with a value equal to: (i) the number of Common Shares subject to that Option, multiplied by (ii) the difference, if any, between the Market Price on the date of the change of control and the exercise price of that Option; provided, that if the Market Price on the date of the change of control does not exceed the exercise price of any such Option, the Board may cancel that Option without any payment of consideration therefor.

Subject to the provisions described in the following sentence, the Board may amend, suspend or terminate the Option Plan, or any portion thereof, or any Option, at any time, and may do so without Shareholder approval. Subject to the exceptions that follow and subject to those provisions of applicable law, if any, that require the approval of Shareholders or any governmental or regulatory body (including, without limitation, the TSX), the permitted amendments include the following:

- (i) amendments of a “housekeeping” or ministerial nature including, without limiting the generality of the foregoing, any amendment for the purpose of curing any ambiguity, error or omission in the Option Plan or to correct or supplement any provision of the Option Plan that is inconsistent with any other provision of the Option Plan;
- (ii) amendments necessary to comply with the provisions of applicable law (including, without limitation, rules, regulations and policies of the TSX and the provisions of any applicable tax law);
- (iii) amendments respecting the administration of the Option Plan;
- (iv) any amendment to the early termination provisions of the Option Plan or any grant, provided such amendment does not entail extension beyond the original Option period;
- (v) amendments to the definition of security-based compensation arrangements to remove the exclusion of the Performance Warrants granted prior to the amended and restated date of the Option Plan; and
- (vi) amendments necessary to suspend or terminate the Option Plan.

Shareholder approval will be required for the following types of amendments:

- (i) any increase in: (a) the number of Common Shares that may be issued on the exercise of Options granted pursuant to the Option Plan, if the Option Plan provides for a fixed number of Options reserved for issuance, and (b) the percentage amount of Common Shares that may be issued on the exercise of Options granted pursuant to the Option Plan, if the Option Plan provides for a percentage amount of Common Shares reserved for issuance;
- (ii) any amendment which reduces the exercise price of an Option;
- (iii) any cancellation and reissuance of an Option;
- (iv) any amendment extending the term of an Option beyond its original expiry date;
- (v) any amendment that increases limits imposed on non-employee director participation in the Option Plan;
- (vi) any amendment to remove or exceed the insider participation limits in the Option Plan;
- (vii) any amendment which would permit Options to be transferable or assignable, other than for normal estate settlement purposes; and
- (viii) amendments to the amendment and termination provisions of the Option Plan.

As at December 31, 2023, an aggregate of 2,768,069 Common Shares, representing approximately 6.3% of the outstanding Common Shares, were issuable pursuant to the exercise of Options issued pursuant to the Option Plan. Since December 31, 2023, there have been no additional options issued.

Plan Category	Number of securities to be issued upon exercise of outstanding Options and Performance Warrants as at December 31, 2023 (a)	Weighted-average exercise price of outstanding Options and Performance Warrants (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders (Option Plan)	2,768,069	\$10.68	1,598,195
Equity compensation plans not approved by securityholders (Performance Warrants – issued prior to TSX listing)	6,779,255	\$20.00	Nil

### **Burn Rate**

Pursuant to TSX rules, Kiwetinohk is required to calculate and disclose the annual “burn rate” of its applicable equity compensation plans for the three most recently completed financial years. The annual burn rate is equal to the number of securities granted under the compensation plan in the applicable year, divided by the weighted average number of securities outstanding in that year, expressed as a percentage.

Financial Year ending December 31 <sup>2</sup>	Burn Rate %
2023	1% <sup>(1)</sup>
2022	1% <sup>(1)</sup>

**Note:**

- (1) The burn rate does not include RSUs, PSUs or DSUs which are settled in cash.  
(2) Kiwetinohk's Common Shares were listed on January 14, 2022, as a result burn rate calculations have been provided from the listing date..

### **Share Unit Plan**

Kiwetinohk has adopted the Share Unit Plan which provides another form of long-term incentives with which to attract, retain, incentivize and compensate employees. Specifically, the purposes of the Share Unit Plan are: (a) to provide an incentive to the officers, employees, consultants and other service providers of Kiwetinohk to achieve the longer-term objectives of Kiwetinohk; (b) to give suitable recognition to the ability and industry of such persons who contribute materially to the success of Kiwetinohk; and (c) to attract and retain in the employ of Kiwetinohk persons of experience and ability by providing them with share units, which vest over time and/or upon the satisfaction of certain performance criteria, that mirror the value of the Common Shares.

Pursuant to the Share Unit Plan, upon recommendation of the Compensation Committee, the Board may grant RSUs and/or PSUs (together with the RSUs, "**Share Units**") to the CEO and other senior officers of Kiwetinohk, and the Compensation Committee and/or CEO may grant Share Units to other officers, employees and service provides of Kiwetinohk. In determining such grants, the Compensation Committee, Board and/or CEO may consider the following:

- (i) the individual's title/level, job family, position, duties, seniority, annual salary and other incentive compensation;
- (ii) whether Kiwetinohk, the applicable department and/or individual attained its performance targets or goals for the most recently completed fiscal year (or other applicable period);
- (iii) individual and/or departmental contributions to the success of Kiwetinohk absolutely and/or as compared to others;
- (iv) compensation and performance data in respect of Kiwetinohk's peers and competitors; and/or
- (v) such other factors as the Board, Compensation Committee and/or CEO deems relevant in furthering and accomplishing the purposes of the Share Unit Plan.

Under the Share Unit Plan, the Board, Compensation Committee or CEO, as applicable, shall determine:

- (i) the number and type of Share Units to be granted;
- (ii) the time and/or performance vesting terms and the percentage or number of RSUs and/or PSUs to be vested as well as the applicable performance period and payout multiplier range for the PSUs (which shall be between 0% and 200%), provided that all Share Units shall vest no later than December 1 of the third year following the date of their grant; and
- (iii) any adjustments to be made to the Share Units pursuant to the Share Unit Plan.



Unless otherwise determined at the time of grant, the Share Units will become vested as to one-third of the Share Units on each of the first, second and third anniversaries of the date of grant of the Share Units.

All vested Share Units shall be 100% cash-settled. Kiwetinohk shall pay a lump sum cash payment equal to the number of vested RSUs credited to the participant's notional account as of the vesting date multiplied by the fair market value of a Common Share on such date. Kiwetinohk shall pay a lump sum cash payment equal to the sum of the number of vested PSUs credited to the participant's notional account as of such vesting date multiplied by the fair market value of a Common Share on such date multiplied by the determined payout multiplier for such PSUs.

If a participant ceases to be an officer, employee or service provider due to:

- (i) termination for cause, then no further Share Units shall vest and any Share Units held by such participant shall automatically terminate and be cancelled immediately for no consideration; or
- (ii) any reason (including death or disability) other than termination for cause, then no further Share Units shall vest, any Share Units held by such participant that have not vested shall automatically terminate and be cancelled for no consideration, and Share Units that have vested and have not already been settled will be settled in accordance with the terms of the Share Unit Plan.

The Share Unit Plan also contains provisions which allow the Board, acting reasonably, to make such adjustments as it deems appropriate to the Share Units outstanding under the Share Unit Plan, or the underlying notional Common Shares and/or cash payable upon settlement thereof in the event of a subdivision, redivision, consolidation, reclassification, amalgamation, merger or any other material change in the corporate structure or Common Shares of Kiwetinohk.

In the event of a change of control (as defined in the Share Unit Plan), such as a merger or amalgamation of Kiwetinohk with one or more other corporations, an offer by any person to purchase all of the outstanding Common Shares, a sale or distribution of all or substantially all of Kiwetinohk's assets to any other person or any arrangement or corporate reorganization, the Board may, in its sole and absolute discretion and without the need for the consent of any participant, take one or more of the following actions contingent upon the occurrence of that change of control: (a) cause any or all outstanding Share Units to become vested and settled with the Board determining, in its sole and absolute discretion, the applicable payout multiplier(s) for such PSUs and the timing of settlement; (b) cancel any Share Unit in exchange for a substitute award; or (c) with respect to any Share Unit held by a participant, cancel that Share Unit in exchange for cash and/or substitute consideration with a value equal to the settlement value, determined in accordance with the Share Unit Plan, on the date of the change of control. At the discretion of the Board, any cash or substitute consideration payable upon cancellation of a Share Unit may be subjected to: (a) vesting terms substantially identical to those that applied to the cancelled Share Unit immediately prior to the change of control; or (b) earn-out, escrow, holdback or similar arrangements, to the extent such arrangements are applicable to any consideration paid to Shareholders in connection with the change of control.

The Board may amend, suspend or terminate the Share Unit Plan or any portion thereof, or amend any Share Unit, at any time, and may do so without participant approval. Any amendment shall not negatively alter the terms or conditions of any Share Unit or impair any right of any participant pursuant to any Share Unit granted prior to such amendment unless the written consent of such participant to such amendment is obtained, unless such amendment is necessary to comply with applicable law. The Board may decide to discontinue granting RSUs and/or PSUs under the Share Unit Plan at any time in which case no further RSUs and/or PSUs shall be awarded under the Share Unit Plan. Any Share Units which remain outstanding at that time shall continue to be dealt with according to the terms of the Share Unit Plan and the Share Unit Plan shall terminate when all Share Units have been settled or terminated pursuant to the Share Unit Plan and all Share Units have been cancelled.

### **Performance Warrants**

ARC and management agreed at the inception of Kiwetinohk, prior to it becoming a public company listed on the TSX, to allocate a pool of Performance Warrants as a gain-sharing arrangement that is commonly used in private companies financed by private equity funds. Performance Warrants are similar in structure to Options, but have escalating strike prices that ensure the employees only begin to share in the

appreciation in the Common Share price at substantially higher share prices than that which prevailed at the time of grant. Like Options, Performance Warrants generally vest 1/3 per year over three years. Performance Warrants have terms of five to seven years and may be exercised at or before the expiry of their term, upon a “liquidity event” (as defined in the applicable Performance Warrant certificate) or upon the completion of a “change of control” (as defined in the applicable Performance Warrant certificate). The termination of Performance Warrants as a result of a liquidity event or a change of control would require an affirmative vote of the Board, as well as a period of time within which the holders of Performance Warrants would have the opportunity to exercise those instruments.

The Performance Warrant arrangement is not a “security-based compensation arrangement” subject to Shareholder approval and the Common Shares issuable under the Performance Warrants are not included in the 10% maximum of Common Shares issuable under the Company’s security-based compensation arrangements. Performance Warrants were granted to officers and directors of Kiwetinohk while Kiwetinohk was a private company. Kiwetinohk has not issued any Performance Warrants since going public and will not issue any going forward.

Each Performance Warrant evidences a right of the holder to subscribe for and purchase one fully-paid and non-assessable Common Share, with the following terms and conditions:

- (i) the Performance Warrants are issuable in series, with an exercise price of \$15.00 for Series 1; \$17.50 for Series 2; \$20.00 for Series 3; \$22.50 for Series 4; and \$25.00 for Series 5 (the foregoing reflects the exercise price per Common Share);
- (ii) all unvested Performance Warrants shall immediately vest upon the occurrence of a liquidity event or upon the completion of a change of control;
- (iii) all vested Performance Warrants held by a holder who ceases to be an eligible participant under the Performance Warrant certificate for any reason other than death or disability or termination for cause terminate 90 days after the holder ceases to be a director, officer, employee or consultant of Kiwetinohk or its subsidiaries, and the holder does not continue in at least one of such capacities;
- (iv) Performance Warrants generally vest as to 1/3 of each series, on each of the first three anniversaries of the grant date, although in some cases the Board has recognized historical service by granting Performance Warrants that vest as 1/4 of each series, with the first 1/4 vested at grant and the remainder to vest in rateably on each of the first three anniversaries of the grant date;
- (v) unless otherwise determined by the Board, in respect of Performance Warrants held by a holder who dies or becomes disabled, the Board will have discretion to: (a) leave all vested Performance Warrants in place under their existing terms; or (b) cause Kiwetinohk to repurchase such holder’s vested Performance Warrants for the “market price” (as defined in the applicable Performance Warrant certificate) of the Common Shares issuable upon the exercise of such Performance Warrants, either in cash or Common Shares; and
- (vi) unless otherwise determined by the Board, the Performance Warrants of a holder who is terminated for cause terminate immediately.

The form of Performance Warrant certificate also contains provisions which allow the Board, acting reasonably, to make such adjustments as it deems appropriate to the number of Common Shares covered by the Performance Warrants granted under a certificate in the event of a subdivision, redivision,

consolidation, reclassification, amalgamation, merger or any other change in the corporate structure of shares of Kiwetinohk.

At the discretion of the Board, upon the occurrence of a liquidity event, the holder of a Performance Warrant may elect to surrender the Performance Warrant in exchange for the issuance of Common Shares with a value (determined using market price) equal to the number obtained by multiplying the number of Performance Warrants surrendered by the market price (on the date of surrender) divided by the market price (on the date of surrender). Performance Warrants may not be transferred without the express approval of the Board, except by will or the laws of descent and distribution. Kiwetinohk may not provide financial assistance to the holder of a Performance Warrant in connection with the exercise of Performance Warrants.

The Board may, at any time and from time to time, without the approval of the Shareholders, amend the terms and conditions of the Performance Warrants to conform the Performance Warrants to applicable law or regulation or the requirements of the TSX or any relevant regulatory authority; provided that unless grantees holding at least 66⅔% of the Performance Warrants otherwise consent, the Board may not alter, amend or revise the terms and conditions of the Performance Warrants in a manner that may be considered to be adverse to the holders of Performance Warrants; and provided that any amendment or revision that may be considered to be adverse to the holders of Performance Warrants may only be made with the consent the Performance Warrant holders holding at least 66⅔% of the Performance Warrants that are so disproportionately and adversely affected.

As at December 31, 2023, an aggregate of 6,779,255 Common Shares, representing 15.5% of the outstanding Common Shares, were issuable pursuant to the exercise of Performance Warrants. No additional Performance Warrants have been issued since December 31, 2021, and the Board will not issue Performance Warrants going forward. Performance warrants may be exercised at or before the earlier of August 20, 2025, or a liquidity event.

## Compensation Governance

### *Compensation Related Risk Management*

Kiwetinohk's compensation program is designed to provide officers incentives for the achievement of near-term and long-term objectives, without motivating them to take unnecessary risk.

The Board provides regular oversight of Kiwetinohk's risk management practices, and delegates to the Compensation Committee the responsibility to provide risk oversight of Kiwetinohk's compensation policies and practices, and to identify and mitigate compensation policies and practices that could encourage inappropriate or excessive risk taking by members of senior management.

The Compensation Committee and the Board considered the implications of the risks associated with Kiwetinohk's compensation practices and did not identify any risks from Kiwetinohk's compensation policies or practices that are likely to have a material adverse effect on Kiwetinohk.

The Compensation Committee and the Board have concluded that Kiwetinohk has effective policies and practices to ensure that employees do not have incentives to take inappropriate or excessive risks.

### *Independent Advice*

Based on information that is publicly available, the Compensation Committee exercises its business judgment in overseeing the setting of base salaries and incentive compensation levels for executive officers. This includes an evaluation of each executive officer's qualifications and performance as well as company-wide performance. An executive officer's success in achieving business results and demonstrating leadership are also taken into account when reviewing compensation levels.

Kiwetinohk has engaged Mercer to advise the Compensation Committee and the Board with respect to competitive compensation strategies for Kiwetineohk's directors and executives, and to establish compensation practices aligned with public company best practices. Kiwetineohk continues to engage Mercer to advise on compensation matters from time to time as required. During 2023 the aggregate fees billed to Kiwetineohk by Mercer in connection with advice on executive compensation matters was \$73,590 (2022 - \$102,520).

### **Share Ownership Requirements**

#### *Executive Officers and Other Employees*

Kiwetineohk has adopted the following share ownership guidelines, pursuant to which the executive officers and any other employee specified by the Board are required to hold, directly or indirectly, Eligible Securities (as defined below) with an aggregate value as follows:

<b>Participant</b>	<b>Share Ownership Guideline</b>
CEO	3x base salary
CFO	1.5x base salary
Other Officers and Participants	1.5x base salary

**"Eligible Securities"** includes Common Shares, PSUs, RSUs, DSUs, notional shares or notional options, and all other share grants or units with the same economic interest as Common Shares.

Eligible Securities are valued at the greater of: (a) the purchase price or deemed issue price, as applicable, of the Eligible Security as determined at the time of purchase or issuance, as applicable, of such Eligible Security; and (b) the closing trading price of the Common Shares on the TSX on the last trading day of Kiwetineohk's financial year. Each officer will have five years from the introduction of the executive share ownership guidelines or the date of their election or appointment as an officer to achieve this minimum share ownership requirement.

Only the CEO has achieved the minimum share ownership requirement. Each of the other NEOs remains within the grace period for satisfying the share ownership guidelines and one NEO has not purchased any shares.

### **Non-Executive Directors**

In recognition of the importance of ensuring an alignment of financial interests of non-executive directors with those of Shareholders, Kiwetineohk has adopted an equity ownership requirement for its non-executive directors. Each non-executive director is required to hold, directly or indirectly, Eligible Securities with an aggregate value equal to or greater than three times the non-executive director's previous year's cash retainer fee. Eligible Securities are valued at the greater of: (a) the purchase price or deemed issue price, as applicable, of the Eligible Security as determined at the time of purchase or issuance, as applicable, of such Eligible Security; and (b) the closing trading price of the Common Shares on the TSX on the last trading day of Kiwetineohk's financial year. Each non-executive director will have

five years from the introduction of the non-executive director share ownership guidelines or the date of their election as a director to achieve this minimum share ownership requirement.

See “*Nominees for Election to the Board of Directors*” for the Common Shares held by each nominee director and whether he or she has achieved the minimum share ownership requirement.

### **Hedging Prohibition**

Kiwetinohk’s securities trading and reporting policy provides that no director, officer or employee may, at any time, purchase financial instruments, including prepaid variable forward contracts, instruments for the short sale or purchase or sale of call or put options, equity swaps, collars, spread bets, contracts for difference or units of exchangeable funds, that are designed to hedge or offset, or that may reasonably be expected to have the effect of hedging or offsetting, a decrease in the market value of any of the Company’s securities or may otherwise take any speculative or derivative positions of any kind which would have or that may reasonably be expected to have such effect. To the Company’s knowledge, none of the directors or NEOs have purchased any such financial instruments.

### **Clawback Policy**

Kiwetinohk believes that an important part of managing compensation risk and promoting ethical conduct is setting the appropriate tone at the executive level, and Kiwetinohk believes that having an appropriate clawback policy is an important part of setting that tone. The Company has adopted a policy whereby, in the event of fraud or willful misconduct by an executive officer resulting in inaccurate financial results being reported or negligent conduct resulting in the restatement of all or any part of Kiwetinohk’s financial statements: (a) such executive officer is required to reimburse the Company for an amount equal to the difference between any incentive compensation he or she received or became entitled to in respect of the year in which the misconduct occurred and the amount of such incentive compensation the executive officer should have properly received using corrected financial results; and (b) the Board has the discretion to cancel, withhold or otherwise take appropriate action to recoup that executive officer’s incentive compensation paid during the 12-month period following the first public issuance or filing with securities regulatory authorities, whichever first occurs, of the financial document embodying the erroneous financial reporting results.

## **EXECUTIVE COMPENSATION**

### **Summary Compensation Table**

The following table provides a summary of compensation earned by Kiwetinohk’s NEOs in the three most recently completed financial years. Annual incentives have historically been considered and awarded following year-end. This compensation period has aligned with Kiwetinohk’s historical reserve reporting period and allowed compensation decisions to benefit from the completion of the busy winter drilling season. The annual incentives reported below have been included in the summary compensation table for the year in which they were earned. It should be noted that the value of the Option/Warrant-Based Awards is their Black-Scholes value only and the ultimate value received for such awards, if any, will be tied to the trading price of the Common Shares if and when such awards are exercised.

Name and Principal Position	Year	Non-equity incentive plan compensation (\$)							Total Compensation (\$)
		Salary (\$)	Share-based Awards (\$) <sup>(3)</sup>	Option/Warrant-based Awards (\$) <sup>(2)</sup>	Short-term Incentive Plans <sup>(8)</sup>	Long-term Incentive Plans	Pension Value (\$)	All other Compensation (\$)	
<b>Patrick Carlson<sup>(1)</sup></b> CEO	2023	427,000	558,024	168,577	495,000	—	—	49,005	1,697,606
	2022	1	708,095	201,396	500,000	—	—	11,600	1,421,092
	2021	1	—	3,695,599	500,000	—	—	6,600	4,202,200
<b>Jakub Brogowski</b> CFO	2023	325,000	247,841	74,876	228,700	—	—	45,935	922,352
	2022	280,000	229,639	65,311	193,860	—	—	11,600	780,410
	2021	232,969	—	1,253,925	290,000	—	—	6,600	1,783,494
<b>Mike Backus<sup>(5)</sup></b> COO, Upstream	2023	317,500	247,841	74,876	181,000	—	—	44,635	865,852
	2022	300,000	229,639	65,311	173,860	—	—	11,600	780,410
	2021	56,250	—	236,053	40,000	—	—	6,600	338,903
<b>Janet Annesley<sup>(6)</sup></b> Chief Sustainability Officer	2023	307,500	247,841	74,876	176,350	—	—	43,435	850,002
	2022	280,000	229,639	65,311	143,860	—	—	11,600	730,410
	2021	73,611	—	185,689	30,000	—	—	2,200	291,500
<b>Chris Lina<sup>(4)</sup></b> VP, Projects	2023	302,500	176,096	73,556	172,600	—	—	44,868	769,620
	2022	267,727	76,312	412,089 <sup>(7)</sup>	131,871	—	—	6,600	894,599
	2021	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Notes:**

- (1) The CEO did not receive compensation in his capacity as a director of Kiwetinohk.  
(2) The grant date fair value of the Option/Warrant-based awards are calculated using the Black-Scholes option pricing model on the date of grants which is consistent with the fair value determined in accordance with IFRS 2 Share-based Payment. The key assumptions and estimations for this model include the current market price of the Common Shares, the exercise price of the Option/Warrant, the expected Option/Warrant term, the risk-free interest rate, the expected annual dividend per Common Share, the volatility of the price of the Common Shares and the estimated hold period prior to exercise. The actual value realized pursuant to such Option/Warrant-based awards may be greater or less than the indicated value. The assumptions used to calculate the fair value of the Options/Warrants using the Black-Scholes model are as follows:

Assumptions	Options			Performance Warrants		
	2023	2022	2021	2023	2022	2021
Weighted average exercise price (\$ / security)	\$14.17	\$13.47	\$10.00	N/A	N/A	\$20.00
Risk-free interest rate (%)	3.61	2.71	0.91	N/A	N/A	0.91
Expected annual dividend per Common Share (%)	—	—	—	N/A	N/A	—
Volatility of the Common Shares (%)	54	50	50	N/A	N/A	50
Estimated hold period prior to exercise (years)	7	7	7	N/A	N/A	6
Fair value (\$ / security)	\$8.10	\$7.32	\$5.33	N/A	N/A	\$3.63

- (3) Includes grants of cash-settled PSUs and RSUs. The grant date fair value of PSUs and RSUs has been determined by multiplying the number of awards granted by the weighted average trading price of Common Shares for the five trading days preceding the grant date with the value of PSUs multiplied by the target performance multiplier of one.  
(4) Mr. Chris Lina joined Kiwetinohk on January 24, 2022.  
(5) Mr. Mike Backus joined Kiwetinohk on November 11, 2021.  
(6) Ms. Janet Annesley joined Kiwetinohk on September 15, 2021.  
(7) Includes the grant of 60,000 Options to Mr. Lina at the time he joined Kiwetinohk on January 24, 2022. Kiwetinohk does not expect Mr. Lina to receive Option grants of this quantum on a recurring basis.  
(8) The amounts under Short-term Incentive Plans represent cash bonuses that were earned in respect of performance for that year and paid in the following year (ie. 2023 totals for each NEO are paid in 2024).

## Outstanding Share-Based and Option-Based Awards

The following tables set forth all awards outstanding for each NEO as at December 31, 2023, including awards granted before December 31, 2023.

Name	Option-Based Awards				Share-Based Awards <sup>(2)</sup>		
	Number of Common Shares Underlying Unexercised Options (#)	Options Exercise Price (\$)	Option Expiration Date	Value of Unexercised in-the-money Options (\$) <sup>(1)</sup>	Number of Shares or Units of Shares that have not Vested (#)	Market or Payout Value of Share-Based Awards that have not Vested (\$)	Market or Payout Value of Vested Share-Based Awards not Paid out or Distributed (\$)
Patrick Carlson	535,169	10.37	October 3, 2025 – August 31, 2030	574,200	76,567	869,036	—
Jakub Brogowski	127,106	10.58	October 3, 2025 – August 31, 2030	122,133	30,000	340,500	—
Mike Backus	32,792	12.25	November 11, 2028- August 31, 2030	13,500	30,000	340,500	—
Janet Annesley	28,792	12.56	September 15, 2028- August 31, 2030	9,901	30,000	340,500	—
Chris Lina	69,408	14.11	March 23, 2029 - August 31, 2030	—	17,217	195,413	—

**Notes:**

- (1) Based on the closing trading price of Kiwetinohk's Common Shares on December 29, 2023 of \$11.35 for "in the money" options.
- (2) Includes grants of cash-settled PSUs and RSUs. The market value of PSUs and RSUs that have not vested has been determined by multiplying the number of awards by the closing trading price of Kiwetinohk's Common Shares on December 29, 2023 of \$11.35 with the value of PSUs multiplied by the target performance multiplier of 0.67 for 2022 grants and 0.96 for 2023 grants.

Performance Warrant-Based Awards				
Name	Number of Common Shares Underlying Unexercised Warrants (#) <sup>(1)</sup>	Warrant Exercise Price (\$) <sup>(2)</sup>	Warrant Expiration Date	Value of Unexercised in-the-money Warrants (\$) <sup>(3)</sup>
Patrick Carlson	1,342,000	20.00	October 3, 2025 – June 28, 2026	-
Jakub Brogowski	367,970	20.00	October 3, 2025 – June 28, 2026	-
Mike Backus	160,000	20.00	November 11, 2026 - November 23, 2026	-
Janet Annesley	152,000	20.00	September 15, 2026 - November 23, 2026	-
Chris Lina	—	--	--	-

**Notes:**

- (1) No further grants of Performance Warrants will occur.
- (2) The Performance Warrants have exercise prices in tranches ranging from \$15.00 to \$25.00 per Common Share, with a weighted average exercise price of \$20.00 per Common Share.
- (3) The value of unexercised Warrants was calculated based on the difference, if positive, between the closing trading price of Kiwetinohk's Common Shares on December 29, 2023 of \$11.35 and the weighted average exercise price of the warrants all multiplied by the number of warrants.



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

The following table sets forth incentive plan awards for each NEO for value vested or earned during the year ended December 31, 2023.

Name	Option/Warrant-Based Awards — Value Vested During the Year <sup>(1)(2)</sup> (\$)	Share-Based Awards Value Vested During the Year <sup>(3)</sup> (\$)	Non-Equity Incentive Plan Compensation — Value Earned During the Year (\$)
Patrick Carlson	161,681	197,023	—
Jakub Brogowski	60,472	63,902	—
Mike Backus	14,900	63,902	—
Janet Annesley	11,881	63,902	—
Chris Lina	—	21,234	—

**Note:**

- (1) The value of the Options that vested in 2023 was calculated based on the difference, if positive, between the closing trading price of Common Shares on the vesting date and the exercise price of the options all multiplied by the number of options.
- (2) The value of the Warrants that vested in 2023 was calculated based on the difference, if positive, between the closing trading price of Common Shares on the vesting date and the weighted average exercise price of the warrants all multiplied by the number of warrants.
- (3) Includes grants of cash-settled PSUs and RSUs.

## Termination and Change of Control Benefits

Kiwetinohk has employment agreements with each of its NEOs.

The employment agreement with each NEO of the Company other than Patrick Carlson provides that, in the event the Company terminates such NEO's employment without cause, Kiwetinohk must provide the terminated NEO with payment in lieu of notice in an amount equivalent to: (i) six months' of such NEO's annual base salary; plus (ii) two months' of such NEO's annual base salary for each completed year of service with the Company, up to a maximum of twelve months' of their annual base salary. For the purposes of the foregoing, "cause" is defined to include a material breach of the NEO's employment agreement, failure to perform their duties or to comply with Kiwetinohk policy, or any dishonest act, breach of fiduciary duties owed to the Company, or anything else that could constitute just cause at common law.

Kiwetinohk's employment agreement with Mr. Carlson provides that, in the event the Company terminates Mr. Carlson's employment for any reason other than just cause, death or disability, as further described in the relevant employment agreement, Kiwetinohk must pay an amount equal to the following amounts, less applicable deductions and withholdings required by law: (i) all accrued but unpaid salary for services rendered up to the termination date; (ii) the pro-rated value of any accrued but unused vacation entitlements; (iii) any accrued but unpaid expenses required to be reimbursed at the termination date; (iv) payment in lieu of termination notice as required by the *Employment Standards Code* (Alberta); (v) any declared but unpaid bonus as at the termination date; (vi) a severance amount equal to the monthly salary as at the termination date times a factor equal to the sum of 15 plus an additional three for each completed year of service under such employment agreement (provided that the factor shall not in any event exceed 24 and provided further that "salary" for the purposes of determining such payment shall be the greater of Mr. Carlson's actual salary at that time and \$250,000); and (vii) an amount equal to 7.5% of the amount paid under subsections (iv) and (vi) as compensation for the loss of employment benefits, which shall cease on the termination date (collectively, the "Termination Benefits").

For the purposes of the foregoing, "just cause" means any reason which would entitle Kiwetinohk to terminate Mr. Carlson's employment without notice or payment in lieu of notice at common law and

includes but is not limited to: (i) fraud, misappropriation of company property, assets or funds, embezzlement, malfeasance, misfeasance or nonfeasance in office which is willfully or grossly negligent on the part of the executive; (ii) conviction of, or plea (other than not guilty) by the executive to a criminal offense involving dishonesty or fraud, or which is likely to injure the Company's business or reputation; (iii) the willful allowance by the executive of his duty to the Company and the executive's personal interests to come into conflict in a material way in relation to any transaction or matter that is of a substantial nature; (iv) the material breach by the executive of any covenants or obligations under the employment agreement; (v) the failure by the executive to substantially perform his obligations in accordance with his employment agreement after the Company has given him reasonable notice of such failure and a reasonable opportunity to correct, or cause to be corrected, such failure; (vi) the intentional or negligent involvement or participation by the executive in any act which is materially injurious to the Company, financially or otherwise; or (vii) any information, reports, documents or certificates being furnished by the executive to the Board or any committee thereof which are intentionally false or misleading because they either include or fail to include material facts, including without limitation disclosure of conflicts of interest.

With respect to Mr. Carlson only, in the event that there is a change of control and there is no termination for just cause, the Company must pay Mr. Carlson an amount equal to the Termination Benefits, provided that the amount payable under subsection (vi) above be Mr. Carlson's monthly salary, being the greater of his salary at the time of the change of control and \$250,000, times a factor of 24. For the purposes of the employment agreement with Mr. Carlson, a "change of control" is defined to mean: (i) the acquisition of shares, or securities convertible into shares, of the Company, as a result of which the acquiring entity beneficially owns or exercises control or direction over shares which would entitle the acquiring entity to cast more than 50% of the votes attached to all shares in the capital of the Company which may be cast to elect directors of the Company; or (ii) the occurrence of: (a) an amalgamation, arrangement, merger or other consolidation of the Company whereby the acquiring entity beneficially owns or exercises control or direction over shares which would entitle the acquiring entity to cast more than 50% of the votes attached to all shares in the capital of the Company which may be cast to elect directors of the Company; (b) a liquidation, dissolution or winding up of the Company; or (c) a sale, lease or other disposition of all or substantially all of the assets of the Company.

Following direction from the Board in November, 2021, all other Senior Executive Officers (including the NEOs other than Mr. Carlson) entered into Amended and Restated Employment Agreements (the "**Updated Employment Agreements**"). Pursuant to the Updated Employment Agreements, in the event that there is a change of control and, if within 6 months following a Change of Control, employment with the Company is terminated without cause, or if the Senior Executive Officer so elect, within 90 days following the Change of Control to terminate their employment with the Company for Sufficient Reason, then Kiwetinohk is obliged to provide the following: (i) an amount equivalent to 6 months' of annual base salary, plus 2 months' of the annual base salary for each completed year of service with the Company, up to a combined maximum of 12 months' of the annual base salary; (ii) any bonus attributable to such individual's performance in the calendar year immediately preceding the date of the change of control (if such bonus was earned and not yet paid) plus a prorated bonus for that portion of the calendar year in such individual was actively employed. Additionally, all unvested options and performance warrants as at the termination date shall immediately vest and become exercisable effective on the date employment is terminated.

For the purposes of the Updated Employment Agreements, "change of control" means: (i) the sale to or acquisition of the assets of the Company (or its subsidiaries) having a fair market value greater than 50% of the fair market value of the assets of the Company and its subsidiaries on a consolidated basis; (ii) any person (except for ARC, as defined in the Option Plan) becoming the beneficial owner, directly or indirectly, of 50% or more of the voting securities of the Company; or (iii) any reorganization, recapitalization, consolidation, amalgamation, arrangement, merger, transfer, sale, business combination

or other similar transaction or series of integrated transactions involving the Company, its subsidiaries or its shareholders, where record holders of the voting securities of the Company immediately prior to such transaction or series of transactions hold less than 50% of the voting securities of the Company or of the continuing entity following the completion of such transaction or series of transactions.

For the purposes of the Updated Employment Agreements, “sufficient reason” means: (i) such individual is assigned duties materially inconsistent with his or her position, duties, responsibilities and status with the Company in effect immediately prior to the change of control; (ii) such individual’s annual base salary is reduced without his or her express written consent (except where such reduction is applicable to all senior executives of the Company generally and does not exceed 10%); (iii) the Company fails to continue in effect any benefits plan (without providing such individual with substantially similar benefits), or fails to continue any bonus, profit sharing or other incentive compensation plan or program, unless such failure to continue such benefits is applicable to all senior executives of the Company generally; or (iv) the Company relocates such individual to any place outside the City of Calgary.

### Termination Payments

The following table summarizes the incremental payments that would be received by each NEO in each circumstance where the NEO ceases to be employed by Kiwetinohk. The amounts shown in the table below are calculated based on positions held at December 31, 2023. These amounts do not include Options, Performance Warrants, RSUs, PSUs, or compensation changes subsequent to the 2023 year-end. For purposes of this table, the termination date of each NEO is assumed to be December 31, 2023. For purposes of calculating the value of the Options and Performance Warrants upon termination, the share price on December 29, 2023 of \$11.35 less the applicable exercise price was utilized.

Name and Principal Position	Termination for Cause	Termination other than for Cause <sup>(1)(2)</sup>	Termination upon Change of Control <sup>(1)</sup>
<b>Patrick Carlson</b>			
Cash severance	\$ —	\$ 976,000	\$ 976,000
Options (unvested and accelerated)	\$ —	\$ —	\$ 84,598
Performance Warrants (unvested and accelerated)	\$ —	\$ —	\$ —
<b>Total</b>	<b>\$ —</b>	<b>\$ 976,000</b>	<b>\$ 1,084,888</b>
<b>Jakub Brogowski</b>			
Cash severance	\$ —	\$ 330,000	\$ 330,000
Options (unvested and accelerated)	\$ —	\$ —	\$ 25,442
Performance Warrants (unvested and accelerated)	\$ —	\$ —	\$ —
<b>Total</b>	<b>\$ —</b>	<b>\$ 330,000</b>	<b>\$ 355,442</b>
<b>Mike Backus</b>			
Cash severance	\$ —	\$ 266,667	\$ 266,667
Options (unvested and accelerated)	\$ —	\$ —	\$ 6,750
Performance Warrants (unvested and accelerated)	\$ —	\$ —	\$ —
<b>Total</b>	<b>\$ —</b>	<b>\$ 266,667</b>	<b>\$ 273,417</b>
<b>Janet Annesley</b>			
Cash severance	\$ —	\$ 258,333	\$ 258,333
Options (unvested and accelerated)	\$ —	\$ —	\$ 4,949

Name and Principal Position	Termination for Cause	Termination other than for Cause <sup>(1)(2)</sup>	Termination upon Change of Control <sup>(1)</sup>
Performance Warrants (unvested and accelerated)	\$ —	\$ —	\$ —
<b>Total</b>	<b>\$ —</b>	<b>\$ 258,333</b>	<b>\$ 263,282</b>
<b>Chris Lina</b>			
Cash severance	\$ —	\$ 203,333	\$ 142,500
Options (unvested and accelerated)	\$ —	\$ —	\$ 6,750
Performance Warrants (unvested and accelerated)	\$ —	\$ —	\$ —
<b>Total</b>	<b>\$ —</b>	<b>\$ 203,333</b>	<b>\$ 149,250</b>

**Notes:**

- (1) Cash severance calculations based on salary are based on annual salary for the year ended December 31, 2023. Value used in the calculation of Options and Performance Warrants was the closing price of the Common Shares on the TSX on December 29, 2023 of \$11.35.
- (2) In addition, any NEO terminated for any reason other than just cause shall be entitled to: (i) all accrued but unpaid salary for services rendered up to the termination date; (ii) the pro-rated value of any accrued but unused vacation entitlement as at the termination date for that portion of the calendar year in which the NEO was actively employed; (iii) any accrued but unpaid expenses at the termination date required to be reimbursed pursuant to such NEO's employment agreement; and (iv) any declared but unpaid bonus as at the termination date.
- (3) In addition, in the context of termination upon a change of control, each NEO is entitled to a severance payment on account of foregone bonuses as follows: payment of a bonus attributable to the NEO's performance in the calendar year immediately preceding the date the change of control occurred (if such bonus was earned and not yet paid), plus the payment of a prorated bonus for that portion of the calendar year in which such NEO was actively employed, calculated by taking the greater of (1) the product of: (x) the average bonus paid to such NEO in the 2 years preceding the calendar year in which employment is terminated divided by 12 and (y) the number of months such NEO was actively employed in the calendar year in which employment was terminated or (2) the product of: (x) 25% of such NEO's annual base salary in effect on the date of the change of control divided by 12 and (y) the number of months such NEO was actively employed in the calendar year in which such NEO's employment was terminated.

## DIRECTOR COMPENSATION

### Approach to Director Compensation

Kiwetinohk pays director compensation to attract and retain directors of the quality and with the skills required to oversee Kiwetinohk's business, taking into account the complexity of Kiwetinohk's operations and business. Kiwetinohk compensates directors for their accountability and risk, responsibility and preparation, on the basis that they devote time and attention to Kiwetinohk year-round and to reflect their fiduciary oversight and effectiveness. Kiwetinohk directors oversee Kiwetinohk's business and affairs and with a view to the best interests of Kiwetinohk.

Kiwetinohk did not have any formal compensation arrangements for its directors until 2022. All historic compensation paid to directors was in the form of Options and Performance Warrants. As with share-based compensation awards to officers and employees, awards of Options and Performance Warrants to directors have been ad hoc in nature and tied to the achievement of broader corporate milestones. Subsequent to the listing of the Common Shares on the TSX in January 2022 there have not been any additional Options or Performance Warrants granted to directors with no additional grants currently planned.

Directors are also reimbursed for transportation and other out-of-pocket expenses reasonably incurred for attendance at Board and committee meetings and in connection with the performance of their duties as directors.



From 2022 to present, non-employee directors' fees are as follows:

Position	Annual Retainer <sup>(1)(2)</sup>
Director (including Board Chair, Lead Director and Committee Chair)	\$110,000
Board Chair / Lead Director	\$40,000 (additional)
Committee Chair	\$7,500 (additional)

**Note:**

- (1) Each director will receive at least 65% of their annual retainer in DSUs with the Board Chair and Lead Director also receiving \$20,000 of their additional fees in DSUs. Any director may elect to receive up to 100% of their annual retainer in DSUs.  
(2) Mr. Carlson receives no compensation for his role as a director.

In March 2022 the Board adopted a cash-based deferred share unit ("**DSU**") plan. DSUs are used to satisfy the equity portion of the annual retainer. The number of DSUs granted is determined based on the five day VWAP for the Common Shares at the time of grant and the DSUs are settled in cash based on the trading price of the Common Shares when the director ceases to be a director of Kiwetinohk for any reason. This type of director compensation creates direct alignment with Shareholders – being tied exclusively to the trading price of the Common Shares.

## Director Compensation Table

The following table provides a summary of compensation earned by the non-employee directors of Kiwetinohk in the financial year ended December 31, 2023. It should be noted that the value of the Option/Warrant-Based Awards is their Black-Scholes value only and the ultimate value received for such awards, if any, will be tied to the trading price of the Common Shares if and when such awards are exercised.

Name	Fees Earned (\$)	Share-Based Awards <sup>(2)</sup> (\$)	Option/Warrant-Based Awards <sup>(3)</sup> (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Kevin Brown	58,500	91,500	—	—	—	—	150,000
Beth Reimer-Heck	66,000	91,500	—	—	—	—	157,500
Judith Athaide	43,445	71,500	—	—	—	—	114,945
Colin Bergman <sup>(1)</sup>	25,385	47,143	—	—	—	—	72,528
Leland Corbett	—	117,500	—	—	—	—	117,500
Nancy Lever <sup>(1)</sup>	15,670	24,357	—	—	—	—	40,027
Kaush Rakhit	46,000	71,500	—	—	—	—	117,500
Steven Sinclair	46,000	71,500	—	—	—	—	117,500
John Whelen	38,500	71,500	—	—	—	—	110,000

**Notes:**

- (1) Nancy Lever retired as a director on May 3, 2023 and was replaced by Colin Bergman.  
(2) Includes grants of cash-settled DSUs. The grant date fair value of DSUs has been determined by multiplying the number of awards granted by the weighted average trading price of Common Shares for the five trading days preceding the grant date.  
(3) Fees, Options, Performance Warrants and DSU's granted to Kevin Brown, Nancy Lever and Colin Bergman are held by such individuals for the benefit of ARC (or its fund manager or general partner).

## Outstanding Share-Based Awards and Option-Based Awards – Directors

The following table provides a summary of all awards outstanding for each of the directors of Kiwetinohk (other than Patrick Carlson, who received no awards in his capacity as a director) at the end of December 31, 2023, including awards granted before December 31, 2023.

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Options Exercise Price (\$)	Option Expiration Date	Value of Unexercised in-the-money Options (\$) <sup>(1)</sup>	Number of Shares or Units of Shares that have not Vested (#)	Market or Payout Value of Share-Based Awards that have not Vested (\$) <sup>(2)</sup>	Market or Payout Value of Vested Share-Based Awards not Paid out or Distributed (\$)
Kevin Brown <sup>(2)</sup>	52,932	10.00	October 3, 2025 – June 28, 2028	71,458	14,288	162,169	—
Beth Reimer-Heck	10,000	10.00	November 23, 2028	13,500	14,288	162,169	—
Judith Athaide	—	NA	-	—	11,166	126,734	—
Colin Bergman	—	NA	-	—	3,942	44,742	—
Leland Corbett	62,998	10.00	October 3, 2025 – June 28, 2028	85,047	18,347	208,238	—
Kaush Rakhit	55,951	10.00	October 3, 2025 – June 28, 2028	75,534	11,166	126,734	—
Steven Sinclair	10,000	10.00	November 23, 2028	13,500	11,166	126,734	—
John Whelen	—	NA	-	—	11,166	126,734	—

**Notes:**

- (1) Based on the closing trading price of Kiwetinohk's Common Shares on December 29, 2023 of \$11.35.
- (2) Options and DSU's granted to Kevin Brown and Colin Bergman are held by such individuals for the benefit of ARC (or its fund manager or general partner).
- (3) Includes grants of cash-settled DSUs. The market value of DSUs that have not vested has been determined by multiplying the number of awards by the closing trading price of Kiwetinohk's Common Shares on December 29, 2023 of \$11.35.
- (4) Colin Bergman was named a director on May 3, 2023

Performance Warrant-Based Awards				
Name	Number of Securities Underlying Unexercised Warrants (#) <sup>(1)</sup>	Warrant Exercise Price (\$) <sup>(2)</sup>	Warrant Expiration Date	Value of Unexercised in-the-money Warrants (\$) <sup>(3)</sup>
Kevin Brown <sup>(4)</sup>	158,530	20.00	October 3, 2025 – June 28, 2026	—
Beth Reimer-Heck	20,000	20.00	November 23, 2026	—
Judith Athaide	—	—	-	—
Colin Bergman <sup>(4)</sup>	—	—	-	—
Leland Corbett	158,530	20.00	October 3, 2025 – June 28, 2026	—
Kaush Rakhit	158,530	20.00	October 3, 2025 – June 28, 2026	—
Steven Sinclair	20,000	20.00	November 23, 2026	—
John Whelen	—	—	-	—

**Notes:**

- (1) No further grants of Performance Warrants will occur.

- (2) The Performance Warrants have exercise prices in tranches ranging from \$15.00 to \$25.00 per Common Share, with a weighted average exercise price of \$20.00 per Common Share.
- (3) The value of unexercised Warrants was calculated based on the difference, if positive, between the closing trading price of Kiwetinohk's Common Shares on December 29, 2023 of \$11.35 and the weighted average exercise price of the warrants all multiplied by the number of warrants.
- (4) Options and Performance Warrants granted to Kevin Brown and Colin Bergman are held by such individuals for the benefit of ARC (or its fund manager or general partner).

### Incentive Plan Awards – Value Vested or Earned During the Year – Directors

The following table sets forth incentive plan awards for each director for value vested or earned during the year ended December 31, 2023 (other than Patrick Carlson, who received no awards in his capacity as a director).

Name	Option/Warrant-Based Awards — Value Vested During the Year <sup>(1)</sup> (\$)	Share-Based Awards — Value Vested During the Year <sup>(3)</sup> (\$)	Non-Equity Incentive Plan Compensation — Value Earned During the Year (\$)
Kevin Brown <sup>(2)</sup>	138,984	—	—
Beth Reimer-Heck	24,194	—	—
Judith Athaide	—	—	—
Colin Bergman <sup>(3)</sup>	—	—	—
Leland Corbett	156,866	—	—
Kaush Rakhit	144,346	—	—
Steven Sinclair	41,959	—	—
John Whelen	—	—	—

**Notes:**

- (1) The grant date fair value of the Option/Warrant-based awards are calculated using the Black-Scholes option pricing model on the date of grants which is consistent with the fair value determined in accordance with IFRS 2 Share-based Payment. The key assumptions and estimations for this model include the current market price of the Common Shares, the exercise price of the Option/Warrant, the expected Option/Warrant term, the risk-free interest rate, the expected annual dividend per Common Share, the volatility of the price of the Common Shares and the estimated hold period prior to exercise. The actual value realized pursuant to such Option/Warrant-based awards may be greater or less than the indicated value. The assumptions used to calculate the fair value of the Options/Warrants using the Black-Scholes model are as follows:

Assumptions	Options			Performance Warrants		
	2023	2022	2021	2023	2022	2021
Weighted average exercise price (\$ / security)	\$14.17	\$13.47	\$10.00	N/A	N/A	\$20.00
Risk-free interest rate (%)	3.61	2.71	0.91	N/A	N/A	0.91
Expected annual dividend per Common Share (%)	—	—	—	N/A	N/A	—
Volatility of the Common Shares (%)	54	50	50	N/A	N/A	50
Estimated hold period prior to exercise (years)	7	7	7	N/A	N/A	6
Fair value (\$ / security)	\$8.10	\$7.32	\$5.33	N/A	N/A	\$3.63

- (2) Options and Performance Warrants granted to Kevin Brown and Colin Bergman are held by such individuals for the benefit of ARC (or its fund manager or general partner).
- (3) All DSUs granted vest immediately upon grant and become payable following the director ceasing to be a director.

### Indemnity Agreements for Directors and Officers

Kiwetinohk has entered into indemnity agreements with each of the directors and officers pursuant to which Kiwetinohk has agreed to indemnify such directors and officers from liability arising in connection with the performance of their duties. Such indemnity agreements conform to the provisions of the CBCA.

## INDEBTEDNESS OF DIRECTORS AND OFFICERS



Kiwetinohk is not aware of any individuals who are either current or former executive officers, directors or employees of the Company, or any of its subsidiaries and who have indebtedness outstanding as of the date hereof (whether entered into in connection with the purchase of securities of the Company or otherwise) that is owing to: (a) the Company or any of its subsidiaries; or (b) another entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise set out in Kiwetineohk's 2023 annual information form, available on SEDAR, there is no material interest, direct or indirect, of any: (a) director or executive officer of Kiwetineohk; (b) person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of any class or series of Kiwetineohk's voting securities; or (c) associate or affiliate of any of the persons or companies referred to in (a) or (b) above in any transaction since the commencement of Kiwetineohk's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect Kiwetineohk.

## CORPORATE GOVERNANCE

The disclosure set out below includes disclosure required by National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101") describing the Company's approach to corporate governance.

### Board of Directors

Following the Meeting, the Board of Directors of Kiwetineohk is expected to consist of the following individuals, more than three-quarters of whom are currently considered independent:

Name of Individual	Status on Board
Kevin Brown	Director, Chair of the Board; Non-Independent
Beth Reimer-Heck	Director (Lead), Independent
Judith Athaide	Director, Independent
Colin Bergman	Director, Independent
Patrick Carlson	Director, CEO and President; Non-Independent
Leland Corbett	Director, Independent
Kaush Rakhit	Director, Independent
Steven Sinclair	Director, Independent
John Whelen	Director, Independent

Under NI 58-101, a director is considered to be independent if he or she is independent within the meaning of National Instrument 52-110 – *Audit Committees* ("NI 52-110"). Pursuant to NI 52-110, an

independent director is a director who is free from any direct or indirect relationship which could, in the view of the Board, be reasonably expected to interfere with a director's independent judgment. Based on the Board's knowledge of each director's relationships with Kiwetinohk as well as information provided by each director, the Board has determined that: (i) Mr. Rakhit, Mr. Corbett, Mr. Sinclair, Ms. Reimer-Heck, Ms. Athaide, Mr. Whelen and Mr. Bergman are independent within the meaning set out in NI 58-101; (ii) Mr. Carlson is not independent within the meaning set out in NI 58-101 as he is the CEO of Kiwetinohk; and (iii) Mr. Brown is not independent within the meaning set out in NI 58-101 as he is an executive officer and/or director of ARC and/or of the general partners of the limited partnerships comprising ARC, which hold an aggregate of approximately 62% of the issued and outstanding Common Shares as of the date of this Information Circular.

With respect to Mr. Rakhit, although he is an executive officer, director and owner of a company which provides certain products and services to Kiwetinohk, the Board has determined that Mr. Rakhit is independent and capable of exercising independent judgment after considering, among other things: (i) that Mr. Rakhit's company does not provide consulting services to the Company in which Mr. Rakhit has an active role; (ii) that Mr. Rakhit's company provides similar services to other energy companies at similar pricing; (iii) Mr. Rakhit's Common Share ownership position in the Company and his personal financial circumstances; and (iv) the statutory guidance with respect to the meaning of independence.

With respect to Mr. Corbett, although the law firm of which he is a partner, Stikeman Elliott LLP, provides legal services to Kiwetinohk, the Board has determined that Mr. Corbett is independent and capable of exercising independent judgment after considering, among other things: (i) that Mr. Corbett does not provide legal services to the Company; (ii) that the fees charged by Stikeman Elliott LLP to the Company are less than 1% of Stikeman Elliott's total revenues; (iii) Mr. Corbett's equity ownership in Stikeman Elliott LLP; (iv) Mr. Corbett's Common Share ownership position in the Company and his personal financial circumstances; and (v) the statutory guidance with respect to the meaning of independence.

With respect to Mr. Bergman, although he is an employee of ARC, the Board has determined that Mr. Bergman is currently independent and capable of exercising independent judgment after considering, among other things: (i) that Mr. Bergman is not an executive officer and/or director of ARC, like Mr. Brown; (ii) that Mr. Bergman has not been and is not an employee of the Company or remunerated for the provision of consulting services to the Company; (iii) Mr. Bergman's Common Share ownership position in the Company and his personal financial circumstances; and (iv) the statutory guidance with respect to the meaning of independence.

The Board believes that given its size and structure, it is organized properly, functions effectively and is able to facilitate independent judgment in carrying out its responsibilities, including those set forth in the mandate of the Board. To enhance such independent judgement, while the Company's independent directors may not hold regularly scheduled meetings at which the non-independent directors and management are not in attendance, at the end of, or during, each Board meeting, the members of management who are present at such meeting, including the non-independent directors, will leave the meeting in order that the independent directors can discuss any necessary matters without management and any non-independent directors being present.

Kevin Brown, the Chair of the Board, is not independent. Beth Reimer-Heck has been appointed as the Lead Director by the Board and is responsible for ensuring that the directors who are independent have opportunities to meet without management and non-independent directors, as required. The Lead Director will be appointed and replaced from time to time by a majority of independent directors and will be an independent director. Discussions among the independent directors will be led by the Lead Director who will provide feedback subsequently to the Chair.

Kiwetinohk does not have a formal policy on board interlocks, however it does monitor the other public directorships held by its members. A board interlock occurs when two of the Company's directors also serve together on the board of another reporting issuer. As of the date of this Information Circular, there are no board interlocks among the Board members.

## Majority Voting Policy

The Board has repealed the Company's Majority Voting Policy as a result of recent amendments to the CBCA that now require majority voting for individual directors in uncontested director elections pursuant to the provisions set out in the CBCA, which amendments came into effect on August 31, 2022. The applicable provisions of the CBCA provide that if there is only one candidate nominated for each position available on the Board, as is the case at the Meeting, each candidate is elected only if the number of votes cast in their favour represents a majority of the votes cast for and against them by the shareholders who are present in person or represented by proxy, unless the articles require a greater number of votes (which the Company's articles do not). However, the CBCA also provides for a transitional period for any incumbent director who is not re-elected at the Meeting as a result of not receiving a majority of the votes in their favour, which permits such director to continue in office until the earlier of: (a) the 90th day after the day of the election; and (b) the day on which their successor is appointed or elected.

## Board Mandate

The Board, either directly or through its committees, is responsible for the supervision of management of Kiwetinohk's business and affairs with the objective of enhancing Shareholder value. A copy of the mandate of the Board is attached to this Information Circular as Schedule "A".

The Board has also established Board and committee guidelines for the operations of its Board and committee meetings in line with effective governance practices to provide clarity and direction to the Board and its committee members on operational meeting matters such as committee composition, voting, quorum, circulation of meeting materials and reporting expectations to the Board.

## Meeting Attendances

The Board held seven formal Board meetings during the year ended December 31, 2023. Each director of Kiwetinohk, who was a director at the time of the meeting, attended all of the formal Board meetings.

## Board Committees

The Board has five committees as of the date of this Information Circular: (a) the Audit Committee, Chaired by Steven Sinclair and including Kevin Brown, Beth Reimer-Heck and John Whelen; (b) the Reserves Committee, Chaired by Kaush Rakhit and including Colin Bergman and Pat Carlson; (c) the Compensation Committee, Chaired by Leland Corbett and including Kaush Rakhit, Steven Sinclair and John Whelen; (d) the Sustainability Committee, Chaired by Beth Reimer-Heck and including Colin Bergman, Leland Corbett, Pat Carlson and Judith Athaide; and (e) the Governance and Nominating Committee, Chaired by Judith Athaide and including Kevin Brown, Beth Reimer-Heck and Leland Corbett.

### ***Audit Committee***

The primary function of the Audit Committee is to assist the Board by: (a) overseeing the nature and scope of the Company's annual independent audit and the integrity of the Company's financial statements; (b) overseeing the Company's external independent auditor's performance, qualifications and independence; (c) overseeing management's implementation and maintenance of an effective system of internal controls over cash management and financial reporting; (d) overseeing the Company's legal and regulatory compliance requirements with respect to financial management and reporting; (e) overseeing the Company's financial risk management programs including insurance, cash management, hedging, marketing and debt; (f) overseeing the Company's systems of financial disclosure control and procedures; and (g) recommending, for Board approval, the audited financial statements and other mandatory disclosure releases containing financial information.

### ***Reserves Committee***

The primary function of the Reserves Committee is to assist the Board by: (a) appointing and approving, on behalf of the Board, Kiwetinohk's independent reserves evaluator; (b) overseeing the work of the independent reserves evaluator, including understanding the nature and resolution of disagreements between such evaluator and management; and (c) reviewing the Company's procedures relating to disclosure of information with respect to oil and gas reserves and resources and other oil and gas activities.

### ***Compensation Committee***

The primary function of the Compensation Committee is to assist the Board by: (a) reviewing and approving Kiwetinohk's goals and objectives, and structuring, reviewing and approving and then recommending to the Board the compensation of the CEO and other members of the senior management team of the Company in light of those goals and objectives; (b) structuring, reviewing and approving the compensation of each director of the Company; (c) administering Kiwetinohk's compensation plans for senior management, including stock-based compensation and such other compensation plans or structures as are adopted by the Company from time to time; (d) providing broad oversight of Kiwetinohk's compensation strategy including a charge to ensure Kiwetinohk is able to secure and maintain employment of, and train and develop the skills of persons with the talent to enable Kiwetinohk to meet its business objectives and execute its business strategies; (e) assessing the performance of the CEO and other key personnel; (f) regularly reviewing Kiwetinohk's, executive recruiting and executive skill development and succession planning processes with a view to ensuring that Kiwetinohk rigorously manages the risk of loss of hard-to-replace personnel; and (g) reviewing and approving Kiwetinohk's hiring and employee career development practices with respect to diversity and inclusion.

### ***Sustainability Committee***

The primary function of the Sustainability Committee is to assist the Board by: (a) overseeing Kiwetinohk's policies and management systems which are designed to cause it to comply with applicable laws and regulations; (b) identifying issues and risks and opportunities to differentiate, strategies, policies and management controls designed to ensure safe and responsible operations; (c) manage risks and capture opportunities associated with sustainability matters, including health, safety, environment (including climate change) and relationships with all of the stakeholders identified in Kiwetinohk's corporate mandate; (d) reviewing and commenting upon management's strategies to enhance Kiwetinohk's image among its stakeholders; and (e) evaluating the performance of Kiwetinohk with respect to the matters identified in the paragraphs above.

### ***Governance and Nominating Committee***

The primary function of the Governance and Nominating Committee is to assist the Board by: (a) ensuring effective corporate governance as one of the main factors in creating long-term sustainable value for its Shareholders; (b) reviewing the Company's policies pertaining to the Company's governance practices, values, principles or the Code of Conduct; (c) overseeing the process of assessing the effectiveness of the Board as a whole (including any committees thereof) as well as discussing the contribution of individual members; (d) overseeing the process of assessing the performance of each director of the Company; (e) periodically assessing the Company's governance, including reviewing recommendations of governance and shareholder advisory organizations and participation in benchmarking studies undertaken by such organizations to assess its governance practices in relation to those of other issues in a wide range of industries and geographies; (f) proposing new nominees for appointment to the Board; and (g) recommending to the Board to consider measures to seek the resignation or removal of directors, when deemed appropriate, and policies and measures regarding director diversity, tenure, succession and renewal initiatives.

Kiwetinohk is committed to having and developing leaders at all levels that exemplify the Company's core values and principles and are able to effectively execute the Company's business strategies and objectives. To ensure that Kiwetinohk has such leaders into the future, a management succession plan is currently being developed.

## **Orientation and Continuing Education**

The Governance and Nominating Committee is responsible for the orientation and continuing education of the members of the Board. As new directors join the Board, they will be provided with, among other things, corporate policies, historical information about Kiwetinohk, information on Kiwetinohk's performance and its strategic plan and an outline of the general duties and responsibilities entailed in carrying out their duties. New directors are provided the opportunity to meet with the Chair, the Lead Director, the CEO, and other members of management to discuss the role and responsibilities of individual directors, the Board and its committees and to gain an understanding and appreciation for the Company's business, operations, strategic objectives and core values. The Company provides a board buddy program for new directors and such other orientation and information as requested or deemed advisable.

Kiwetinohk encourages and, with the approval of the Chair, will cover expenses associated with directors attending, enrolling or participating in courses and/or seminars dealing with financial literacy, corporate governance and related matters. Each director of Kiwetinohk has the responsibility for ensuring that he or she maintains the skill and knowledge necessary to meet his or her obligations as a director. As part of the director continuing education program the Company coordinated various sessions in 2023 around diversity, equity and inclusion, economic outlooks around upstream and power commodity prices and a field tour of the upstream operations during the year.

## **Ethical Business Conduct**

The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations, providing guidance to employees to help them recognize and deal with ethical issues, promoting a culture of open communication, honesty and accountability and ensuring awareness of disciplinary action for violations of ethical business conduct. In connection with its commitment to ensuring the ethical operation of the Company, the Board has adopted

the Code of Conduct, a copy which is available under the Company's profile at [www.sedarplus.ca](http://www.sedarplus.ca), and on its website at [www.kiwetinohk.com](http://www.kiwetinohk.com). The Board looks to the CEO to advance Kiwetinohk's business in accordance with the Code of Conduct. The Code of Conduct prescribes the expectations Kiwetinohk has of those in its service with respect to communicating with and satisfying stakeholders. Each director, officer, employee, contractor, consultant, representative and agent of the Company must comply with the code of business ethics. Compliance with the code of business ethics is a condition of employment for each employee of the Company. Employees are obligated to promptly report any problems or concerns or any potential or actual violation of the Code of Conduct in accordance with the procedures established therein. The Board monitors compliance with the code of business ethics through reports of management to the Board and requires that all persons subject to the Code of Conduct provide an annual certification of compliance with the Code of Conduct.

In accordance with the CBCA, directors of the Company are subject to the statutory duties of care and loyalty, the latter of which requires directors to act as a fiduciary in the best interests of the Company while considering the interests of individual stakeholders (or classes thereof) and treating them equitably and fairly. These duties require directors to make full disclosure of and take active steps to avoid conflicts of interest and mandate that directors, both during their term and after, are precluded from making use of any corporate opportunities, which at all times remain the property of the Company. Kiwetinohk expects its directors to comply with these duties at all times.

The Company wishes to instill in its employees and contractors the duty to ask questions and vocalize concerns, to detect potential violations of questionable or inappropriate practices early, and, moreover, to earn a reputation for a workplace where questions are raised routinely without fear of any form of discrimination, retaliation or harassment. The Board has accordingly also adopted a whistleblower policy which provides directors, officers, employees, service providers, suppliers and contractors with the ability to report, on a confidential and anonymous basis, any violations within Kiwetinohk including (but not limited to) questionable business practices, inappropriate accounting treatment, inadequate internal controls, auditing matters (including misleading or excessive influence), disclosure of fraudulent or misleading financial information, fraud, misappropriation of corporate assets, any activity believed to be illegal, unethical or dangerous to people or the bio/physical environment, breaches of the Code of Conduct, actions that have the effect of concealing any of the foregoing, or general complaint. The Board believes that providing a forum for directors, officers, employees, service providers, suppliers and contractors to raise concerns about ethical conduct and treating all complaints with the appropriate level of seriousness foster a culture of ethical conduct.

## **Nomination of Directors**

The Board has a Governance and Nominating Committee which is responsible for recommending nominees for election to the Board. The majority of the members of the Governance and Nominating Committee are independent. The Governance and Nominating Committee is responsible for recommending suitable candidates for nomination for election or appointment as a director, and recommending the criteria governing the overall composition of the Board and governing the desirable characteristics for directors. In making such recommendations, the Governance and Nominating Committee is expected to consider: (a) the competence and skills that the Board considers to be necessary for the Board, as a whole, to possess; (b) the competence and skills of the existing members of the Board; (c) the needs of the Board and the competencies and skills each new nominee would bring to the Board; (d) any contractual arrangements of the Company that provide third party nomination rights; (e) whether or not each new nominee can devote sufficient time and resources to his or her duties as a member of the Board; and (f) any diversity and inclusion policies and/or goals of the Board.

The Governance and Nominating Committee will also review, on a periodic basis, the composition of the Board, and will analyze the needs of the Board and recommend nominees who meet such needs.

ARC and Luminus have, in certain circumstances, the right to nominate members to the Board under the investment rights agreement between Kiwetinohk and each of ARC and Luminus, respectively. See “*Nominees for Election to the Board of Directors*”.

## Compensation

The Compensation Committee is responsible for determining compensation for the directors. The members of the Compensation Committee are independent. The Compensation Committee is responsible for determining compensation for the CEO and other officers. See “*Compensation Discussion and Analysis*” and “*Board Committees – Compensation Committee*”.

## Board Assessments

The Governance and Nominating Committee is responsible for overseeing the assessment of the effectiveness of the Board, its committees, Board Chair, Lead Director and the individual directors. This is expected to be done through structured interviews and/or surveys with each Board and committee member. The results of these interviews and/or surveys for the Board and each director will be compiled, reviewed and ultimately communicated to the entire Board.

The Governance and Nominating Committee, with the participation of the Chair, may recommend changes to enhance Board performance based on these assessments as well as based on its review and assessment of the Board structure and individuals in relation to current industry and regulatory expectations.

## Position Descriptions

The Board has approved written position descriptions or terms of reference for the Chair, the Lead Director and the chair of each of the Audit Committee, the Reserves Committee, the Compensation Committee, the Sustainability Committee and the Governance and Nominating Committee. The Board has also developed a written position description for the CEO.

## Director Term Limits and Other Mechanisms of Board Renewal

Kiwetinohk has not implemented formal term limits for its directors. Kiwetinohk values the comprehensive knowledge of the Company and its operations that long-serving directors possess and the contribution that this makes to the Board as a whole. The Governance and Nominating Committee, in proposing nominees to the Board, will take into consideration whether any board renewal is necessary.

## **Policies Regarding the Identification and Nomination of Designated Groups on the Board**

Kiwetinohk has adopted a written Diversity and Inclusion Policy outlining its diversity and inclusion goals, why it places high value on diversity and inclusion, and how it sets about making progress and continuous improvements with respect to diversity and inclusion. For the purposes of this Information Circular, and in accordance with the CBCA, “designated groups” include women, Indigenous peoples, persons with disabilities, and members of visible minorities.

While Kiwetinohk does not have a specific policy with respect to the identification and nomination of designated groups on the Board, Kiwetinohk considers diversity of race, ethnicity, gender, age, national origin, Indigenous status, disability, sexual orientation, visible minority status, cultural background, professional experience and other factors in evaluating candidates for Board membership. The Board acknowledges the importance of diversity, including gender diversity, in the review and consideration of potential director nominees. The Board evaluates potential nominees to the Board by reviewing individual qualifications of prospective members and determining if the candidates’ qualifications will meaningfully contribute to the effective functioning of the Board, taking into consideration the then current Board composition or diversity and the anticipated skills required to round out the capabilities of the Board.

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

Embracing and promoting diversity is a key value of Kiwetinohk. The Board considers the level of representation of designated groups on the Board in identifying and nominating Board members. The number of directors that are members of designated groups on the Board is a factor that the Governance and Nominating Committee will consider when recommending new nominees for the Board having regard to then current and future Board composition, and the anticipated skills required to round out the capabilities of the Board, including knowledge and diversity of membership. Selection of candidates to the Board will be, in part, dependent upon the pool of such candidates with the necessary skills, knowledge and experience. The ultimate decision will be based on merit and contribution the chosen candidate will bring to the Board.

These considerations are formalized in Kiwetinohk’s Diversity, Equity, Inclusion and Belonging Policy, which was approved on March 5, 2024, replacing a similar predecessor policy, and is available on Kiwetinohk’s website at [www.kiwetinohk.com](http://www.kiwetinohk.com).

## **Consideration Given to the Representation of Designated Groups in Senior Management**

The Board considers the level of representation of designated groups in senior management positions when making senior management appointments. For the purposes of this Information Circular, and in accordance with the CBCA, senior management includes the Chair of the Board, Kiwetinohk’s CEO and CFO, vice-president in charge of a principal business unit, division or function, including sales, finance or production, and anyone who performs a policy-making function within the Company. As of December 31, 2023, there were nine executive officers at Kiwetinohk.



Kiwetinohk is committed to the fundamental principles of equal employment opportunities with a foundation based on treating people fairly, with respect and dignity, and to offering equal employment opportunities based upon an individual's qualifications and performance free from discrimination or harassment because of race, colour, ancestry, place of origin, religion, gender, sexual orientation, age, marital status, family status, physical or mental disability. Furthermore, Kiwetinohk's employment procedures provide that the primary considerations for selecting candidates would include experience, skill and ability, while giving consideration to the importance of diversity, including gender diversity, when recruiting employees and when appointing executive officers. Kiwetinohk acknowledges the importance of diversity, including gender diversity, in the workplace.

These considerations are formalized in Kiwetinohk's Diversity, Equity, Inclusion and Belonging Policy, which was approved on March 5, 2024 and is available on Kiwetinohk's website at [www.kiwetinohk.com](http://www.kiwetinohk.com).

## Targets Regarding the Representation of Designated Groups on the Board and in Senior Management Positions

Kiwetinohk has not adopted a target regarding designated groups on the Board or in senior management positions. When filling any vacant or new positions, the focus is on attracting the competencies that best meet the needs of the Board or Kiwetinohk at the relevant point in time. In reviewing Board composition, the Governance and Nominating Committee will consider all aspects of diversity including, but not limited to, gender and race. While Board diversity is a key critical consideration, all Board appointments are made on merit, in the context of skills, experience, independence and knowledge which the Board as a whole requires to be effective. For senior management positions, Kiwetinohk's focus is on attracting the competencies that best meet the needs of Kiwetinohk at the relevant point in time, with the intention of having designated groups represented at all levels of the organization. Kiwetinohk takes the approach of continually striving to improve through the creation and implementation of policies and the fostering of a culture that is encouraging and accepting of diversity, rather than setting targets.

## Number of Designated Groups on the Board and in Senior Management Positions

As of the date of this Information Circular, two of nine (22.2%) of the directors on the Board and four of nine (44.4%) executive officers are women. In 2023, Kiwetinohk provided a questionnaire to its Board and management to allow such members to self-identify as being members of a "designated group" as provided for in the CBCA (being women, persons with disabilities, Indigenous peoples and visible minorities). As of the date of this Information Circular, Kiwetinohk has a total of nine directors and nine executive officers (one of whom is also a director). The number and proportion of directors and executive officers who self-identify as being a member of such designated groups are as follows:

### Directors

Designated Group <sup>(1)</sup>	Number	Proportion	Target
Women	2 out of 9	22.2%	No target adopted
Member of Visible Minority	2 out of 9	22.2%	No target adopted
Indigenous Persons	0 out of 9	0%	No target adopted
Persons with Disabilities	2 out of 9	22.2%	No target adopted

Notes:

(1) The number and proportion of directors who self-identify as being a member of the four designated groups has been furnished by the respective directors on a voluntary basis and such responses have been independently verified by the Company.

### Executive Officers

Designated Group <sup>(1)</sup>	Number	Proportion	Target
Women	4 out of 9	44.4%	No target adopted
Member of Visible Minority	2 out of 9	22.2%	No target adopted
Indigenous Persons	0 out of 9	—%	No target adopted
Persons with Disabilities	1 out of 9	11.1%	No target adopted

Notes:

(1) The number and proportion of executive officers who self-identify as being a member of the four Designated Groups has been furnished by the respective executive officers on a voluntary basis and such responses have not been independently verified by the Company.

## Environmental and Social Governance

Kiwetinohk supports and promotes: (a) the protection of the health and safety of all persons associated with Kiwetinohk's operations, including employees, contractors and service providers; (b) the protection of the biophysical environment; and (c) the relationship of Kiwetinohk with the communities nearest to its operations through the implementation and communication of Kiwetinohk's health, safety, environmental protection and community engagement programs, policies and procedures.

Kiwetinohk has established guidelines and management systems to promote compliance with health, safety and environmental laws. Kiwetinohk endeavors to ensure that on an ongoing basis, it is in material compliance with health, safety and environmental regulations. The Sustainability Committee of the Board oversees Kiwetinohk's policies and management systems designed to cause it to comply with applicable laws and regulations, including those in regard to sustainability, health, safety and environmental matters. See "*Board Committees – Sustainability Committee*". The mandate for the Sustainability Committee is available on the Company's website at [www.kiwetinohk.com](http://www.kiwetinohk.com).

Kiwetinohk published its 2023 ESG report (for the 2022 reporting year) on November 9, 2023 in alignment with the Sustainability Accounting Standards Board data standards for Oil & Gas – Exploration and Production and with the Task Force on Climate-related Financial Disclosures framework. The ESG report is available for review on the Company's website at [www.kiwetinohk.com](http://www.kiwetinohk.com).

## DIRECTOR APPROVAL

The undersigned hereby certifies that the contents and the sending of this Information Circular have been approved by the Board.

Dated at Calgary, Alberta this 21<sup>st</sup> day of March, 2024.

**BY ORDER OF THE BOARD OF DIRECTORS OF  
KIWETINOHK ENERGY CORP.**

*(signed)* "Kevin Brown"  
Chair of the Board

## SCHEDULE "A" BOARD OF DIRECTORS MANDATE

The Board of Directors' Mandate was adopted by the Board on November 23, 2021, as amended on March 5, 2024. The Mandate is set out in its entirety below.

### (1) Purpose and Scope

The members of the Board oversee the conduct of the business of Kiwetinohk and the activities of management who are responsible for the day-to-day conduct of the business. In discharging its responsibility, the Board will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances and each Director will act honestly and in good faith with a view to the best interests of the Company.

### (2) Definitions

*"Board" means Kiwetinohk's board of directors.*

*"CEO" means Chief Executive Officer of the Company.*

*"Code of Conduct" means the Corporate Mandate and the Management Conduct policies as they may be amended from time to time, in aggregate.*

*"Committee" means any committees of the Board.*

*"Director" means an individual member of the Board.*

*"Independent Director" means a Director with no direct or indirect "material relationship" (as such term is defined in National Instrument 52-110 – Audit Committees of the Canadian Securities Administrators) with the Company.*

*"Kiwetinohk" or the "Company" means Kiwetinohk Energy Corp. and includes its subsidiaries where the context requires.*

*"Observer" means any person that the Company, with the approval of the Board, has agreed to allow to attend meetings of the Board.*

*"Secretary" means a Corporate Secretary, appointed by the Board (or in his or her absence a secretary who has been appointed for the purposes of a meeting).*

### (3) Principles and Rules

#### 3.1 Composition

The Board shall be comprised of a majority of Independent Directors. The Board shall appoint a Chair of the Board from among its members. The role of the Chair of the Board is to act as the leader of the Board, to manage and coordinate the activities of the Board and to oversee execution by the Board of this written mandate. If the Chair of the Board is not an Independent Director, a majority of the Board's Independent Directors shall appoint a Lead Director from among the Independent Directors, who will be responsible for ensuring that the Independent Directors and management have opportunities to meet without management and Directors that are not Independent Directors, as required, and will assume such other responsibilities as the Independent Directors may designate in accordance with any applicable position descriptions or other applicable guidelines that may be adopted by the Board from time to time.

The Board may, from time to time, engage consultants or members of the Company's management team who are not Directors including Observers and these persons may attend meetings or portions of meetings as invited guests of the Board. Otherwise, the Board will consist only of Directors and only Directors and a Corporate Secretary may attend meetings of the Board. Directors who wish to include a guest, other than a named Observer, for any portion of the meeting should arrange that inclusion with the Chair prior to the meeting.

#### 3.2 Operation

The Board operates by delegating certain of its authorities to management and by reserving certain powers to itself. The Board retains the responsibility of managing its own affairs including selecting its Chair, any Lead Director, nominating candidates for election to the Board (except that any member of management who is also a shareholder shall also have the same rights of any shareholder to nominate candidates for election to

the Board), constituting Committees and determining Director compensation. Subject to the articles and by-laws of the Company and the *Canada Business Corporations Act*, the Board may constitute, seek the advice of and delegate powers, duties and responsibilities to Committees.

The Board will hold regularly scheduled meetings as prescribed in the Board and Committee Meeting Guidelines of the Company, with special meetings called as necessary. The Board shall meet at the end of its regular scheduled meetings *in camera* without guests, Observers or members of management and, further without any guest, Observers, members of management or any Directors that are not Independent Directors being present. *In camera* meetings are not to be used to make decisions in which the excluded directors do not have a conflict.

The Chair of the Board presides at all meetings of the Board and shareholders. Minutes of each meeting shall be prepared by the Secretary. The CEO, if he or she is not a Director, will be available to attend all meetings of the Board or Committees upon invitation by the Board or any such Committee. The President and Vice-Presidents and such other staff as appropriate to provide information to the Board shall attend meetings at the invitation of the Board. Following each meeting, the Secretary will promptly report to the Board by way of providing draft copies of the minutes of the meetings. Supporting schedules and information reviewed by the Board at any meeting shall be available for examination by any Director upon request to the CEO.

### 3.3 Responsibilities

The Board is responsible under law to supervise the management of the business and affairs of the Company. In broad terms, the stewardship of the Company involves the Board in strategic planning, risk identification, management and mitigation, senior management determination, succession planning, communication planning and internal control integrity.

#### 3.3.1 Specific Duties

Without limiting the foregoing, the Board shall have the following specific duties and responsibilities:

**a. Fostering Corporate Culture**

The Board has the responsibility to:

- i. Direct or aid management to define those characteristics of performance and behavior which contribute to the desired Corporate Culture.
- ii. Establish performance measures and assess the performance of the Company in the service of its stakeholders as defined in the Code of Conduct.
- iii. Support measures to train senior management to demonstrably live in accordance with the Code of Conduct.
- iv. Measure the CEO and senior management as to exemplary leadership in performing in accordance with the Code of Conduct seeking excellence set by “tone at the top.”

**b. Strategy Determination**

The Board has the responsibility to:

- i. adopt a strategic planning process for the Company and to participate with management directly or through its Committees in approving goals and the strategic plan (on at least an annual

basis) for the Company by which the Company proposes to achieve its goals and take into account the opportunities and risks of the business;

- ii. develop and approve the corporate goals and objectives the CEO is responsible for meeting;
- iii. monitor the implementation and execution of the tasks constituent to the corporate strategy;
- iv. monitor the appropriateness of the Company's capital structure, including:
  1. approving the borrowing of funds and the establishment of credit facilities;
  2. approving issuances of additional shares or other securities of the Company, including securities convertible into shares, to the public or otherwise and any offering documents, such as prospectuses; and
  3. establish limits of authority delegated to management.

**c. *Managing Risk***

The Board has responsibility for the oversight of management's identification and evaluation of the Company's principal risks, including (without limitation) environment, climate-related and social risks, and the implementation of policies, processes and systems to manage or mitigate the risks to achieve an appropriate balance between the risks incurred and potential benefits to the Company's stakeholders.

**d. *Appointment, Training Monitoring and, if deemed prudent, dismissing Senior Management***

The Board has the responsibility:

- i. to appoint the CEO and establish a position description of the CEO's responsibilities and other senior management's responsibilities, to monitor and assess the CEO's performance, to determine the CEO's compensation and to provide advice and counsel in the execution of the CEO's duties;
- ii. to approve the appointment and remuneration of the Company's senior management;
- iii. to establish provisions for the training and development of management and for the orderly succession of management;
- iv. terminate the CEO if the Board deems the CEO to be less than fit for duty, or approve other temporary absence due to illness or compassionate leave; and
- v. direct the termination of any employee.

**e. *Reporting and Communication***

- i. to ensure compliance with the reporting obligations of the Company, including that the financial performance of the Company is properly reported to stakeholders, including

shareholders, other security holders and regulators on a timely and regular basis;

- ii. to recommend to shareholders of the Company a firm of certified professional accountants to be appointed as the Company's auditors;
- iii. to ensure that the financial results of the Company are reported fairly and in accordance with generally accepted accounting principles;
- iv. to ensure the timely reporting of any change in the business, operations or capital of the Company that would reasonably be expected to have a significant effect on the market price or value of the securities of the Company;
- v. to ensure the independent oil and gas reserves report of the Company is prepared in accordance with generally accepted engineering principles and applicable securities laws;
- vi. to review the Company's approach to sustainability reporting, including the manner in which Indigenous and stakeholder concerns with respect to the environment, climate change, social issues and governance are addressed;
- vii. to establish a process for direct communications with shareholders and other stakeholders through appropriate Directors and/or Independent Directors, including through the Whistleblower Policy;
- viii. to review and respond to potential conflict of interest situations and Code of Conduct conflict situations;
- ix. to ensure that the Company has in place a policy to enable the Company to communicate effectively with its shareholders and the public generally; and
- x. to report annually to shareholders on its stewardship of the affairs of the Company for the preceding year.

**f. *Monitoring and Acting***

- i. to establish policies and processes for the Company to operate at all times within applicable laws and regulations to the highest ethical and moral standards (advancing the interests of the Company, including the pursuit of differentiating performance in meeting the reasonable needs of all stakeholders of the Company);
- ii. satisfy itself on to the integrity of the CEO and management and that such individuals create a culture of integrity throughout the Company;
- iii. to ensure that management has and implements procedures to comply with, and to monitor compliance with, significant policies and procedures by which the Company is operated;
- iv. to promote, and to ensure that management promotes, high environmental standards in the Company's operations at least in compliance with environmental laws and regulations;

- v. to ensure that management establishes appropriate programs and policies for the health and safety of the Company's employees in the workplace;
- vi. to monitor the Company's progress towards its goals and objectives and to revise and alter its direction through management in response to changing circumstances;
- vii. to take action when performance falls short of its goals and objectives or when other special circumstances warrant or when changing circumstances in the business environment create risks or opportunities for the Company;
- viii. to approve annual (or more frequent as the Board feels to be prudent from time to time) operating and capital budgets and review and consider amendments or departures proposed by management from established strategy, capital and operating budgets or matters of policy which diverge from the ordinary course of business that may significantly impact the value of or opportunities available to the Company; and
- ix. to implement internal control and information systems and to monitor the effectiveness of same.

**g. Governance**

- i. to develop the Company's approach to corporate governance including (without limitation) developing a set of corporate governance principles and guidelines;
- ii. to develop a position description for the Chair of the Board, any Lead Director, the Chair of each Committee and the CEO;
- iii. to facilitate the continuity, effectiveness and independence of the Board by, among other things:
  1. appointing from amongst the Directors an Audit Committee, a Governance and Nominating Committee, a Compensation Committee, a Reserves Committee and a Sustainability Committee and such other Committees as the Board deems appropriate;
  2. defining the mandate, including both responsibilities and delegated authorities, of each Committee;
  3. establishing a system to enable any Director to engage an outside adviser at the expense of the Company;
  4. ensuring that processes are in place and are utilized to assess the effectiveness of the Chair of the Board, any Lead Director, the Board as a whole, each Director, each Committee and each Committee's Chair;
  5. reviewing annually the composition of the Board and its Committees and assessing Directors' performance on an annual basis, and appointing new members to the Board; and
  6. reviewing the adequacy and form of the compensation of the Directors;



- iv. to provide a comprehensive orientation to each new Director.

#### **(4) Other Matters**

The Board may perform any other activities consistent with this Mandate, the Company's articles and by laws and any governing laws as the Board deems necessary or appropriate.

#### **(5) Related Policies and Mandates**

- Position Description for Chair of the Board
- Position Description for Chief Executive Officer
- Governance and Nominating Committee Mandate
- Position Description for Governance and Nominating Committee Chair
- Audit Committee Mandate
- Position Description for Audit Committee Chair
- Sustainability Committee Mandate
- Position Description for Sustainability Committee Chair
- Compensation Committee Mandate
- Position Description for Compensation Committee Chair
- Reserves Committee Mandate
- Position Description for Reserves Committee Chair
- Code of Conduct
- Whistleblower Policy
- Disclosure Policy
- Board and Committee Meeting Guidelines

#### **(6) Review and Modification**

This Mandate shall be reviewed by the Governance and Nominating Committee of the Board on an annual basis and any Director may make recommendations for changes to the Governance and Nominating Committee and the Governance and Nominating Committee will provide recommended changes or modifications (if any) to this Mandate to the Board for consideration and, at the Board's discretion, approval.

## SCHEDULE "B" STOCK OPTION PLAN

### KIWETINOHK ENERGY CORP. AMENDED AND RESTATED STOCK OPTION PLAN

#### (1) Purpose

The purpose of this Plan is to provide an incentive to the directors, officers, employees and Service Providers of the Corporation or any of its subsidiaries to achieve the longer-term objectives of the Corporation; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation; and to attract and retain in the employ of the Corporation or any of its subsidiaries, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Corporation.

#### (2) Definitions and Interpretation

When used in this Plan, unless there is something in the subject matter or context inconsistent therewith, the following words and terms shall have the respective meanings ascribed to them as follows:

- a. **"Affiliate"** has the meaning given to it in section 1.3 of National Instrument 45-106 - Prospectus Exemptions of the Canadian Securities Administrators and includes any person that the Board from time to time determines is an Affiliate of the Corporation for purposes of this Plan but does not include ARC;
- b. **"Amended and Restated Date"** has the meaning given to that term in section 27;
- c. **"Applicable Withholdings and Deductions"** has the meaning given to that term in section 4;
- d. **"ARC"** means ARC Equity Management (Fund 8) Ltd. (as the general partner of ARC Energy Fund 8 Canadian Limited Partnership, ARC Energy Fund 8 United States Limited Partnership, ARC Energy Fund 8 International Limited Partnership and ARC Capital 8 Limited Partnership) and ARC Equity Management (Fund 9) Ltd. (as the general partner of ARC Energy Fund 9 Canadian Limited Partnership, ARC Energy Fund 9 United States Limited Partnership, ARC Energy Fund 9 International Limited Partnership and ARC Capital 9 Limited Partnership);
- e. **"Black Out Period"** means the period of time when, pursuant to any policies of the Corporation, any securities of the Corporation may not be traded by certain persons as designated by the Corporation, including any holder of an Option;
- f. **"Board"** means the board of directors of the Corporation;
- g. **"Broker"** means a broker independent from the Corporation or its Affiliates who has been designated by the Corporation as the broker that will purchase Common Shares pursuant to this Plan and who is a member of the Exchange or, if the Common Shares are not then listed and posted for trading, as selected by the Board acting in good faith;
- h. **"Business Day"** means any day, other than a Saturday, Sunday or day on which major banks are closed for business in Calgary, Alberta;

- i. **“Change of Control”** means the occurrence after the Amended and Restated Date of any of the following:
- i. the sale to or acquisition by a Holder (except the Corporation or a subsidiary of the Corporation) of assets of the Corporation and/or its subsidiaries having a fair market value greater than 50% of the fair market value of the assets of the Corporation and its subsidiaries on a consolidated basis determined as of the date of the completion of the transaction or series of integrated transactions, whether such sale or acquisition occurs by way of a reorganization, recapitalization, consolidation, amalgamation, arrangement, merger, transfer, sale, business combination or similar transaction or series of integrated transactions,
  - ii. any Holder becoming the beneficial owner, directly or indirectly, of 50% or more of the voting securities of the Corporation, except for any such acquisition (A) by the Corporation or a subsidiary of the Corporation, (B) by any underwriter or underwriters temporarily holding voting securities pursuant to an offering of such voting securities, or (C) by ARC, or
  - iii. any reorganization, recapitalization, consolidation, amalgamation, arrangement, merger, transfer, sale, business combination or other similar transaction or series of integrated transactions involving the Corporation, its subsidiaries or its shareholders, where record holders of the voting securities of the Corporation immediately prior to such transaction or series of transactions hold less than 50% of the voting securities of the Corporation or of the continuing entity following the completion of such transaction or series of transactions;
- j. **“Committee”** means the Compensation Committee of the Board or such other committee or subcommittee as the Board shall designate (which may include the Board itself) provided if a committee or subcommittee of the Board is designated, such committee or subcommittee is at all relevant times entirely comprised of members who are independent (as such term is defined in National Instrument 52-110 – Audit Committees of the Canadian Securities Administrators);
- k. **“Common Shares”** means common shares in the capital of the Corporation and any shares or securities of the Corporation into which such Common Shares are changed, converted, subdivided, consolidated or reclassified;
- l. **“Corporation”** means Kiwetinohk Energy Corp. and any successor corporation and any reference herein to action by the Corporation means action by or under the authority of its Board or the Committee;
- m. **“Departure”** has the meaning given to that term in section 12;
- n. **“Disability”**, in respect of an Optionee, has the meaning given to such term (or to **“Permanent Disability”**) in any written employment or consulting or retainer agreement between such Optionee and the Corporation (or a subsidiary thereof), and absent any such agreement containing such definition, means a mental or physical disability whereby such Optionee:
- i. is unable, due to illness, disease, mental or physical disability or similar cause, to fulfill such Optionee’s obligations as an employee or officer of (or consultant or

other retainer with) the Corporation (or applicable subsidiary thereof) either for six consecutive months or for a cumulative period of six months out of 12 consecutive calendar months (a period of time that both the Optionee and the Corporation agree would amount to an undue hardship to the Corporation), or

- ii. is declared by a Court of competent jurisdiction to be mentally incompetent or incapable of managing such Optionee's affairs;
- o. "**Exchange**" means the stock exchange on which a majority of the trading volume and value of the Common Shares are listed and posted for trading, if applicable;
- p. "**Exercise Price**" means the price per Common Share at which Common Shares may be purchased under an Option as determined by the Board at the time of grant and shall be an amount at least equal to the Market Price, which Exercise Price may be adjusted pursuant to section 15;
- q. "**Expiry Date**" has the meaning given to that term in section 9;
- r. "**Holder**" means a person, a group of persons or persons acting jointly or in concert or persons associated or affiliated, within the meaning of the Securities Act (Alberta), with any of them;
- s. "**Insider**" shall have the meaning ascribed thereto in the Toronto Stock Exchange Company Manual, as amended from time to time;
- t. "**Just Cause**" has the meaning given to such term (or to "Cause") in any written employment, consulting or other retainer agreement between the Optionee and the Corporation (or any subsidiary thereof), and absent any such agreement containing such definition, means conduct that would entitle the Corporation (or any subsidiary thereof) to terminate such Optionee's employment, consulting arrangement or other retainer without notice or payment in lieu of notice at common law, and includes without limiting the generality of the foregoing:
  - i. fraud, misappropriation of the property, assets or funds of the Corporation (or any subsidiary thereof), embezzlement, malfeasance, misfeasance or nonfeasance in office which is willfully or grossly negligent on the part of such Optionee,
  - ii. conviction of, or plea (other than not guilty) by such Optionee to, an indictable offence involving dishonesty or fraud, or which is likely to injure the Corporation's (or any of its subsidiary's) business or reputation,
  - iii. the willful allowance by such Optionee of such Optionee's duty to the Corporation (or to any subsidiary thereof) and such Optionee's personal interests to come into conflict in a material way in relation to any transaction or matter that is of a substantial nature,
  - iv. the material breach by such Optionee of any of such Optionee's covenants or obligations under such Optionee's terms of employment, consulting arrangement or other retainer with the Corporation (or applicable subsidiary thereof), or, notwithstanding the foregoing, the breach by such Optionee of any non-competition, non-solicitation or confidentiality covenants,

- v. the failure by such Optionee to substantially perform such Optionee's obligations according to the terms of such Optionee's employment, consulting arrangement or other retainer after the Corporation (or any subsidiary thereof) has given such Optionee reasonable notice of such failure and a reasonable opportunity to correct, or cause to be corrected, such failure,
  - vi. the intentional or negligent involvement or participation by such Optionee in any act which is materially injurious to the Corporation (or any subsidiary thereof), financially or otherwise, or
  - vii. any information, reports, documents or certificates being furnished by such Optionee to the Board or any committee thereof (or to the board of directors (or any committee thereof) of any subsidiary of the Corporation) which are intentionally false or misleading because they either include or fail to include material facts, including without limitation disclosure of conflicts of interest;
- u. **"Market Price"** means:
- i. in the event that the Common Shares are not listed and posted for trading on any stock exchange, the fair market value of the Common Shares as determined by the Board in its sole discretion, acting reasonably and in good faith, and
  - ii. otherwise, the volume weighted average trading price of the Common Shares on the Exchange for the five trading days immediately preceding the particular day, calculated by dividing the total value by the total volume of Common Shares traded for the five trading-day period;
- v. **"Option"** means an option granted by the Corporation to an Optionee entitling such Optionee to acquire a designated number of Common Shares from treasury on terms and conditions determined by the Board;
- w. **"Option Period"** means the period determined by the Board during which an Optionee may exercise an Option;
- x. **"Optionee"** means an individual who is a director, officer, employee or Service Provider of the Corporation or a subsidiary of the Corporation (or a corporation wholly-owned by such persons), who is granted an Option pursuant to this Plan;
- y. **"Performance Warrants"** means the performance warrants issued to directors, officers, employees and consultants of the Corporation prior to the Amended and Restated Date;
- z. **"Plan"** shall mean the Corporation's incentive stock option plan as embodied herein and as from time to time, as amended;
- aa. **"Security-Based Compensation Arrangement"** shall have the meaning ascribed thereto in section 613 of the Toronto Stock Exchange Company Manual, as amended from time to time, but shall exclude the Performance Warrants granted prior to the Amended and Restated Date;
- bb. **"Service Provider"** means a person engaged by the Corporation (or any subsidiary thereof) to provide services for an initial, renewable or extended period of 12 months or more;

- cc. **"Shareholder"** means at any time a holder at that time of one or more Common Shares;  
and
- dd. **"Stock Option Agreement"** has the meaning given to that term in section 8.

Wherever the singular or masculine is used in this Plan, the same shall be construed as meaning the plural or feminine or body corporate and vice versa, where the context or the parties so require.

The headings of sections and subsections herein are included solely for convenience of reference and shall not affect the meaning of any of the provisions of this Plan. Wherever the singular or masculine or neuter is used in this Plan, the same shall be construed as meaning the plural or feminine or body corporate and vice versa, where the context or the persons so require.

### **(3) Administration**

This Plan shall be administered, and Options shall be granted, by the Board upon the recommendation of the Committee. Subject to the terms and conditions set forth in this Plan, the Board shall have full and final discretion to: (a) interpret the provisions of this Plan and all Stock Option Agreements; (b) prescribe, amend, rescind and waive any rules and regulations to govern the administration and operation of this Plan and any Stock Option Agreement; and (c) make all other determinations necessary or advisable for the administration of this Plan or any Stock Option Agreement. Subject to approval by the Shareholders or any governmental or regulatory body (including, without limitation, the Exchange), if required, all decisions and interpretations made by the Board shall be final, binding and conclusive on the Optionees and the Corporation and on all persons eligible to participate in this Plan. Notwithstanding the foregoing or any other provision contained herein, the Board shall have the right to delegate the administration and operation of this Plan to the Committee, in which case all references herein to the Board shall be deemed to refer to the Committee. The Board may authorize any one or more of its members, or any officer of the Corporation or any of its affiliates, to execute and deliver documents on behalf of the Board.

### **(4) Tax Withholdings**

- a. The Corporation or an Affiliate thereof may withhold from any amount payable to an Optionee, either under this Plan or otherwise, such amounts as are required by law to be withheld, deducted or remitted by the Corporation or an Affiliate thereof as a consequence of such Optionee's participation in this Plan (collectively, the "Applicable Withholdings and Deductions"). The Corporation has the right, in its sole discretion, to satisfy any Applicable Withholdings and Deductions by:
  - i. selling or causing to be sold by the Corporation, the Broker or otherwise, on behalf of any Optionee, such number of Common Shares issued to the Optionee, as applicable, as is sufficient to fund the Applicable Withholdings and Deductions and to apply the cash received on such sale of underlying Common Shares to fund the Applicable Withholdings and Deductions,
  - ii. retaining the amount necessary to satisfy the Applicable Withholdings and Deductions from any cash amount which would otherwise be delivered, provided or paid to the Optionee by the Corporation or an Affiliate thereof, whether under this Plan or otherwise,
  - iii. requiring the Optionee, as a condition of exercise or surrender pursuant to section 10 or section 11, as applicable, to: (A) remit the amount of any such Applicable Withholdings and Deductions to the Corporation or an Affiliate thereof in advance,

(B) reimburse the Corporation or any Affiliate thereof for any such Applicable Withholdings and Deductions, or (C) cause a broker who sells Common Shares acquired by the Optionee on behalf of the Optionee to withhold from the proceeds realized from such sale the amount required to satisfy any such Applicable Withholdings and Deductions and to remit such amount directly to the Corporation or an Affiliate thereof, and/or

- iv. making such other arrangements as the Corporation may reasonably require.
- b. The sale of Common Shares by the Corporation, or by the Broker, under this section 4 will be made on the Exchange. The Optionee consents to such sale and grants to the Corporation an irrevocable power of attorney to effect the sale of such Common Shares on its behalf and acknowledges and agrees that: (i) the number of Common Shares sold will be, at a minimum, sufficient to fund the Applicable Withholdings and Deductions net of all selling costs, which costs are the responsibility of the Optionee and which the Optionee hereby authorizes to be deducted from the proceeds of such sale, (ii) in effecting the sale of any such Common Shares, the Corporation, an Affiliate thereof or the Broker will exercise its sole judgment as to the timing and the manner of sale and will not be obligated to seek or obtain a minimum price, and (iii) neither the Corporation, an Affiliate thereof nor the Broker will be liable for any loss arising out of such sale of the Common Shares including any loss relating to the pricing, manner or timing of the sales or any delay in transferring any Common Shares to an Optionee or otherwise.
- c. The Optionee further acknowledges that the sale price of the Common Shares will fluctuate with the market price of the Common Shares and no assurance can be given that any particular price will be received upon any sale.

#### **(5) Eligibility**

Individuals who are a director, officer, employee or Service Provider (or a corporation wholly-owned by such persons) of the Corporation or a subsidiary of the Corporation are eligible to participate in this Plan. The Board may at any time and from time to time designate such persons who are to be granted an Option pursuant to this Plan and grant an Option to such person. Subject to the limitations contained herein, the Board is authorized to provide for the grant and exercise of Options on such terms (which may vary as between Options) as it shall determine. No Option shall be granted to any person, except upon recommendation of the Board. A person who has been granted an Option may be granted an additional Option or Options if the Board shall so determine.

#### **(6) Participation**

- a. Participation in this Plan and in all Security-Based Compensation Arrangements shall be entirely voluntary and any decision not to participate shall not affect an Optionee's relationship or employment with the Corporation or any of its subsidiaries.
- b. Notwithstanding any express or implied term of this Plan or any Option to the contrary, the granting of an Option pursuant to this Plan shall in no way be construed as conferring on any Optionee any right with respect to continuance as a director, officer, employee or Service Provider of the Corporation or any subsidiary of the Corporation.
- c. Options shall not be affected by any change of employment of the Optionee or by the Optionee ceasing to be a director or officer of or a Service Provider to the Corporation or any of its subsidiaries, where the Optionee at the same time becomes or continues to be

a director, officer or employee of or a Service Provider to the Corporation or any of its subsidiaries.

- d. No Optionee shall have any of the rights of a Shareholder in respect to Common Shares issuable on exercise or surrender of an Option until such Common Shares shall have been paid for in full and issued by the Corporation on exercise or surrender of the Option, pursuant to this Plan.

## **(7) Grants of Options**

- a. Subject to the restrictions below, the Committee may recommend the grant of, and the Board may, acting upon such recommendation, grant Options to an eligible person, specifying the number of Options granted, the Exercise Price, the vesting dates and conditions, the Expiry Date and any other terms and conditions as the Board determines, all in accordance with the provisions of this Plan.
- b. The maximum number of authorized but unissued Common Shares that may be issued on the exercise of Options granted under this Plan, together with Common Shares that may be issuable pursuant to other Security-Based Compensation Arrangements, at any time shall not exceed 10% of the issued and outstanding Common Shares (on a non-diluted basis), or such greater number of Common Shares as may be determined by the Board (and approved by the Shareholders and the Exchange if required) provided such number does not exceed the maximum number of Common Shares permitted under the rules of the Exchange.
- c. The grant of Options under this Plan, together with the grant of rights in respect of Common Shares under other Security-Based Compensation Arrangements, shall not result at any time in:
  - i. the number of Common Shares issuable to Insiders exceeding 10% of the issued and outstanding Common Shares (on a non-diluted basis),
  - ii. the issuance to Insiders within a one year period, of a number of Common Shares exceeding 10% of the issued and outstanding Common Shares (on a non-diluted basis), or
  - iii. the issuance to any individual Insider and that Insider's associates, within a one-year period, of a number of Common Shares exceeding 5% of the issued and outstanding Common Shares (on a non-diluted basis).
- d. In addition to the foregoing restrictions:
  - i. no Options may be granted to non-employee directors of the Corporation if the granting of such Options would result in the issuance to such individuals (as a group) of a number of Common Shares exceeding 1% of the issued and outstanding Common Shares (on a non-diluted basis) immediately prior to such issuance, and
  - ii. within any one fiscal year, the total value of grants under this Plan (having regard to the Market Price at the time of such grant), together with grants pursuant to other Security-Based Compensation Arrangements, to a non-employee director, as determined by the Board on the time of grant, shall not exceed a grant value of \$100,000 of Options and \$150,000 in total equity on the date of such grant.



- e. The percentage maximums set out in this section 7 are “evergreen” provisions such that if any Options granted under this Plan are terminated or cancelled for any reason without the Common Shares issuable thereunder having been issued in full or if any Common Shares are issued pursuant to any Option under this Plan, any such Common Shares shall be available for the purposes of further Option grants under this Plan.
- f. Appropriate adjustments shall be made as set forth in section 15, in both the number of Common Shares covered by individual grants and the total number of Common Shares authorized to be issued hereunder, to give effect to any relevant changes in the capitalization of the Corporation provided that any adjustments made in accordance with section 15(d) shall be subject to approval of the Exchange if required.

#### **(8) Certificate of Grant**

The Corporation may grant Options by way of certificate of grant or by entering a written agreement between the Corporation and each Optionee to whom an Option is granted hereunder, which certificate or agreement will set out the number of Common Shares subject to option, the Exercise Price, the Expiry Date and any other terms and conditions approved by the Board, all in accordance with the provisions of this Plan (herein referred to as the “**Stock Option Agreement**”). The Stock Option Agreement will be in such form as the Board may from time to time approve, and may contain such terms as may be considered necessary in order that the Option will comply with any provisions respecting options in the income tax or other laws in force in any country or jurisdiction of which the Optionee may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Corporation. In the event of any inconsistency between the terms of this Plan (including any Board resolution thereto) and any such Stock Option Agreement, the terms of this Plan shall govern.

#### **(9) Option Period and Exercise Price**

Each Option and all rights thereunder shall be expressed to expire on the date determined by the Board, which shall be the date of the expiry of the Option Period (the “Expiry Date”), subject to earlier termination as provided in sections 12, 17 and 19 and extension provisions relating to a Black Out Period in section 10. All rights to purchase Common Shares pursuant to the exercise of an Option will, unless otherwise determined by the Board and subject to section 19, expire at 4:30 p.m. (Calgary time) on the seventh anniversary of the date on which such Option is granted.

Subject to any limitations imposed by any relevant regulatory authority and unless otherwise determined by the Board when such Option is granted (and subject to section 19), the Exercise Price shall be an amount at least equal to the Market Price at the time of the grant of such Option.

#### **(10) Exercise of Options**

An Optionee shall be entitled to exercise an Option granted to such Optionee in whole or in part at any time prior to the Expiry Date, subject to sections 12, 17 and 19 and subject to such Options having vested in accordance with any limitations which may be imposed by the Board at the time such Option is granted in accordance with section 17.

The exercise of any Option in whole or in part will be conditional upon receipt by the Corporation at its head office of a written notice of exercise, in form satisfactory to the Board, specifying the number of Common Shares in respect of which the Option is being exercised, accompanied by certified cheque, bank draft or other form of payment acceptable by the Chief Financial Officer of the Corporation for full the full exercise for the full purchase price of such Common Shares with respect to which the Option is being exercised and any additional payments required pursuant to section 4.

No fractional shares will be issued on exercise of Options, nor shall any compensation be made for such fractional shares, if any. The number of Common Shares issued upon the exercise of Options representative of entitlements to fractional shares will be rounded down to the nearest whole number of Common Shares.

Common Shares shall not be issued pursuant to the exercise of an Option unless the exercise of such Option and the issuance and delivery of such Common Shares pursuant thereto shall comply with all relevant provisions of applicable securities law, the rules and regulations promulgated thereunder, and the requirements of any Exchange or consolidated stock price reporting system on which prices for the Common Shares are quoted at any given time. As a condition to the exercise of an Option, the Corporation may require the person exercising such Option to represent and warrant at the time of any such exercise that the Common Shares are being purchased only for investment and without any present intention to sell or distribute such Common Shares if, in the opinion of counsel for the Corporation, such a representation is required by law.

Notwithstanding anything else contained herein, if the Expiry Date of an Option or a final date upon which an Optionee can exercise an Option occurs during a Black Out Period applicable to the relevant Optionee, or within seven Business Days after the expiry of a Black Out Period applicable to the relevant Optionee, then the Expiry Date or the applicable date for the Option shall be the date that is the seventh Business Day after the expiry date of the Black Out Period.

#### **(11) Cashless Surrender**

- a. An Optionee may elect, in its sole discretion, to undertake: (i) a broker-assisted “cashless exercise” pursuant to which the Corporation or its designee (including third party administrators) may deliver a copy of irrevocable instructions to a Broker engaged for such purposes to sell the Common Shares otherwise deliverable upon the exercise of the Options and to deliver promptly to the Corporation an amount equal to the aggregate Exercise Price and all applicable required Applicable Withholdings and Deductions against delivery of the Common Shares to settle the applicable trade, or (ii) a “net exercise” procedure effected by withholding the minimum number of Common Shares otherwise deliverable in respect of an Option that are needed to pay for the aggregate Exercise Price and all applicable required Applicable Withholdings and Deductions. In all events of cashless or net exercise pursuant to this section 11, the Optionee shall comply with: (i) section 4 with regards to any Applicable Withholdings and Deductions, and (ii) all such other procedures and policies as the Board may prescribe or determine to be necessary or advisable from time to time including prior written consent of the Board, in connection with such exercise.
- b. For these purposes, the fair market value of a Common Share will be determined with reference to the Market Price.
- c. No fractional Common Shares will be issued upon an Optionee making an election pursuant to section 11(a).

#### **(12) Ceasing to be a Director, Officer, Employee or Service Provider**

Except as otherwise determined by the Board, if an Optionee ceases to be a director, officer, employee or Service Provider of the Corporation or its subsidiaries, and the Optionee does not continue in at least one of such capacities (in each case, a “Departure”) on the date of the Departure (exclusive of any notice or

deemed notice period that was or ought to have been provided to the Optionee), then the following will apply:

- a. if the reason for the Departure is termination for Just Cause or termination by the Corporation of a consulting contract due to a material breach, then:
  - i. no further Options of the Optionee shall vest after the date of Departure for such Optionee, and
  - ii. such Optionee's Options shall automatically terminate and be cancelled immediately for no consideration as of the date of Departure for such Optionee;
- b. if the reason for the Departure is any reason other than as provided in section 12(a) or 12(c), then:
  - i. no further Options of the Optionee shall vest after the date of Departure for such Optionee,
  - ii. such Optionee's Options that have not vested as of the date of Departure for such Optionee shall automatically terminate and be cancelled immediately for no consideration, and
  - iii. such Optionee's Options which have vested as of the date of Departure for such Optionee may be exercised until the earlier of 4:30 p.m. (Calgary time) on the Expiry Date and 4:30 p.m. (Calgary time) on the day which is 90 days after the date of Departure for such Optionee, and the right to exercise the Options thereafter shall terminate; or
- c. if the reason for the Departure is the death or Disability of the Optionee, then:
  - i. no further Options of the Optionee shall vest after the date of Departure for such Optionee,
  - ii. such Optionee's Options that have not vested as of the date of Departure for such Optionee shall automatically terminate and be cancelled immediately for no consideration, and
  - iii. such Optionee's Options which have vested as of the date of Departure for such Optionee may be exercised until the earlier of 4:30 p.m. (Calgary time) on the Expiry Date and 4:30 p.m. (Calgary time) on the day which is 365 days after the date of Departure for such Optionee, and the right to exercise the Options thereafter shall terminate;

in each case for the purpose of this section 12 (and each Stock Option Agreement), and subject to the provisions of this Plan, the date of Departure shall mean the last date the Optionee was actively at work (without reference to any notice or deemed notice period that was or ought to have been provided to the Optionee, if any) or serving as a director of the Corporation or any of its subsidiaries, as the case may be. The Optionee agrees that the Optionee does not have a right to compensation or damages for any loss in relation to this Plan (and each Stock Option Agreement), including any loss in relation to: (a) a loss or reduction of rights or expectations under this Plan in any circumstances (including termination of employment or engagement with the Corporation or any subsidiary thereof for any reason); and (b) any exercise of discretion or a decision taken in relation to a grant of Options or to this Plan, or any failure to

exercise discretion or make a decision in relation to this Plan, including, for greater certainty, any Options issued prior to the Amended and Restated Date.

### **(13) Clawback**

The Corporation has adopted a clawback policy, as amended from time to time, specifying the consequence with respect to performance-based compensation in respect of certain events. The clawback policy applies to any Options granted under this Plan.

### **(14) Optionee's Rights Not Transferable**

No right or interest of any Optionee in or under this Plan or in or under any Option is assignable or transferable, in whole or in part, either directly or by operation of law or otherwise in any manner unless otherwise agreed by the Board.

Subject to the foregoing, the terms of this Plan shall bind the Corporation and its successors and assigns, and each Optionee and such Optionee's heirs, executors, administrators and personal representatives.

### **(15) Anti-Dilution of the Option**

In the event of:

- a. any subdivision, redivision or change of the Common Shares at any time during the Option Period into a greater number of Common Shares, the Corporation shall deliver, at the time of any exercise thereafter of the Option, such number of Common Shares as would have resulted from such subdivision, redivision or change if the exercise of the Option had been made prior to the date of such subdivision, redivision or change;
- b. any consolidation or change of the Common Shares at any time during the Option Period into a lesser number of Common Shares, the number of Common Shares deliverable by the Corporation on any exercise thereafter of the Option shall be reduced to such number of Common Shares as would have resulted from such consolidation or change if the exercise of the Option had been made prior to the date of such consolidation or change;
- c. any reclassification of the Common Shares at any time outstanding or change of the Common Shares into other shares, or in case of the consolidation, amalgamation or merger of the Corporation with or into any other corporation (other than a consolidation, amalgamation or merger which does not result in a reclassification of the outstanding Common Shares or a change of the Common Shares into other shares), or in case of any transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation, at any time during the Option Period, the Optionee shall be entitled to receive, and shall accept, in lieu of the number of Common Shares to which he was theretofore entitled upon exercise of the Option, the kind and amount of shares and other securities or property which such holder would have been entitled to receive as a result of such reclassification, change, consolidation, amalgamation, merger or transfer if, on the effective date thereof, he had been the holder of the number of Common Shares to which he was entitled upon exercise of the Option; or
- d. subject to approval of the Exchange if required, any other change in the corporate structure or Common Shares of the Corporation, the Board, acting reasonably, shall make such adjustments as it deems appropriate in the number of Common Shares

covered by grants made under this Plan and in the number of Common Shares authorized by this Plan.

Adjustments shall be made successively whenever any event referred to in this section 15 shall occur. For greater certainty, the Optionee shall pay for the number of shares, other securities or property as aforesaid (including the Applicable Withholdings and Deductions), the amount the Optionee would have paid if the Optionee had exercised the Option prior to the effective date of such subdivision, redivision, consolidation or change of the Common Shares or such reclassification, consolidation, amalgamation, merger or transfer, as the case may be.

#### **(16) Costs**

The Corporation shall pay all costs of administering this Plan.

#### **(17) Vesting**

Options shall be subject to vesting provisions as determined by the Board in its sole discretion from time to time and, unless otherwise determined by the Board at the time of grant and subject to Section 12, the Options will become vested as to one-third of the Options of each series on each of the first, second and third anniversaries of the date of grant of the Options, if, as of each applicable date, the Optionee is still a director, officer, employee or Service Provider of the Corporation or any subsidiary of the Corporation.

#### **(18) Change of Control**

- a. In the event of a Change of Control, such as a proposed merger or amalgamation of the Corporation with one or more other corporations, an offer by any person to purchase all of the outstanding Common Shares, a sale or distribution of all or substantially all of the Corporation's assets to any other person or any arrangement or corporate reorganization not otherwise provided for herein, the Board may, in its sole and absolute discretion and without the need for the consent of any Optionee, take one or more of the following actions contingent upon the occurrence of that Change of Control:
  - i. cause any or all outstanding Options to become vested and immediately exercisable, in whole or in part,
  - ii. cause any outstanding Option to become fully vested and immediately exercisable for a reasonable period in advance of the Change of Control and, to the extent not exercised prior to that Change of Control, cancel that Option upon closing of the Change of Control,
  - iii. cancel any Option in exchange for a substitute award, or
  - iv. with respect to any Option held by an Optionee, cancel that Option in exchange for cash and/or other substitute consideration with a value equal to: (A) the number of Common Shares subject to that Option, multiplied by (B) the difference, if any, between the Market Price on the date of the Change of Control and the Exercise Price of that Option; provided, that if the Market Price on the date of the Change of Control does not exceed the Exercise Price of any such Option, the Board may cancel that Option without any payment of consideration therefor.

- b. At the discretion of the Board, any cash or substitute consideration payable upon cancellation of an Option may be subjected to (i) vesting terms substantially identical to those that applied to the cancelled Option immediately prior to the Change of Control, or (ii) earn-out, escrow, holdback or similar arrangements, to the extent such arrangements are applicable to any consideration paid to Shareholders in connection with the Change of Control.

### **(19) Termination and Amendment**

- a. Subject to the exceptions set out below, and subject to those provisions of applicable law, if any, that require the approval of Shareholders or any governmental or regulatory body (including, without limitation, the Exchange), the Board may amend, suspend or terminate this Plan, or any portion thereof or any Option, at any time, and may do so without Shareholder or Optionee approval. Any amendment shall not alter the terms or conditions of any Option or impair any right of any Optionee pursuant to any Option granted prior to such amendment unless the written consent of such Optionee to such amendment is obtained, unless such amendment is necessary to comply with applicable law.
- b. Without limiting the generality of the foregoing, the Board may make the following types of amendments to this Plan without seeking Shareholder or Optionee approval:
  - i. amendments of a “housekeeping” or ministerial nature including, without limiting the generality of the foregoing, any amendment for the purpose of curing any ambiguity, error or omission in this Plan or to correct or supplement any provision of this Plan that is inconsistent with any other provision of this Plan;
  - ii. amendments necessary to comply with the provisions of applicable law (including, without limitation, the rules, regulations and policies of the Exchange and the provisions of the Income Tax Act (Canada) and regulations thereto, or any other applicable tax law);
  - iii. amendments respecting the administration of this Plan;
  - iv. any amendment to the early termination provisions of this Plan or any grant, provided such amendment does not entail extension beyond the original applicable Expiry Date;
  - v. amendments to the definition of Security-Based Compensation Arrangements to remove the exclusion of the Performance Warrants granted prior to the Amended and Restated Date; and
  - vi. amendments necessary to suspend or terminate this Plan.
- c. Shareholder approval will be required for the following types of amendments:
  - i. any increase in (A) the number of Common Shares that may be issued on the exercise of Options granted pursuant to this Plan, if this Plan provides for a fixed number of Options reserved for issuance, and (B) the percentage amount of Common Shares that may be issued on the exercise of Options granted pursuant to this Plan, if this Plan provides for a percentage amount of Common Shares reserved for issuance;

- ii. any amendment which reduces the Exercise Price of an Option;
  - iii. any cancellation and reissuance of an Option;
  - iv. any amendment extending the term of an Option beyond its original Expiry Date;
  - v. any amendment that increases limits imposed on non-employee director participation in this Plan;
  - vi. any amendment to remove or exceed the Insider participation limits in this Plan;
  - vii. any amendment which would permit Options to be transferable or assignable, other than for normal estate settlement purposes; and
  - viii. amendments to this Section 19.
- d. In the event of any conflict between Section 19(b) and Section 19(c) above, the latter shall prevail.
- e. The Board may decide to discontinue granting Options under this Plan at any time in which case no further Options shall be awarded under this Plan. Any Options which remain outstanding at that time shall continue to be dealt with according to the terms of this Plan. This Plan shall terminate when all Options have been settled or terminated pursuant to this Plan and all Options have been cancelled.

#### **(20) No Representation as to Value**

Neither the Corporation nor any Affiliate of the Corporation makes any representation, warranty or guarantee as to the future value of a Common Share or as to the future value of any Optionee's Options. Further, neither the Corporation nor any Affiliate of the Corporation makes any representation, warranty or guarantee that the Options will, at any time in the future, have any positive value.

#### **(21) Tax Treatment**

Neither the Corporation nor any Affiliate of the Corporation makes any representation or warranty with respect to the income tax treatment to be accorded to any Optionee with respect to any grant or exercise of Options, the receipt by any Optionee of cash or securities therefor and/or transactions involving the Common Shares. The Corporation recommends that each Optionee obtain independent tax advice regarding these matters.

#### **(22) No Restriction on Right of Corporation to Effect Corporate Changes**

This Plan shall not affect in any way the right or power of the Corporation or its Shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Corporation's capital structure or its business, or any amalgamation, combination, merger or consolidation of the Corporation, or any issue of shares, units, options, warrants or rights to purchase shares, units, bonds, debentures, preferred or prior preference shares whose rights are superior to or affect the Common Shares or the rights thereof or which are convertible into or exchangeable for the Common Shares, or the dissolution or liquidation of the Corporation, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

### **(23) Source of Payments**

The Corporation shall not have any obligation to establish any separate fund or trust or other segregation of assets to provide for payments under this Plan. Nothing contained in this Plan, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind, or a fiduciary relationship, between the Corporation and an Optionee or any other person. To the extent any person acquires any rights to receive payments hereunder from the Corporation; such rights shall be no greater than those of an unsecured creditor.

### **(24) Severability**

If any provision of this Plan is declared invalid, illegal or unenforceable in any respect or contravene any order, policy, by-law or regulation of any regulatory body or stock exchange having jurisdiction or authority over the Corporation or this Plan, the remaining provisions of this Plan shall be unimpaired, and the invalid, illegal, unenforceable or contravening provision shall be replaced by a valid, legal, enforceable and compliant provision of similar economic intent and effect.

### **(25) Applicable Law and Currency**

This Plan shall be governed by, administered and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein. Unless otherwise specified, all monetary or dollar amounts set forth herein or in any Option shall be payable in the lawful money of Canada.

### **(26) Plan Governs**

All rights, entitlements and obligations of Optionees under this Plan are set forth in the terms of this Plan and any applicable Stock Option Agreement and cannot be modified by any other documents, statements or communications, except by Plan amendments referred to in section 19 of this Plan.

### **(27) Amendment and Restatement and Amended and Restated Date**

This Plan amends and restates the stock option plan of the Corporation dated August 20, 2021 and such plan is amended, restated and superseded by this Plan and the effective date of this Plan shall be January 1, 2022 (the "Amended and Restated Date")."