

These materials are important and require your immediate attention. They require shareholders of Kiwetinohk Energy Corp. to make important decisions. If you are in doubt about how to make such decisions, please contact your financial, legal, tax or other professional advisors. If you have any questions or need more information about voting your common shares, please contact Kiwetinohk Energy Corp.'s proxy solicitation agent, Laurel Hill Advisory Group, by calling 1-877-452-7184 (toll-free in Canada and the United States), 1-416-304-0211 (outside of Canada and the United States) or by email at assistance@laurelhill.com.



ARRANGEMENT INVOLVING

KIWETINOHK ENERGY CORP.

AND

CYGNET ENERGY LTD.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

to be held on December 16, 2025 at 9:00 a.m. (Mountain Time)

AND

MANAGEMENT INFORMATION CIRCULAR

**The Board of Directors unanimously
recommends that you vote**

IN FAVOUR

of the Arrangement Resolution

November 10, 2025

LETTER TO SHAREHOLDERS

November 10, 2025

Dear Shareholders:

You have an opportunity to receive a significant cash premium in exchange for your investment in Kiwetino Energy Corp. ("**KEC**" or the "**Company**"). This letter and the accompanying materials set out the background to the proposed transaction, the recommendation of the board of directors of KEC (the "**Board**") and the steps required for you to take advantage of this opportunity. Please read these materials carefully and vote your shares FOR the proposed transaction.

You are invited to attend a special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares (the "**Shares**") of the Company, to be held at Livingston Place, 222 – 3 Avenue S.W., South Tower, Plus 15 Level, Meeting Rooms A&B, Calgary, Alberta, T2P 0B4 on December 16, 2025 at 9:00 a.m. (Mountain time).

At the Meeting, pursuant to the interim order of the Court of King's Bench of Alberta (the "**Court**") as same may be amended, the Shareholders will be asked to consider, and if deemed advisable, to pass, with or without variation, a special resolution approving a statutory plan of arrangement (the "**Arrangement**") involving the Company and Cygnet Energy Ltd. (the "**Purchaser**"), pursuant to the provisions of the *Canada Business Corporations Act*. Pursuant to the Arrangement, the Purchaser will acquire all the issued and outstanding Shares that are not Rollover Shares (as defined below) for a price of \$24.75 per Share, in cash (the "**Consideration**").

Premium Consideration

The Consideration offered to Shareholders under the Arrangement values KEC at an enterprise value of approximately \$1.39 billion and represents a premium of approximately:

- (a) 63% to the closing price of the Shares of \$15.20 on the Toronto Stock Exchange (the "**TSX**") on March 5, 2025 (being the date on which KEC first publicly announced its intention to pursue a strategic alternatives review process);
- (b) 10% to the closing price of the Shares of \$22.42 on the TSX on October 27, 2025, being the last trading day prior to the execution of the arrangement agreement dated October 27, 2025, between the Company and the Purchaser (the "**Arrangement Agreement**"); and
- (c) 8% to the 10-day volume-weighted average price of the Shares of \$22.89 on the TSX as of the end of trading on October 27, 2025.

Recommendation of the Board

After taking into consideration, among other things, the recommendation of a Special Committee of the Board comprised of Beth Reimer-Heck (Chair), Leland Corbett, Kaush Rakhit and John Whelen, each an independent director of the Company (the "**Special Committee**"), the Board (excluding conflicted directors) has unanimously concluded that the Arrangement is in the best interest of the Company and is fair to the Shareholders (other than ARC Equity Management (Fund 8) Ltd. (as the general partner of ARC Equity Management (Fund 8) Limited Partnership, 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) (the "**Rollover Shareholders**") in respect of the Rollover Shares (as defined below)).

The Board (excluding conflicted directors) unanimously recommends that Shareholders vote **IN FAVOUR** of the Arrangement Resolution (as defined below).

The Board notes that Kevin Brown, Co-Chairman and director of ARC Financial Corp. ("**ARC Financial**") and Colin Bergman, Vice-President of ARC Financial, abstained from voting on these matters because of the potential for a conflict of interest as they each may have an interest, directly or indirectly, in the Arrangement. ARC Financial advises the funds comprising the Rollover Shareholders.

The recommendation of the Board is based on factors and considerations set out in detail in the accompanying Circular (as defined below), including notably:

- **Attractive Value for Shareholders from Business Strategy Review.** The Arrangement was determined to be the preferred strategic alternative for the Shareholders following a comprehensive and broad strategic review process. Compared to the closing price of the Shares of \$15.20 on the TSX on March 5, 2025 (being the date on which KEC first publicly announced its intention to pursue a strategic alternative process), the Consideration represents a premium of 63%.
- **All Cash Consideration.** The Consideration will be paid to the Shareholders (other than the Rollover Shareholders in respect of their Rollover Shares) entirely in cash, which provides such Shareholders with certainty of value and immediate liquidity.
- **Limited Conditionality.** The Special Committee's determination, after consultation with its independent legal advisors, that the terms and conditions of the Arrangement Agreement, including the Company's and the Purchaser's representations, warranties and covenants and the conditions to completion of the Arrangement are reasonable in light of all applicable circumstances, and belief that the limited nature of the conditions to completion of the Arrangement as provided by the Arrangement Agreement, including the absence of a financing condition and the inclusion of a reverse break fee, mean that the Arrangement is likely to be completed in accordance with its terms and within a reasonable time.
- **Committed Financing.** The Arrangement is not subject to due diligence or financing conditions and the Purchaser has provided the Company with evidence, including the Debt Commitment Letters and the Sponsor Subscription Agreements (each as defined in the Circular) that the Purchaser has arranged for fully committed financing that is not subject to unusual conditions.
- **Status Quo.** In considering the status quo as an alternative to pursuing the Arrangement, the Special Committee considered the management of KEC's financial projections and historical achievements of targets, and assessed the current and anticipated future opportunities and risks associated with the business, execution, operations, assets, financial performance and condition of the Company should it continue as a publicly-traded company, as well as the expressed preference of ARC Financial and the Rollover Shareholders (collectively, "**ARC**") to not maintain the status quo in light of the bids received by KEC. The Special Committee also took into account the value available to the Shareholders under the current business model, as compared to that available under the Arrangement.
- **Strong Support.** All of the directors and officers of KEC, as well as the Company's two largest institutional shareholders, ARC and Luminus Energy IE Designated Activity Company ("**Luminus**"), have entered into support agreements pursuant to which they have agreed, subject to the terms thereof, to vote their Shares, representing in aggregate 78% of the issued and outstanding Shares, including 37% of the Shares entitled to vote on the minority approval of the Arrangement under MI 61-101 (as defined below), in favour of the Arrangement.
- **Consideration within the Valuation Range.** Peters & Co. Limited ("**Peters & Co.**") orally delivered to the Special Committee a formal valuation of the fair market value of the Shares, subsequently confirmed in writing, which concluded that, as of October 27, 2025, and based upon

and subject to the various assumptions, limitations and qualifications set forth therein, the fair market value of the Shares was in the range of \$22.00 to \$27.00 per Share (the "**Formal Valuation**"). The Consideration is within such range.

- **Peters & Co. Fairness Opinion.** Peters & Co., as independent valuator, orally delivered to the Special Committee a fairness opinion, subsequently confirmed in writing, to the effect that, as of October 27, 2025, and based upon and subject to the various assumptions, limitations and qualifications set forth therein, the Consideration to be received by the Shareholders (other than the Rollover Shareholders) pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders (other than the Rollover Shareholders) (the "**Peters & Co. Fairness Opinion**"). See "*The Arrangement — Formal Valuation and Peters & Co. Fairness Opinion*" in the Circular.
- **Key Regulatory Approval.** The likelihood that the transaction will receive the Key Regulatory Approval (as defined in the Circular) under applicable laws and on terms and conditions satisfactory to the Company and the Purchaser, including based on the advice of its legal and other advisors in connection with such Key Regulatory Approval, and the reasonable assurance that such Key Regulatory Approval will be achieved within the timeframe set out in the Arrangement Agreement, including the Outside Date (as defined in the Circular).

Furthermore, the Special Committee believes that the Arrangement is procedurally fair to the Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares) for the following reasons:

- **Detailed Review and Negotiation.** The Special Committee oversaw the conduct of a robust negotiation process that was undertaken between the Special Committee, the Company and their respective advisors, on the one hand, and the Purchaser and its advisors, on the other hand. The Special Committee had the authority to make recommendations to the Board as to whether or not to pursue the Arrangement, any other transaction or maintaining the status quo of the Company. The Special Committee held over 25 formal meetings and the compensation of its members was in no way contingent on their approving the Arrangement Agreement or taking the other actions described herein. The Special Committee was comprised solely of independent directors and was advised by highly experienced and qualified financial and legal advisors. The advice received by the Special Committee included detailed financial advice from its financial advisors, including with respect to the Company remaining a publicly traded company and continuing to pursue its business plan on a stand-alone basis. The Special Committee also received the Formal Valuation.
- **Approval Thresholds.** The Shareholders will have an opportunity to vote on the Arrangement, which will require the Required Shareholder Approval (as defined below) to be obtained for the Arrangement to be completed, including not less than a simple majority of the votes cast by the Shareholders (excluding the Rollover Shareholders and Patrick Carlson, President and Chief Executive Officer and a director of the Company, Jakub Brogowski, Chief Financial Officer of the Company, Mike Hantzsch, Senior Vice President, Midstream and Market Development of the Company, Sue Kuethe, Executive Vice President, Land and Community of the Company and Lisa Wong, Senior Vice President, Business Systems of the Company (the "**Excluded Officers**")) present in person or represented by proxy at the Meeting.
- **Court Approval.** The Arrangement is subject to a determination of the Court, after hearing from all interested persons who choose to appear before it, that the Arrangement is fair and reasonable, both procedurally and substantively, to the Shareholders.
- **Superior Proposals.** Pursuant to the Arrangement Agreement, the Board will have the ability, notwithstanding the non-solicitation provisions of the Arrangement Agreement, to engage in or participate in discussions or negotiations with a third party making an unsolicited Acquisition Proposal (as defined in the Circular) that the Board determines in good faith, after consultation with its financial advisors and outside legal counsel, constitutes or could reasonably be expected to constitute or lead to a Superior Proposal (as defined in the Circular), and, in certain circumstances,

to consider, accept and enter into a definitive agreement with respect to such Superior Proposal, provided that the Company concurrently pays an amount of \$45 million to the Purchaser (the "**Purchaser Termination Amount**") and subject to a customary right for the Purchaser to match such Superior Proposal.

- **Purchaser Termination Amount.** The Special Committee, after consultation with its financial and legal advisors, is of the view that the Purchaser Termination Amount would not preclude a third party from making a potential unsolicited Superior Proposal.
- **KEC Liquidated Damages Amount.** The Arrangement Agreement provides for a reverse break fee in the amount of \$55 million to be paid by the Purchaser to the Company (the "**KEC Liquidated Damages Amount**") in the event the Arrangement Agreement is terminated for default of the Purchaser to deposit the Consideration at the relevant time. In addition, the Sponsors (as defined in the Circular) have provided equity commitment letters to the Purchaser in respect of their respective proportionate amounts of the KEC Liquidated Damages Amount that provide that the Company is an express third party beneficiary thereof and is entitled to seek specific performance enforcing the obligations of the Sponsors to fund their respective proportionate amounts of the KEC Liquidated Damages Amount to the Purchaser.
- **Dissent Rights.** Registered Shareholders may, upon compliance with certain conditions and in certain circumstances, exercise their dissent rights in respect of their Shares and, if ultimately successful, receive fair value for their Shares as determined by the Court. See "*Dissenting Shareholders' Rights*" in the Circular.

The Arrangement Agreement was the result of a robust auction process that culminated in an exclusive negotiation process with the Purchaser that was undertaken with the supervision and involvement of the Special Committee comprised solely of independent directors and which was advised by experienced and qualified financial and legal advisors.

Shareholders should review the accompanying Circular, which describes, among other things, the background to the Arrangement as well as the reasons for the determinations and recommendations of the Special Committee and the Board. The Circular contains a detailed description of the Arrangement and includes additional information to assist you in considering how to vote at the Meeting. **You are urged to read this information carefully and, if you require assistance, you are urged to consult your financial, legal, tax or other professional advisors.**

To be effective, the Arrangement must be approved by a special resolution (the "**Arrangement Resolution**"), the full text of which is outlined in Appendix A of the accompanying management information circular (the "**Circular**"), passed by: (a) at least 66⅔% of the votes cast by the Shareholders present in person or represented by proxy at the Meeting; and (b) not less than a simple majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting (excluding the Shares held by the Rollover Shareholders and Excluded Officers) (the "**Required Shareholder Approval**").

The Arrangement must also be approved by the Court, which will consider, among other things, the fairness and reasonableness of the Arrangement.

If the required Shareholder and Court approvals are obtained and all other conditions to the Arrangement are satisfied, including receipt of key regulatory approvals, it is anticipated that the Arrangement will be completed in December 2025. Further details of the Arrangement are set out in the accompanying Circular.

In connection with the proposed Arrangement, each director and officer of KEC, Luminus and the Rollover Shareholders have entered into a customary support agreement pursuant to which each individual has agreed, subject to the terms thereof, to vote their Shares in favour of the Arrangement Resolution. Consequently, holders of approximately 78% of the issued and outstanding Shares, have agreed to vote their Shares in favour of the Arrangement Resolution. The aggregate 29,322,601 Shares beneficially owned

by the Rollover Shareholders and Excluded Officers, collectively representing approximately 66% of the issued and outstanding Shares, will be excluded for purposes of the "minority approval" required under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101").

The Rollover Shareholders have entered into a share transfer agreement with the Purchaser dated October 27, 2025 (the "**Rollover Agreement**") pursuant to which the Rollover Shareholders have agreed to transfer a portion of their Shares (the "**Rollover Shares**") to the Purchaser for shares in the capital of the Purchaser, effectively rolling approximately 22% of their Shares.

Vote Today IN FAVOUR of the Arrangement Resolution

Your vote is important regardless of the number of Shares you own. If you are unable to be present at the Meeting, we encourage you to take the time now to complete, sign, date and return the enclosed form of proxy or voting instruction form, as applicable, so that your Shares can be voted at the Meeting in accordance with your instructions. Your votes must be received by KEC's transfer agent, Computershare Trust Company of Canada, no later than 9:00 a.m. (Mountain time) on December 15, 2025 or, if the Meeting is adjourned or postponed, at least 24 hours (excluding Saturdays, Sundays and holidays) prior to the commencement of the reconvened Meeting. **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.**

Non-registered Shareholders who hold their Shares through a broker, custodian, nominee or other intermediary should carefully follow the instructions of their intermediary to ensure that their Shares are voted at the Meeting in accordance with such Shareholder's instructions, to arrange for their intermediary to complete the necessary transmittal documents and to ensure that they receive payment for their Shares if the Arrangement is completed. If you are a registered Shareholder, we also encourage you to complete, sign, date and return the enclosed letter of transmittal, which will help the Company arrange for the prompt payment for your Shares if the Arrangement is completed.

If you have any questions about the information contained in this Circular relating to the Meeting or require assistance with the procedure for voting, including to complete the accompanying letter of transmittal, please contact the Company's transfer agent, Computershare Trust Company of Canada, by telephone at 1-800-564-6253 (toll-free in Canada and the United States) or at 1-514-982-7555 (outside of Canada and the United States).

Any questions regarding voting your Shares, including about completing the accompanying form of proxy, should be directed to KEC's proxy solicitation agent, Laurel Hill Advisory Group, by calling 1-877-452-7184 (toll-free in Canada and the United States), 1-416-304-0211 (outside of Canada and the United States) or by email at assistance@laurelhill.com.

On behalf of the Board, we would like to take this opportunity to thank you for the support you have shown as Shareholders of the Company.

Yours very truly,

(Signed) "*Beth Reimer-Heck*"

Beth Reimer-Heck
Chair of the Special Committee of the Board

**KIWETINOHK ENERGY CORP.
NOTICE OF SPECIAL MEETING OF SHAREHOLDERS**

Calgary, Alberta, November 10, 2025

NOTICE IS HEREBY GIVEN that, in accordance with an interim order of the Court of King's Bench of Alberta dated November 6, 2025 (as the same may be amended, modified or varied, the "**Interim Order**"), a special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares (the "**Shares**") in the capital of Kiwetinohk Energy Corp. ("**KEC**" or the "**Company**") will be held at Livingston Place, 222 – 3 Avenue S.W., South Tower, Plus 15 Level, Meeting Rooms A&B, Calgary, Alberta, T2P 0B4 on December 16, 2025 at 9:00 a.m. (Mountain time), for the following purposes:

1. to consider, and, if deemed advisable, to pass, with or without variation, a special resolution (the "**Arrangement Resolution**"), the full text of which is outlined in Appendix A of the accompanying management information circular (the "**Circular**"), to approve a statutory plan of arrangement (the "**Arrangement**") involving the Company and Cygnet Energy Ltd. (the "**Purchaser**") pursuant to section 192 of the *Canada Business Corporations Act* (the "**CBCA**"), the whole as described in the Circular; and
2. to transact such other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

Specific details of the matters to be put before the Meeting, as identified above, are set forth in the Circular which accompanies and is deemed to form part of this Notice of Special Meeting of Shareholders.

The board of directors of KEC unanimously recommends that Shareholders vote IN FAVOUR of the Arrangement Resolution.

It is a condition to the completion of the Arrangement that the Arrangement Resolution be approved by Shareholders at the Meeting. If the Arrangement Resolution is not approved by the Shareholders, the Arrangement cannot be completed.

Shareholders should refer to the full text of each of the plan of arrangement (the "**Plan of Arrangement**") and the Arrangement Agreement for complete details of such documents. The Plan of Arrangement is attached as Appendix B to this Circular, and a copy of the Arrangement Agreement is available under KEC's profile on SEDAR+ at www.sedarplus.ca. **You are urged to read the full text of the Plan of Arrangement and the Arrangement Agreement carefully.**

The board of directors of the Company has set the close of business on November 10, 2025 as the record date ("**Record Date**") for the purpose of determining the Shareholders who are entitled to receive notice of, and to vote at, the Meeting or any adjournment or postponement thereof. Only persons shown on the register of Shareholders at the close of business on the Record Date, or their duly appointed proxyholders, will be entitled to attend the Meeting and vote on the Arrangement Resolution. No person who becomes a Shareholder after that time will be entitled to vote at the Meeting or any postponement or adjournment thereof.

Voting

A registered Shareholder may attend the Meeting and vote in person. A registered Shareholder not attending the meeting in person is requested to complete and sign the enclosed form of proxy ("**Proxy**") and deliver it to KEC's transfer agent, Computershare Trust Company of Canada (the "**Transfer Agent**"). A Proxy will not be valid for the Meeting unless the completed Proxy is delivered to the Transfer Agent as set out below:



Go to www.investorvote.com. Enter the 15-digit control number printed on the Proxy and follow the instructions on screen;



Completed Proxies can be sent or hand-delivered to: Computershare Trust Company of Canada, Attention: Proxy Department, 320 Bay Street, 14th Floor, Toronto, ON M5H 4A6; or



Call 1-866-732-8683 (toll-free in Canada and the United States) or 312-588-4290 (outside of Canada and the United States) and enter the 15-digit control number printed on the Proxy.

Follow the interactive voice recording instructions to submit your vote, in all cases no later than 9:00 a.m. (Mountain time) on December 15, 2025 or, if the Meeting is adjourned or postponed, at least 24 hours (excluding Saturdays, Sundays and holidays) prior to the commencement of the reconvened Meeting.

For registered Shareholders who do not receive physical delivery of the Proxy by mail due to the ongoing labour action by the Canadian Union of Postal Workers which has resulted in the disruption or delay of the mail service of Canada Post (the "**Canada Post Disruption**"), the Proxy for use by registered Shareholders is also available under the Company's profile at www.sedarplus.ca and on the Company's website at <https://kiwetinohk.com/special-meeting>.

The persons named in the enclosed Proxy are officers and/or directors of the Company. As a Shareholder, you have the right to appoint a person, who need not be a Shareholder, to represent you at the Meeting other than the persons designated in the Proxy furnished by the Company. To exercise that right, the name of the Shareholder's appointee should be legibly printed in the blank space provided.

Shares represented by any properly executed Proxy in the accompanying form will be voted for or against on any ballot that may be called for in accordance with the instructions given by the Shareholder. **In the absence of such specification, proxies in favour of management will be voted in favour of the Arrangement Resolution.**

The accompanying Proxy confers discretionary authority on the persons named in it with respect to amendments or variations to matters identified in the notice of Meeting or other matters that may properly come before the Meeting.

The document appointing a proxy must be in writing and executed by the Shareholders or their attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

You are a non-registered Shareholder if your Shares are registered in the name of a broker, custodian, nominee or other intermediary ("**Intermediary**"). If you are a non-registered Shareholder, please vote by completing and returning the voting information form ("**VIF**") provided to you by your Intermediary in accordance with the instructions provided therein.

If you are a non-registered Shareholder and wish to vote in person at the Meeting, insert your name in the space provided for the proxyholder appointment on the VIF, and return it as instructed by your Intermediary. If no space is provided for you to insert your name on the form, please contact your Intermediary for instructions. Your VIF may also have a box for you to indicate that you intend to vote in person at the meeting. Do not complete the voting section of the VIF if you intend to vote in person at the Meeting. When you arrive at the Meeting, please register with the Transfer Agent. You will not be able to register with the Transfer Agent at the Meeting if you have not returned your VIF to your Intermediary. If you do not intend to attend the Meeting and vote in person, you can either mark your voting instructions on the VIF or choose another person (a proxyholder) to attend the meeting and vote your Shares for you. In either case, you will need to complete and return your VIF as instructed by your Intermediary.

The management of KEC requests that you sign and return the Proxy or VIF as soon as possible to ensure that your votes are exercised at the Meeting. The solicitation of proxies will be conducted primarily by mail but may also be made by telephone or other electronic means of communication or in-person by the directors, officers and employees of KEC or by any other means the management of KEC may deem necessary, including by proxy solicitation agents that may be specifically retained for such purpose by the Company, at its sole cost and expense. The Company will bear the cost of such solicitation.

Dissent Rights

Pursuant to the Interim Order, registered Shareholders of the Company have the right to dissent with respect to the Arrangement Resolution and, if the Arrangement becomes effective, to be paid the fair value of their Shares in accordance with the provisions of section 190 of the CBCA (the "**Dissent Rights**"), as modified by the Interim Order and the Plan of Arrangement. A registered Shareholder wishing to exercise such Dissent Rights with respect to the Arrangement must send to the Company in accordance with the Interim Order, c/o Stikeman Elliott LLP, Bankers Hall West, Suite 4200, 888-3 Street SW, Calgary, Alberta T2P 5C5, Attention: Matti Lemmens, or by email at mlemmens@stikeman.com by no later than 5:00 p.m. (Mountain time) on December 9, 2025 (or on the date that is five Business Days prior to the commencement of the reconvened Meeting if the Meeting is adjourned or postponed) a written objection to the Arrangement Resolution (the "**Dissent Notice**") and must otherwise strictly comply with the dissent procedures described in this Circular, the Interim Order, the Plan of Arrangement and section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement. A registered Shareholder wishing to exercise Dissent Rights must exercise such rights with respect to all, and not less than all, Shares registered in the name of such Shareholder. A registered Shareholder who has voted in favour of the Arrangement Resolution shall not be entitled to exercise Dissent Rights.

Anyone who is a non-registered owner of Shares registered in the name of an Intermediary and who wishes to exercise Dissent Rights should be aware that only registered Shareholders are entitled to exercise Dissent Rights. A non-registered Shareholder who wishes to exercise Dissent Rights must make arrangements for the Shares beneficially owned by such holder to be registered in the name of such holder through their Intermediary prior to the time the Dissent Notice is required to be received by the Company or, alternatively, make arrangements for the registered Shareholder of such Shares to exercise Dissent Rights on behalf of such Shareholder. It is recommended that you seek independent legal advice if you wish to exercise Dissent Rights.

Failure to strictly comply with the requirements set forth in section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement, may result in the loss of any right of dissent.

Solicitation of Proxies

It is expected that solicitation will be primarily by mail and electronic means, but proxies may also be solicited by newspaper publication, in person or by telephone, email, or oral communication by directors, officers, employees or agents of the Company. The Company has retained Laurel Hill Advisory Group ("**Laurel Hill**"), as proxy solicitation agent, to assist in the solicitation of proxies and may also retain other persons as it deems necessary to aid in the solicitation of proxies with respect to the Meeting. The Company

and Laurel Hill have entered into an engagement agreement with customary terms and conditions, which provides that the Laurel Hill will be paid a fee of approximately \$50,000, plus out-of-pocket expenses.

Canada Post Disruption

In light of the Canada Post Disruption, the Company recommends utilizing a delivery method other than mail for delivery of Proxies and VIFs. Please see "*Information Concerning the Meeting and Voting – Voting by Proxy*" in the Circular for information on how to obtain and submit Proxies and VIFs, as applicable. The Company reserves the right to accept late Proxies and to extend or waive the proxy cut off at its discretion, with or without notice, subject to the terms of the Arrangement Agreement. In the event of any delays in receiving materials due to the Canada Post Disruption, registered Shareholders are encouraged to contact the Transfer Agent and non-registered Shareholders are encouraged to contact their brokers in order to obtain their control numbers.

Questions

If you have any questions about the information contained in the Circular relating to the Meeting or require assistance with the procedure for voting, including to complete the accompanying letter of transmittal, please contact the Transfer Agent, by telephone at 1-800-564-6253 (toll-free in Canada and the United States) or at 1-514-982-7555 (outside of Canada and the United States).

Any questions regarding voting your Shares, including about completing the accompanying form of proxy, should be directed to KEC's proxy solicitation agent, Laurel Hill Advisory Group, by calling 1-877-452-7184 (toll-free in Canada and the United States), 1-416-304-0211 (outside of Canada and the United States) or by email at assistance@laurelhill.com.

Dated this 10th day of November, 2025.

BY ORDER OF THE BOARD OF DIRECTORS:

By: (Signed) "Beth Reimer-Heck"

Name: Beth Reimer-Heck

Title: Chair of the Special Committee of the Board

IN THE COURT OF KING'S BENCH OF ALBERTA

JUDICIAL DISTRICT OF CALGARY

IN THE MATTER OF SECTION 192 OF THE *CANADA BUSINESS CORPORATIONS ACT*,
RSC 1985, c C-44, AS AMENDEDAND IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING, CYGNET ENERGY LTD.,
KIWETINOHK ENERGY CORP. AND THE SHAREHOLDERS OF KIWETINOHK ENERGY CORP.

NOTICE OF ORIGINATING APPLICATION

NOTICE IS HEREBY GIVEN that an originating application (the "**Application**") has been filed with the Court of King's Bench of Alberta, Judicial District of Calgary (the "**Court**") on behalf of Kiwetinohk Energy Corp. ("**KEC**"), with respect to a proposed arrangement (the "**Arrangement**") under Section 192 of the *Canada Business Corporations Act*, RSC 1985, c C-44, as amended (the "**Act**"), involving, KEC, Cygnet Energy Ltd. and the holders ("**KEC Shareholders**") of common shares (the "**KEC Shares**") of KEC, which Arrangement is described in greater detail in the management information circular of KEC dated November 10, 2025 accompanying this Notice of Application. At the hearing of the Application, KEC intends to seek:

- (a) a declaration that the registered holders of KEC Shares shall have their dissent rights in respect of the Arrangement pursuant to the provisions of Section 190 of the Act, as modified by the interim order (the "**Interim Order**") of the Court dated November 6, 2025 and the Plan of Arrangement;
- (b) an order approving the Arrangement pursuant to the provisions of Section 192 of the Act and pursuant to the terms and conditions of the Arrangement Agreement;
- (c) a declaration that the Arrangement will, upon the filing of articles of arrangement under the Act and the issuance of the proof of filing of articles of arrangement under the Act, be effective under the Act in accordance with its terms and will be binding on and after the Effective Time, as defined in the Arrangement;
- (d) a declaration that the terms and conditions of the Arrangement, and the procedures relating thereto, are fair and reasonable to the KEC Shareholders and other persons affected from a substantive and procedural point of view; and
- (e) such other and further orders, declarations and directions as the Court may deem just.

AND NOTICE IS FURTHER GIVEN that the said Application is directed to be heard before a Justice of the Court of King's Bench of Alberta, (via Webex) on December 17 at 3:00 p.m. (Mountain time), or as soon thereafter as counsel may be heard. **Any KEC Shareholder or any other interested party desiring to appear at the hearing is required to file with the Court and serve upon KEC on or before 3:00 p.m. (Mountain time) on December 10, 2025, a notice of intention to appear, including an address for service in the Province of Alberta, indicating whether such KEC Shareholder or other interested party intends to support or oppose the application or make submissions thereat, together with a summary of the position such KEC Shareholder or other interested party intends to advocate before the Court and any evidence or materials which are to be presented to the Court.** Service on KEC is to be effected by delivery to the solicitors for KEC at the address set out below. If any KEC Shareholder or any other such interested party does not attend, either in person or by counsel, at that time, the Court may approve the Arrangement as presented, or may approve it subject to such terms and conditions as the Court shall deem fit, or refuse to approve the Arrangement, without any further notice.

AND NOTICE IS FURTHER GIVEN that no further notice of the Application will be given by KEC, and that in the event the hearing of the Application is adjourned, only those persons who have appeared before the Court for the Application at the hearing shall be served with notice of the adjourned date.

AND NOTICE IS FURTHER GIVEN that the Court, by the Interim Order, has given directions as to the calling and holding of a meeting of KEC Shareholders for the purpose of such shareholders voting upon, a special resolution to approve the Arrangement, and has directed that registered KEC Shareholders shall have the right to dissent with respect to the Arrangement in accordance with the provisions of Section 190 of the Act, as modified by the Interim Order and the Plan of Arrangement.

AND NOTICE IS FURTHER GIVEN that a copy of the said Application and other documents in the proceedings will be furnished to any KEC Shareholders or other interested party requesting the same by the under mentioned solicitors for KEC upon written request delivered to such solicitors as follows:

Stikeman Elliott LLP
Bankers Hall West, 4200 888 – 3 St SW
Calgary, Alberta T2P 5C5
Attention: Matti Lemmens

DATED this 6th day of November, 2025.

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

By: (Signed) "Beth Reimer-Heck"

Name: Beth Reimer-Heck

Title: Chair of the Special Committee of the
Board of Directors of Kiwetinohk Energy
Corp.

**KIWETINOHK ENERGY CORP.
MANAGEMENT INFORMATION CIRCULAR**

This management information circular ("**Circular**") is provided in relation to the solicitation of proxies by the management of Kiwetinohk Energy Corp. ("**we**," "**us**," "**KEC**" and the "**Company**") for use at the special meeting (the "**Meeting**") of holders (the "**Shareholders**") of common shares (the "**Shares**") of the Company to be held at Livingston Place, 222 – 3 Avenue S.W., South Tower, Plus 15 Level, Meeting Rooms A&B, Calgary, Alberta, T2P 0B4 on December 16, 2025 at 9:00 a.m. (Mountain time).

All capitalized terms used in this Circular but not otherwise defined herein have the meanings set forth in the "*Glossary of Terms*" starting on page 88 of this Circular. In this Circular, unless otherwise specified or the context otherwise indicates, reference to the singular shall include the plural and vice versa; the masculine shall include the feminine and vice versa.

Cautionary Statements

Unless otherwise indicated, the information provided in this Circular is provided as of November 10, 2025.

We have not authorized any person to give any information or make any representation regarding the Arrangement or any other matters to be considered at the Meeting other than those contained in this Circular. If any such information or representation is given or made to you, you should not rely on it as being authorized or accurate.

This Circular does not constitute an offer to buy, or a solicitation of an offer to sell, any securities, or the solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such an offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or solicitation. The delivery of this Circular will not, under any circumstances, create any implication or be treated as a representation that there has been no change in the information set out herein since the date of this Circular.

Your proxy will be solicited primarily by mail but may also be made by telephone or other electronic means of communication or in person by the directors, officers and employees of the Company or by any other means Management may deem necessary, including by proxy solicitation agents that may be specifically retained for such purpose by the Company, at its sole cost and expense. The Company may also reimburse brokers and other persons holding Shares in their name, or in the name of nominees for their costs incurred in sending proxy materials to their principals to obtain their proxies. See "*Information Concerning the Meeting and Voting – Solicitation of Proxies*."

Shareholders should not construe the contents of this Circular as legal, tax or financial advice and are urged to consult with their own legal, tax, financial or other professional advisors as to the relevant legal, tax, financial or other matters in connection herewith.

The information contained in this Circular concerning the Purchaser and the Rollover Shareholders and their respective associates and affiliates, including such information under the heading "*The Arrangement – Background to the Arrangement*," has been provided by the Purchaser and the Rollover Shareholders, respectively, for inclusion in this Circular. Although the Company has no knowledge that any statement contained herein taken from, or based on, such information and records or information provided by the Purchaser, or the Rollover Shareholders untrue or incomplete, the Company assumes no responsibility for the accuracy of the information contained in such documents, records or information or for any failure by the Purchaser, or the Rollover Shareholders to disclose events which may have occurred or may affect the significance or accuracy of any such information but which are unknown to the Company.

All summaries of, and references to, the Plan of Arrangement and the Arrangement Agreement in this Circular are qualified in their entirety by the complete text of the Plan of Arrangement and the Arrangement Agreement. Shareholders should refer to the full text of each of the Plan of Arrangement and the

Arrangement Agreement for complete details of such documents. The Plan of Arrangement is attached as Appendix B to this Circular, and a copy of the Arrangement Agreement is available under KEC's profile on SEDAR+ at www.sedarplus.ca. **You are urged to read the full text of the Plan of Arrangement and the Arrangement Agreement carefully.**

Forward-Looking Information

This Circular contains "forward-looking information" and "forward-looking statements" (collectively, "**forward-looking information**") within the meaning of applicable securities laws. Such forward-looking information may include, without limitation, information with respect to our objectives and the strategies to achieve these objectives, as well as information with respect to our beliefs, plans, expectations, anticipations, estimates and intentions. This forward-looking information is identified by the use of terms and phrases such as "may," "would," "will," "should," "could," "expect," "intend," "estimate," "anticipate," "ongoing," "plan," "believe," "seek", or "continue," the negative of these terms and similar terminology, including references to assumptions, although not all forward-looking information contains these terms and phrases. Particularly, this Circular contains forward-looking statements and information regarding: the anticipated benefits of the Arrangement for the Company, the Purchaser and their respective shareholders; the reasons for the Purchaser in pursuing the Arrangement; the Shareholder and Court approvals; the required Key Regulatory Approval, the likelihood of, and timing for, obtaining such approvals; the anticipated date for the holding of the Meeting and the completion of the Arrangement; the timing and effects of the Arrangement; the solicitation of proxies by the Company; the consequences to Shareholders if the Arrangement is not completed; the expectation that the Company will cease to be a reporting issuer and that the Shares will be delisted from the TSX following completion of the Arrangement; the ability of the Parties to satisfy the other conditions to the completion of the Arrangement; and other information or statements that relate to future events or circumstances and which do not directly and exclusively relate to historical facts.

In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent Management's expectations, estimates and projections regarding future events or circumstances.

These forward-looking statements express, as of the date of this Circular, the estimates, predictions, projections, expectations, or opinions of the Company about future events or results, as well as other assumptions, both general and specific, that the Company believes are appropriate in the circumstances, including, but not limited to, assumptions as to: current industry and economic conditions and trends; the Rollover Shareholder's intention with respect to the Shares it owns, controls or directs, directly or indirectly; the certainty of the Financing Commitments; the ability of the Parties to receive, in a timely manner, necessary Shareholder approvals and the Final Order; the impact of the Arrangement on KEC's various stakeholders; and other expectations and assumptions concerning the steps required to give effect to the Arrangement. Unless otherwise indicated, forward-looking information does not give effect to the potential impact of any mergers, acquisitions, divestitures or business combinations that may be announced or closed after the date hereof. Although the forward-looking information contained herein is based upon what we believe are reasonable assumptions, investors are cautioned against placing undue reliance on this information since actual results may vary from the forward-looking information.

Forward-looking information involves known and unknown risks and uncertainties, many of which are beyond our control, that could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, the failure of the parties to obtain the necessary Shareholder, Court and regulatory approvals or to otherwise satisfy the conditions to the completion of the Arrangement; failure of the parties to obtain such approvals or satisfy such conditions in a timely manner; significant transaction costs or unknown liabilities; the dedication of significant resources to pursuing the Arrangement and the restrictions imposed on the Company while the Arrangement is pending; the uncertainty surrounding the Arrangement could adversely affect the Company's retention of customers, business partners and key employees; the occurrence of a Material Adverse Effect leading to the termination of the Arrangement Agreement; failure to realize the

expected benefits of the Arrangement; general economic conditions; and other risks and uncertainties identified under "*Risk Factors*" and "*Information Concerning Kiwetinohk*". Failure to obtain the necessary Shareholder, Court and regulatory approvals, or the failure of the parties to otherwise satisfy the conditions to the completion of the Arrangement or to complete the Arrangement, may result in the Arrangement not being completed on the proposed terms, or at all. In addition, if the Arrangement is not completed, and the Company continues as a publicly-traded company, there are risks that the announcement of the Arrangement and the dedication of substantial resources of the Company to the completion of the Arrangement could have an impact on its business and strategic relationships (including with future and prospective employees, customers, suppliers and partners), operating results and activities in general, and could have a material adverse effect on its current and future operations, financial condition and prospects. Furthermore, pursuant to the terms of the Arrangement Agreement, the Company may, in certain circumstances, be required to pay a fee to the Purchaser, the result of which could have an adverse effect on its financial position. Although the Company has attempted to identify important risk factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other risk factors not presently known to the Company or that it presently believes are not material that could also cause actual results or future events to differ materially from those expressed in such forward-looking information. If any of these risks materialize, or if any of the assumptions underlying forward-looking statements prove incorrect, actual results and developments may differ materially from those made in or suggested by the forward-looking statements contained herein.

Consequently, all of the forward-looking information contained herein is qualified by the foregoing cautionary statements, and there can be no guarantee that the results or developments that we anticipate will be realized or, even if substantially realized, that they will have the expected consequences or effects on our business, financial condition or results of operation. Unless otherwise noted or the context otherwise indicates, the forward-looking information contained herein represents our expectations as of the date hereof or as of the date it is otherwise stated to be made, as applicable, and is subject to change after such date. However, we disclaim any intention or obligation or undertaking to update or amend such forward-looking information whether as a result of new information, future events or otherwise, except as may be required by applicable law.

This list is not exhaustive of the factors that may affect any of the forward-looking statements of KEC. The risks and uncertainties that could affect forward-looking statements are described further under the heading "*Risk Factors*". Additional risks are further discussed in KEC's AIF, Annual MD&A and Interim MD&A, which are incorporated by reference and have been filed under KEC's profile on SEDAR+ at www.sedarplus.ca. Copies of these documents can also be obtained, free of charge by any Shareholder, by directing a request to Lisa Wong, Senior Vice President, Business Systems, of the Company by email at lwong@kiwetinohk.com or by written request to Suite 1700, 250 – 2nd Street SW, Calgary, Alberta, Canada T2P 0C1.

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QUESTIONS AND ANSWERS ABOUT THE MEETING AND THE ARRANGEMENT

Your vote is important. The following are key questions that you as a Shareholder may have regarding the Arrangement to be considered at the Meeting. These questions and answers do not provide all of the information relating to the Meeting or the matters to be considered at the Meeting and are qualified in their entirety by the more detailed information contained elsewhere in this Circular, the attached Appendices, the Proxy and the Letter of Transmittal, all of which are important and should be reviewed carefully. You are urged to carefully read the remainder of this Circular in its entirety before making a decision related to your Shares. See the "*Glossary of Terms*" starting on page 88 of this Circular for the meaning assigned to capitalized terms used below and elsewhere in this Circular that are not otherwise defined in these questions and answers.

Q: Why did I receive this Circular?

A: On October 27, 2025, the Company and the Purchaser entered into the Arrangement Agreement, pursuant to which it was agreed, among other things, to implement the Arrangement in accordance with and subject to the terms and conditions contained therein and in the Plan of Arrangement. See "*Arrangement Agreement*" for a summary of the Arrangement Agreement. Shareholders should refer to the full text of each of the Plan of Arrangement and the Arrangement Agreement for complete details of such documents. The Plan of Arrangement is attached as Appendix B to this Circular, and a copy of the Arrangement Agreement is available under KEC's profile on SEDAR+ at www.sedarplus.ca. **You are urged to read the full text of the Plan of Arrangement and the Arrangement Agreement carefully.**

As a Shareholder as of the Record Date, you are entitled to receive notice of, and to vote at, the Meeting or any adjournment or postponement thereof. Management is soliciting your proxy, or vote, and providing this Circular in connection with that solicitation.

If you are a holder of Incentives, but are not a Shareholder as of the Record Date, you received this Circular to provide you with notice and information with respect to the treatment of Incentives under the Arrangement. See "*Procedure for the Arrangement to Become Effective – Implementation of the Arrangement*". Only Shareholders as of the Record Date are entitled to vote their Shares at the Meeting. Holders of only Incentives, are not entitled to vote at the Meeting.

Questions Relating to the Arrangement

Q: What is the proposed Arrangement?

A: The purpose of the Arrangement is to effect the acquisition of the Company by the Purchaser by way of a statutory plan of arrangement under section 192 of the CBCA. Pursuant to the Arrangement, the Purchaser, proposes to acquire all of the issued and outstanding Shares, other than the Rollover Shares, for \$24.75 in cash per Share, without interest. The Purchaser will acquire the Rollover Shares pursuant to the Rollover Agreement and the Plan of Arrangement. As a consequence of the Arrangement, the Purchaser will own all of the issued and outstanding Shares following completion of the Arrangement. See "*Procedure for the Arrangement to Become Effective*".

The price of \$24.75 per Share in cash represents a significant and attractive premium of approximately 63% to the closing price of the Shares on the TSX on March 5, 2025, the date on which KEC first publicly announced its intention to pursue the Business Strategy Review.

Q: What are the background and reasons for the proposed Arrangement?

A: The Arrangement Agreement is the result of extensive negotiations between the Special Committee, the Purchaser and their respective advisors.

See "*The Arrangement – Background to the Arrangement*" for a summary of certain relevant background information that informed the Special Committee's deliberations as well as the principal events leading to the execution of the Arrangement Agreement and the public announcement of the Arrangement.

In determining that the Arrangement is in the best interests of the Company and fair to Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares), the Special Committee, with the assistance of Management and the Special Committee's legal and financial advisors, carefully reviewed the Arrangement and the terms and conditions of the Arrangement Agreement and related agreements and documents and considered and relied upon a number of substantive factors, including those set out under "*The Arrangement – Reasons for the Arrangement*".

Q: Does the Special Committee support the Arrangement?

A: Yes. The Special Committee, after, among other things, receiving experienced, qualified and independent legal and financial advice in evaluating the Arrangement, including the Formal Valuation and the Peters & Co. Fairness Opinion, and careful consideration of various matters, unanimously determined that the Arrangement and the entering into of the Arrangement Agreement is in the best interests of the Company, that the Arrangement is fair to Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares) and unanimously recommended that the Board approve the Arrangement and recommends that the Shareholders vote **IN FAVOUR** of the Arrangement Resolution.

See "*The Arrangement – Recommendation of the Special Committee*".

Q: Does the Board support the Arrangement?

A: Yes. The Board (with Kevin Brown and Colin Bergman, as conflicted directors, abstaining from voting), on the unanimous recommendation of the Special Committee and after, among other things, receiving experienced and qualified legal and financial advice in evaluating the Arrangement, including the Formal Valuation and the Fairness Opinions, and careful consideration of various matters, unanimously determined that the Arrangement and the entering into of the Arrangement Agreement is in the best interests of the Company, that the Arrangement is fair to Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares) and unanimously recommended (with Kevin Brown and Colin Bergman, as conflicted directors, abstaining from voting) that the Shareholders vote **IN FAVOUR** of the Arrangement Resolution.

See "*The Arrangement – Recommendation of the Board*".

Q: Who has agreed to support the Arrangement?

A: Each director and officer of KEC, Luminus and the Rollover Shareholders have entered into a Support Agreement pursuant to which they have agreed, subject to the terms thereof, to support and vote their Shares in favour of the Arrangement Resolution and against any other resolution that is inconsistent with the Arrangement. Consequently, holders of approximately 78% of the issued and outstanding Shares (including 37% of the Shares held by Minority Shareholders) have agreed to vote their Shares in favour of the transaction.

See "*Procedure for the Arrangement to Become Effective – Support Agreements*".

Q: What approvals are required by Shareholders at the Meeting?

A: The Arrangement Resolution must be approved by: (a) at least 66⅔% of the votes cast by the Shareholders present in person or represented by proxy at the Meeting; and (b) not less than a simple majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting (excluding the Shares held by the Rollover Shareholders and Excluded Officers). The aggregate 29,322,601 Shares beneficially owned by the Rollover Shareholders and Excluded Officers, collectively

representing approximately 66% of the issued and outstanding Shares, will be excluded for purposes of the "minority approval" required under MI 61-101.

See *"Procedure for the Arrangement to Become Effective – Required Shareholder Approval"*.

Q: What other approvals are required for the Arrangement?

A: In order for the Arrangement to be completed, the following must be received: (a) Required Shareholder Approval; (b) the Key Regulatory Approval; and (c) approval by the Court under Section 192 of the CBCA.

See *"Certain Legal Matters – Court Approval and Completion of the Arrangement"* and *"Certain Legal Matters – Key Regulatory Approval"*.

Q: When will the Arrangement become effective?

A: The Arrangement will become effective at the time the Articles of Arrangement are filed with the Director, which is expected to occur within three Business Days of receiving the later of the Final Order and the Key Regulatory Approval, subject to the satisfaction of all conditions. However, completion of the Arrangement is subject to a number of conditions and it is possible that factors outside the control of KEC or the Purchaser could result in the Arrangement being completed at a later time, or not at all. Subject to certain limitations, each Party may terminate the Arrangement Agreement if: (a) the Shareholders fail to provide the Required Shareholder Approval at the Meeting; (b) a change in Law is enacted; (c) the Arrangement is not consummated by the Outside Date; and (d) if any of the conditions set forth in the Arrangement Agreement not been satisfied or waived by the Outside Date or such condition is incapable of being satisfied by the Outside Date.

The completion of the Arrangement is subject to conditions, including receipt of necessary Required Shareholder Approval, the grant by the Court of the Final Order approving the Arrangement, the Key Regulatory Approval and the satisfaction or waiver (if permitted) by the appropriate Party of all other conditions precedent to the Arrangement, as set forth in the Arrangement Agreement.

See *"Procedure for the Arrangement to Become Effective – Implementation of the Arrangement"*.

Q: If I am a registered Shareholder, how do I receive my Consideration under the Arrangement?

A: For a registered Shareholder to receive the Consideration of \$24.75 in cash per Share to which it is entitled upon the completion of the Arrangement, such Shareholder must complete, sign and return the Letter of Transmittal together with the certificate(s) and/or DRS Advice(s) representing its Shares, as applicable, and any other required documents and instruments to the Depositary named in the Letter of Transmittal in accordance with the procedures set out therein.

Q: If I am a non-registered Shareholder, how do I receive my Consideration under the Arrangement?

A: A non-registered Shareholder should contact their Intermediary for instructions and assistance and carefully follow any instructions provided to such non-registered Shareholder by such Intermediary.

Q: What will happen to my Incentives in connection with the Arrangement?

A: Completion of the Arrangement will result in the acceleration of the vesting of the Incentives and all such Incentives will become exercisable or vested, as applicable. The settlement of the Incentives will be determined in accordance with the terms of the applicable Incentive Plans and the Arrangement Agreement.

No Incentives are being arranged pursuant to the Plan of Arrangement.

Pursuant to the Arrangement Agreement, KEC is in the process of obtaining a Surrender Agreement in a form satisfactory to the Purchaser acting reasonably, from each holder of Performance Warrants.

See "*Procedure for the Arrangement to Become Effective – Interests of Certain Persons in the Arrangement – Holdings in Shares and Incentives*".

Q: What happens if I do not surrender the certificates representing my Shares in order to receive the Consideration under the Arrangement?

A: In accordance with the Plan of Arrangement, each certificate that immediately prior to the Effective Time represented outstanding Shares shall be deemed, immediately after the Effective Time, to represent only the right to receive the Consideration to which the holder of such Share is entitled to in accordance with the Plan of Arrangement, less any amounts withheld pursuant to the Plan of Arrangement. Any such certificate formerly representing Shares not duly surrendered on or before the third anniversary of the Effective Time shall cease to represent a claim by or interest of any Shareholder of any kind or nature against or in the Company or the Purchaser. On such date, all consideration to which such former Shareholder was entitled shall be deemed to have been surrendered to the Purchaser, as applicable, and shall be paid over by the Depository to or as directed by the Purchaser. See "*Procedure for the Arrangement to Become Effective – Procedure for Exchange of Share Certificates by Shareholders*".

Q: What will happen to the Company if the Arrangement is completed?

A: If the Arrangement becomes effective, former Shareholders (other than the Rollover Shareholders in respect of their Rollover Shares and any Dissenting Shareholders) will be entitled to receive the Consideration in exchange for their Shares, the Rollover Shareholders will be entitled to the Rollover Consideration, the only Shareholder of the Company will be the Purchaser, the Company will become a privately held corporation and there will be no public market for its Shares.

Q: What will happen if the Arrangement Resolution is not passed or the Arrangement is not completed for any reason?

A: If the Arrangement Resolution is not passed or the Arrangement is not completed for any reason, the Arrangement Agreement may be terminated. If this occurs, the Company will continue as a publicly traded company and continue to pursue its business plan on a stand-alone basis. Note that failure to complete the Arrangement could have an adverse effect on the trading price of the Shares or on the Company's operations, financial condition or prospects.

See "*Risk Factors – Risks Relating to the Arrangement*".

In certain circumstances where the Arrangement Agreement is terminated, the Company will be required to pay the Purchaser the Purchaser Termination Amount.

See "*Arrangement Agreement – Purchaser Disposition of Rights*".

If the Arrangement is not completed and the Board decides to seek an alternative transaction, there can be no assurance that the Supporting Shareholders would be willing to accept or support an alternative transaction.

Q: Are there risks associated with the Arrangement?

A: In evaluating the Arrangement, Shareholders should consider the risk factors relating to the Arrangement. Some of these risks include, but are not limited to: (a) the Required Shareholder Approval must be obtained for the Arrangement to be implemented; (b) the Arrangement Agreement may be terminated in certain circumstances, including in the event of a change having a Material Adverse Effect or if holders of more than 5% of the outstanding Shares exercise Dissent Rights; and (c) there can be no

certainty that all other conditions precedent to the Arrangement will be satisfied or waived. Any failure to complete the Arrangement could materially and negatively impact the trading price of the Shares. You should carefully consider the risk factors described in the section "*Risk Factors*" in evaluating the approval of the Arrangement Resolution. Readers are cautioned that such risk factors are not exhaustive.

Questions Relating to the Special Meeting of Shareholders

Q: Where and when will the Meeting be held?

A: The Meeting will be held on December 16, 2025 at 9:00 a.m. (Mountain time) at Livingston Place, 222 – 3 Avenue S.W., South Tower, Plus 15 Level, Meeting Rooms A&B, Calgary, Alberta, T2P 0B4. Registered Shareholders and duly appointed proxyholders will be able to participate and vote at the Meeting provided they follow the instructions contained herein.

See "*Information Concerning the Meeting and Voting – Date, Time and Place of Meeting*".

Q: Am I entitled to vote?

A: You are entitled to vote if you were a Shareholder as of the close of business on the Record Date, being November 10, 2025. Each Share entitles its holder to one vote.

Q: What are Shareholders being asked to vote on at the Meeting?

A: At the Meeting, pursuant to the Interim Order, the Shareholders will be asked to consider and, if thought advisable, pass the Arrangement Resolution. The Arrangement provides for, among other things, the acquisition by the Purchaser of all of the issued and outstanding Shares by way of a court-approved statutory plan of arrangement under section 192 of the CBCA. Pursuant to the Arrangement Agreement and the Plan of Arrangement, if the Arrangement becomes effective, each Shareholder (other than the Rollover Shareholders in respect of their Rollover Shares) will be entitled to receive \$24.75 in cash per Share. Pursuant to the Rollover Agreement and the Plan of Arrangement, the Rollover Shares will be exchanged for the Rollover Consideration.

Q: What constitutes quorum for the Meeting?

A: Quorum for the Meeting is two or more Shareholders carrying, in the aggregate, at least 25% of the outstanding Shares entitled to be voted at the Meeting, including Shares represented by proxy (as provided in the Company's by-laws).

Q: How many Shares are entitled to be voted?

A: As of the Record Date of November 10, 2025, there were 44,615,423 Shares issued and outstanding. With respect to the matters to be voted on at the Meeting, being the approval of the Arrangement Resolution, each Share entitles its holder to one vote.

Q: What if I acquire ownership of Shares after the Record Date?

A: If a Shareholder transfers Shares after the Record Date, the transferee shall not be entitled to vote such Shares on the Arrangement Resolution at the Meeting.

Q: What do I need to do now in order to vote on the Arrangement Resolution?

A: Registered Shareholders can vote by Internet, by phone, by mail, or at the Meeting. It is recommended that you vote by Internet or phone to ensure that your vote is received before the Meeting. To cast your vote by Internet, please have your Proxy on hand and carefully follow the instructions contained therein. Your Internet vote authorizes the named proxies to vote your Shares in the same manner as if you mark,

sign and return your Proxy. To cast your vote by phone, call 1-866-732-8683 (toll-free in Canada and the United States) or 312-588-4290 (toll-free outside of Canada and the United States) and enter the 15-digit control number printed on the Proxy. You may also vote by mail by completing, dating and signing the enclosed Proxy and return it in the envelope provided for that purpose. **To be valid, proxies must be received by Computershare Trust Company of Canada, at 320 Bay Street, 14th Floor, Toronto, ON M5H 4A6, Attention: Proxy Department, by no later than 9:00 a.m. (Mountain time) on December 15, 2025 (or, if the Meeting is adjourned or postponed, at least 24 hours (excluding Saturdays and holidays) prior to the commencement of the reconvened Meeting).** Late proxies may be accepted or rejected by the chair of the Meeting at his or her discretion, subject to the terms of the Arrangement Agreement, and the chair of the Meeting is under no obligation to accept or reject any particular late proxy.

In light of the ongoing Canada Post Disruption, the Company recommends utilizing a delivery method other than mail for delivery of Proxies.

Q: If my Shares are held by my Intermediary, will they vote my Shares for me?

A: No. Non-registered Shareholders who receive these materials through their Intermediary should complete and send their VIF in accordance with the instructions provided by their Intermediary.

Q: Who is soliciting my proxy?

A: Your proxy will be solicited primarily by mail but may also be made by telephone or other electronic means of communication or in person by the directors, officers and employees of the Company or by any other means Management may deem necessary, including by proxy solicitation agents that may be specifically retained for such purpose by the Company, at its sole cost and expense. The Company may also reimburse brokers and other persons holding Shares in their name, or in the name of nominees for their costs incurred in sending proxy materials to their principals to obtain their proxies. See "*Information Concerning the Meeting and Voting – Solicitation of Proxies.*"

Q: Can I appoint someone other than those named in the enclosed Proxy to vote my Shares?

A: Yes. You have the right to appoint another person of your choice, who need not be a Shareholder, to attend and vote on your behalf at the Meeting. If you wish to appoint a person other than those named in the enclosed Proxy or VIF, insert the name of your chosen proxyholder in the space provided.

See "*Information Concerning the Meeting and Voting – Voting by Proxy – Appointment of Proxyholders.*"

Q: What if my Shares are registered in more than one name or in the name of a company?

A: If your Shares are registered in more than one name, all registered persons must sign the Proxy. If your Shares are registered in a company's name or any name other than your own, you may be required to provide documents proving your authorization to sign the Proxy for that company or name. For any questions about the proper supporting documents, contact Computershare Trust Company of Canada, the Company's transfer agent by telephone at 1-800-564-6253 (toll-free in Canada and the United States) or at 1-514-982-7555 (outside of Canada and the United States).

Q: When will I receive the Consideration payable to me under the Arrangement for my Shares?

A: If the Arrangement becomes effective and your Letter of Transmittal and Share certificate(s) or DRS Advice(s), if applicable, and all other required documents are properly completed and received by the Depository, you will receive the Consideration due to you under the Arrangement as soon as practicable after the Arrangement becomes effective. The Arrangement is currently scheduled to be completed in December 2025, based on the assumption that the Required Shareholder Approval, the Key Regulatory Approval and Court approval are obtained and all other conditions to the Arrangement are satisfied or waived prior to such date.

Q: What happens if I send in my Share certificate(s) or DRS Advice(s) and the Arrangement Resolution is not approved or the Arrangement is not completed?

A: If the Arrangement Resolution is not approved or if the Arrangement is not otherwise completed, your Share certificate(s) or DRS Advice(s) will be returned promptly to you by the Depositary.

Q: Can I revoke my vote after I have voted by proxy?

A: Yes. A registered Shareholder who has submitted a Proxy may revoke such Proxy by: (a) completing and signing a proxy bearing a later date and depositing it with the Transfer Agent in accordance with the instructions set out in this Circular under the heading "*Information Concerning the Meeting and Voting – Voting by Proxy*"; (b) depositing an instrument in writing executed by the registered Shareholder or by such registered Shareholder's personal representative authorized in writing to the Transfer Agent no later than 9:00 a.m. (Mountain time) on December 15, 2025 or in the case of any adjournment or postponement of the Meeting, not less than 24 hours (excluding Saturdays, Sundays and statutory holidays) prior to the commencement of such reconvened Meeting; (c) delivering a written statement revoking your proxy to the chair of the Meeting, c/o Lisa Wong, Senior Vice President, Business Systems, to Suite 1700, 250 – 2nd Street SW, Calgary, Alberta, Canada T2P 0C1 on or before 9:00 a.m. (Mountain time) on December 15, 2025 or in the case of any adjournment or postponement of the Meeting, on the day of the Meeting; or (d) any other manner permitted by law. In light of the ongoing Canada Post Disruption, the Company recommends utilizing a delivery method other than mail for revocation of Proxies. In addition, if you are a registered Shareholder who attends the Meeting in person, you may (but are not obliged to) revoke any and all previously submitted Proxies by voting by ballot on the matters put forth at the Meeting. If you attend the Meeting but do not vote by ballot, your previously submitted proxy will remain valid.

Non-registered Shareholders who wish to change their vote must, in sufficient time in advance of the Meeting, arrange for their Intermediaries to change their vote and, if necessary, revoke their proxy in accordance with the revocation procedures.

See "*Information Concerning the Meeting and Voting – Voting by Proxy*".

Q: What are the Canadian federal income tax consequences of the Arrangement for Canadian Shareholders?

A: Subject to the discussion under the heading "*Certain Canadian Federal Income Tax Considerations*," a Shareholder (other than a Rollover Shareholder) who is, or is deemed to be, resident in Canada, holds their Shares as "capital property" for purposes of the Tax Act, and who sells such Shares to the Purchaser pursuant to the Arrangement will realize a capital gain (or a capital loss) to the extent that such Shareholder's proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the aggregate adjusted cost base to such Shareholder of their Shares. The foregoing description is only a brief summary of certain Canadian federal income tax consequences of the Arrangement and is qualified in its entirety by the more detailed discussion under "*Certain Canadian Federal Income Tax Considerations*," below which contains a summary of certain Canadian federal income tax considerations of the Arrangement generally applicable to a Resident Holder (including a Dissenting Resident Holder) or a Non-Resident Holder (including a Dissenting Non-Resident Holder). Neither this description nor the more detailed discussion is intended to be legal advice to any particular Shareholder. Accordingly, Shareholders should consult their tax advisor with respect to their particular circumstances.

Q: Are Shareholders entitled to Dissent Rights?

A: Pursuant to the Interim Order, registered and non-registered Shareholders as at the Record Date who are registered Shareholders prior to the deadline for exercising Dissent Rights (other than Shareholders who voted or instructed a proxyholder to vote Shares in favour of the Arrangement Resolution) have the right to dissent with respect to the Arrangement Resolution and, if the Arrangement becomes effective, to be paid the fair value of their Shares by the Purchaser in accordance with the provisions of Section 190 of

the CBCA, as modified by the Interim Order and/or the Plan of Arrangement. A registered Shareholder wishing to exercise Dissent Rights must exercise such rights with respect to all, and not less than all, Shares registered in the name of such Shareholder. A registered Shareholder who has voted in favour of the Arrangement Resolution shall not be entitled to exercise Dissent Rights.

A registered Shareholder's failure to follow exactly the procedures set forth in the Plan of Arrangement and the Interim Order will result in the loss of such Shareholder's Dissent Rights. If you are a Shareholder and wish to dissent, you should obtain your own legal advice and carefully read the Plan of Arrangement, the Interim Order and the text of Section 190 of the CBCA, which are set forth in Appendix B, Appendix E and Appendix F, respectively, of this Circular.

In light of the ongoing Canada Post Disruption, the Company recommends utilizing a delivery method other than mail for delivery of written objections.

See "*Dissenting Shareholders' Rights*".

Q: Will the recent Canada Post Disruption impact the delivery of Meeting materials?

A: The Canada Post Disruption may impact the timing of delivery of physical copies of this Circular and related documents. See "*Information Concerning the Meeting and Voting – Canada Post Disruption*" for further information.

Q: Who can help answer my questions?

A: If you are a Shareholder and have any questions regarding the information contained in this Circular or require assistance in completing your Proxy, VIF or the Letter of Transmittal, please contact your professional advisors.

If you have any questions about the information contained in this Circular relating to the Meeting or require assistance with the procedure for voting, including to complete the accompanying Letter of Transmittal, please contact the Transfer Agent, by telephone at 1-800-564-6253 (toll-free in Canada and the United States) or at 1-514-982-7555 (outside of Canada and the United States).

Any questions regarding voting your Shares, including about completing the accompanying Proxy, should be directed to KEC's proxy solicitation agent, Laurel Hill, by calling 1-877-452-7184 (toll-free in Canada and the United States), 1-416-304-0211 (outside of Canada and the United States) or by email at assistance@laurelhill.com.

SUMMARY

The following is a summary of certain information contained in this Circular. This summary is not intended to be complete and is qualified in its entirety by the more detailed information contained elsewhere in this Circular and the attached Appendices, all of which are important and should be reviewed carefully. Capitalized terms used in this summary without definition have the meanings ascribed to them in the "Glossary of Terms" starting on page 88 of this Circular. Shareholders are urged to read this Circular and its Appendices carefully and in their entirety.

The Meeting

The Meeting will be held on December 16, 2025 at 9:00 a.m. (Mountain time) at Livingston Place, 222 – 3 Avenue S.W., South Tower, Plus 15 Level, Meeting Rooms A&B, Calgary, Alberta, T2P 0B4. See "Information concerning the Meeting and Voting – Date, Time and Place of Meeting".

Record Date

The Shareholders entitled to vote at the Meeting are those Shareholders as of the close of business on November 10, 2025. See "Information Concerning the Meeting and Voting".

Purpose of the Meeting

The purpose of the Meeting is for Shareholders to consider and, if deemed advisable, approve the Arrangement Resolution, the full text of which is set forth at Appendix A.

To be effective, the Arrangement Resolution must be approved by: (a) at least 66⅔% of the votes cast by the Shareholders present in person or represented by proxy at the Meeting; and (b) not less than a simple majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting (excluding the Shares held by the Rollover Shareholders and Excluded Officers). The aggregate 29,322,601 Shares beneficially owned by the Rollover Shareholders and Excluded Officers, collectively representing approximately 66% of the issued and outstanding Shares, will be excluded for purposes of the "minority approval" required under MI 61-101.

Shareholders may also be asked to consider other business that properly comes before the Meeting or any adjournment(s) or postponement(s) thereof.

Summary of the Arrangement

The Arrangement Agreement provides for, among other things, the acquisition by the Purchaser, directly or indirectly, of all of the issued and outstanding Shares by way of a plan of arrangement under Section 192 of the CBCA. Pursuant to the Arrangement Agreement and the Plan of Arrangement, each Shareholder (other than the Rollover Shareholders in respect of the Rollover Shares) will be entitled to receive from the Purchaser \$24.75 in cash for each Share held in the share capital of the Company. The Rollover Shares, representing an aggregate of 6,060,606 Shares, all held by the Rollover Shareholders, will be transferred to the Purchaser in exchange for the Rollover Consideration, which is comprised of Purchaser Shares, in accordance with the terms of the Rollover Agreement. A copy of the Plan of Arrangement is attached to this Circular as Appendix B. See "Procedure for the Arrangement to Become Effective".

Parties to the Arrangement

Kiwetinohek Energy Corp.

KEC was incorporated under the CBCA on February 12, 2018. Its head office is located at 250 2 St SW #1700, Calgary, AB T2P 0C1.

KEC is involved in the development and production of petroleum and natural gas reserves in Western Canada, with a focus on profitable early to mid-life liquids-rich natural gas properties that are expected to offer competitive and compelling returns.

See "*Information Concerning Kiwetinohk*".

The Purchaser

The Purchaser is a corporation incorporated under the *Business Corporations Act* (Alberta) and is a privately held exploration and production company. The Purchaser's major investors are investment funds associated with ARC and NGP.

See "*Information Concerning the Purchaser*"

Arrangement Agreement

On October 27, 2025, the Company and the Purchaser entered into the Arrangement Agreement, pursuant to which it was agreed, among other things, to implement the Arrangement in accordance with and subject to the terms and conditions contained therein and in the Plan of Arrangement. See "*Arrangement Agreement*".

Background to the Arrangement

See "*The Arrangement – Background to the Arrangement*" for a summary of the main events that led to the execution of the Arrangement Agreement and certain meetings, negotiations, discussions and actions of the parties that preceded the execution of the Arrangement Agreement and the public announcement of the Arrangement.

Recommendation of the Special Committee

Having undertaken a thorough review of, and carefully considered, the terms of the Arrangement, the Arrangement Agreement, the Formal Valuation, the Peters & Co. Fairness Opinion and a number of other factors including, without limitation, those listed under the heading "*The Arrangement – Reasons for the Arrangement*" and after consulting with experienced and qualified financial and legal advisors, the Special Committee unanimously: (a) determined that the Arrangement and the entering into of the Arrangement Agreement are in the best interests of the Company; (b) that the Arrangement is fair to Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares); (c) recommended that the Board approve the Arrangement Agreement and the transactions contemplated thereby; and (d) recommended that the Shareholders vote **IN FAVOUR** of the Arrangement Resolution.

Recommendation of the Board

After careful consideration, and taking into account the unanimous recommendation of the Special Committee, the Formal Valuation and the Fairness Opinions, consultation with its experienced and qualified financial and legal advisors, and such matters as it considered relevant, the Board (with Messrs. Brown and Bergman, as conflicted directors, abstaining from voting) unanimously: (a) determined that the Arrangement and the entering into of the Arrangement Agreement are in the best interests of the Company; (b) determined that the Arrangement is fair to Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares); (c) approved the Arrangement Agreement and the transactions contemplated thereby; and (d) recommended that the Shareholders vote **IN FAVOUR** of the Arrangement Resolution.

Reasons for the Arrangement

The Special Committee, comprised of Beth Reimer-Heck (Chair), Leland Corbett, Kaush Rakhit and John Whelen, and the Board, with the assistance of their respective financial and legal advisors, carefully

reviewed the proposed Arrangement and the terms and conditions of the Arrangement Agreement and all related agreements and documents.

In making their respective determinations and recommendations, the Special Committee and the Board carefully reviewed, considered and relied upon a number of substantive factors, including the following:

- **Attractive Value for Shareholders from Business Strategy Review.** The Arrangement was determined to be the preferred strategic alternative for the Shareholders following a comprehensive and broad strategic review process. Compared to the closing price of the Shares of \$15.20 on the TSX on March 5, 2025 (being the date on which Kiwetinohk first publicly announced the Business Strategy Review), the Consideration represents a premium of 63%.
- **All Cash Consideration.** The Consideration will be paid to the Shareholders (other than the Rollover Shareholders in respect of their Rollover Shares) entirely in cash, which provides such Shareholders with certainty of value and immediate liquidity.
- **Limited Conditionality.** The Special Committee's determination, after consultation with its independent legal advisors, that the terms and conditions of the Arrangement Agreement, including the Company's and the Purchaser's representations, warranties and covenants and the conditions to completion of the Arrangement are reasonable in light of all applicable circumstances, and belief that the limited nature of the conditions to completion of the Arrangement as provided by the Arrangement Agreement, including the absence of a financing condition and the inclusion of a reverse break fee, mean that the Arrangement is likely to be completed in accordance with its terms and within a reasonable time.
- **Committed Financing.** The Arrangement is not subject to due diligence or financing conditions and the Purchaser has provided the Company with evidence, including the Debt Commitment Letters and the Sponsor Subscription Agreements, that the Purchaser has arranged for fully committed financing that is not subject to unusual conditions.
- **Status Quo.** In considering the status quo as an alternative to pursuing the Arrangement, the Special Committee considered Management's financial projections and historical achievements of targets, and assessed the current and anticipated future opportunities and risks associated with the business, execution, operations, assets, financial performance and condition of the Company should it continue as a publicly-traded company, as well as the expressed preference of ARC to not maintain the status quo in light of the bids received by KEC. The Special Committee also took into account the value available to the Shareholders under the current business model, as compared to that available under the Arrangement.
- **Strong Support.** All of the directors and officers of Kiwetinohk, as well as the Company's two largest institutional shareholders, ARC and Luminus, have entered into Support Agreements pursuant to which they have agreed, subject to the terms thereof, to vote their Shares, representing in aggregate 78% of the issued and outstanding Shares, including 37% of the issued and outstanding Shares entitled to vote on the minority approval of the Arrangement required under MI 61-101, in favour of the Arrangement.
- **Consideration within the Valuation Range.** Peters & Co. orally delivered to the Special Committee the Formal Valuation of the fair market value of the Shares, subsequently confirmed in writing, which concluded that, as of October 27, 2025, and based upon and subject to the various assumptions, limitations and qualifications set forth therein, the fair market value of the Shares was in the range of \$22.00 to \$27.00 per Share. The Consideration is within such range.
- **Peters & Co. Fairness Opinion.** Peters & Co., as independent valuator, orally delivered to the Special Committee the Peters & Co. Fairness Opinion, subsequently confirmed in writing, to the effect that, as of October 27, 2025, and based upon and subject to the various assumptions,

limitations and qualifications set forth therein, the Consideration to be received by the Shareholders (other than the Rollover Shareholders) pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders (other than the Rollover Shareholders). See "*The Arrangement — Formal Valuation and Peters & Co. Fairness Opinion*".

- **Key Regulatory Approval.** The likelihood that the transaction will receive the Key Regulatory Approval under applicable laws and on terms and conditions satisfactory to the Company and the Purchaser, including based on the advice of its legal and other advisors in connection with such Key Regulatory Approval, and the reasonable assurance that such Key Regulatory Approval will be achieved within the timeframe set out in the Arrangement Agreement, including the Outside Date.

Furthermore, the Special Committee believes that the Arrangement is procedurally fair to the Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares) for the following reasons:

- **Detailed Review and Negotiation.** The Special Committee oversaw the conduct of a robust negotiation process that was undertaken between the Special Committee, the Company and their respective advisors, on the one hand, and the Purchaser and its advisors, on the other hand. The Special Committee had the authority to make recommendations to the Board as to whether or not to pursue the Arrangement, any other transaction or maintaining the status quo of the Company. The Special Committee held over 25 formal meetings and the compensation of its members was in no way contingent on their approving the Arrangement Agreement or taking the other actions described herein. The Special Committee was comprised solely of independent directors and was advised by highly experienced and qualified financial and legal advisors. The advice received by the Special Committee included detailed financial advice from its financial advisors, including with respect to the Company remaining a publicly traded company and continuing to pursue its business plan on a stand-alone basis. The Special Committee also received the Formal Valuation.
- **Approval Thresholds.** The Shareholders will have an opportunity to vote on the Arrangement, which will require the Required Shareholder Approval to be obtained for the Arrangement to be completed, including not less than a simple majority of the votes cast by the Minority Shareholders.
- **Court Approval.** The Arrangement is subject to a determination of the Court, after hearing from all interested persons who choose to appear before it, that the Arrangement is fair and reasonable, both procedurally and substantively, to the Shareholders.
- **Superior Proposals.** Pursuant to the Arrangement Agreement, the Board will have the ability, notwithstanding the non-solicitation provisions of the Arrangement Agreement, to engage in or participate in discussions or negotiations with a third party making an unsolicited Acquisition Proposal that the Board determines in good faith, after consultation with its financial advisors and outside legal counsel, constitutes or could reasonably be expected to constitute or lead to a Superior Proposal, and, in certain circumstances, to consider, accept and enter into a definitive agreement with respect to such Superior Proposal, provided that the Company concurrently pays the Purchaser Termination Amount in the amount of \$45 million to the Purchaser and subject to a customary right for the Purchaser to match such Superior Proposal.
- **Purchaser Termination Amount.** The Special Committee, after consultation with its financial and legal advisors, is of the view that the Purchaser Termination Amount would not preclude a third party from making a potential unsolicited Superior Proposal.
- **KEC Liquidated Damages Amount.** The Arrangement Agreement provides for a reverse break fee in the amount of \$55 million to be paid by the Purchaser to the Company in the event the Arrangement Agreement is terminated for default of the Purchaser to deposit the Consideration at the relevant time. In addition, the Sponsors have provided equity commitment letters to the Purchaser in respect of their respective proportionate amounts of the KEC Liquidated Damages

Amount that provide that the Company is an express third party beneficiary thereof and is entitled to seek specific performance enforcing the obligations of the Sponsors to fund their respective proportionate amounts of the KEC Liquidated Damages Amount to the Purchaser.

- **Dissent Rights.** Registered Shareholders may, upon compliance with certain conditions and in certain circumstances, exercise their dissent rights in respect of their Shares and, if ultimately successful, receive fair value for their Shares as determined by the Court. See "*Dissenting Shareholders' Rights*".

The Special Committee also considered a number of risks and potential adverse factors relating to the Arrangement, including the following:

- **Risk of Non-Completion.** The risks to the Company if the Arrangement is not completed in a timely manner or at all, including the costs to the Company in pursuing the Arrangement, the diversion of Management's time and attention away from conducting the Company's business in the ordinary course and the potential impact on the Company's current business relationships (including with future and prospective employees, customers, suppliers and partners). In the event that the Arrangement is not completed, the trading price of the Shares could decline significantly to levels at or below those experienced before March 5, 2025 (being the date on which Kiwetinohk first publicly announced its intention to pursue the Business Strategy Review).
- **Conditions to Closing.** Although limited, there are conditions to the obligation of the Purchaser to complete the Arrangement, and certain of the conditions are outside the control of Kiwetinohk.
- **No Longer a Public Company.** If the Arrangement is successfully completed, the Company will no longer exist as a public company and the consummation of the Arrangement will eliminate the opportunity for Shareholders (other than the Rollover Shareholders in respect of their Rollover Shares) to participate in potential longer term benefits of the business of the Company that might result from future growth and the potential achievement of the Company's long-term plans to the extent that those benefits, if any, exceed the benefits reflected in the Consideration and with the understanding that there is no assurance that any such long term benefits will in fact materialize.
- **Termination Rights.** There are conditions to the Purchaser's obligation to complete the Arrangement and the Purchaser has the right to terminate the Arrangement Agreement under certain limited circumstances.
- **Risks of Remaining Stand-Alone Public Company.** If the Arrangement Agreement is terminated, there is no assurance that the continued operation of Kiwetinohk under its current business model will yield equivalent or greater value to the Shareholders compared to that available under the Arrangement, particularly if the Rollover Shareholders retain their controlling stake.
- **Prohibition on Solicitation of Additional Interest from Third Parties.** The Arrangement Agreement includes a prohibition on the Company's ability to solicit additional interest from third parties and, if the Arrangement Agreement is terminated under certain circumstances, the Company will have to pay the Purchaser Termination Amount to the Purchaser.
- **Consummation of the Financing.** The conditions set forth in the Debt Commitment Letters and the Sponsor Subscription Agreements may not be satisfied on a timely basis or at all, or other events could arise which would prevent the Purchaser from consummating the Arrangement.
- **Conduct of Business.** The covenants agreed to pursuant to the Arrangement Agreement relating to the conduct of the Company's business during the period between the execution of the Arrangement Agreement and the consummation of the Arrangement may prevent the Board and Management from pursuing opportunities that they may otherwise may have pursued if the Company had not entered into the Arrangement Agreement.

- **Key Regulatory Approval.** The Key Regulatory Approval may not be obtained on a timely basis, or at all.
- **Taxable Transaction.** The fact that the Arrangement will be a taxable transaction and, as a result, Shareholders will generally be required to pay taxes on any gains that result from their receipt of the Consideration pursuant to the Arrangement.

See "*The Arrangement - Reasons for the Arrangement*".

Required Shareholder Approval

At the Meeting, pursuant to the Interim Order, the Shareholders will be asked to vote to approve the Arrangement Resolution. The approval of the Arrangement Resolution will require the affirmative vote of: (a) at least 66⅔% of the votes cast by the Shareholders present in person or represented by proxy at the Meeting; and (b) not less than a simple majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting excluding the Shares held by the Rollover Shareholders and Excluded Officers. The aggregate 29,322,601 Shares beneficially owned by the Rollover Shareholders and Excluded Officers, collectively representing approximately 66% of the issued and outstanding Shares, will be excluded for purposes of the "minority approval" required under MI 61-101.

Formal Valuation and Peters & Co. Fairness Opinion

In determining that the Arrangement is in the best interests of the Company and fair to Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares), the Special Committee and the Board considered, among other things, the Formal Valuation and the Peters & Co. Fairness Opinion.

In accordance with the requirements of MI 61-101, Peters & Co. orally delivered to the Special Committee the Formal Valuation, subsequently confirmed in writing, to the effect that, as of October 27, 2025, and based upon and subject to the assumptions, qualifications and limitations communicated to the Special Committee by Peters & Co. and set forth in Peters & Co.'s written Formal Valuation, the fair market value of the Shares was in the range of \$22.00 to \$27.00 per Share.

Peters & Co. also orally delivered to the Special Committee the Peters & Co. Fairness Opinion, subsequently confirmed in writing, to the effect that, as of October 27, 2025, based upon and subject to the various assumptions, limitations and qualifications communicated to the Special Committee by Peters & Co. and set forth in the written Peters & Co. Fairness Opinion, the Consideration to be received by the Shareholders (other than the Rollover Shareholders) pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders. See "*The Arrangement – Formal Valuation and Peters & Co. Fairness Opinion*".

NBF Fairness Opinion

In determining that the Arrangement is in the best interests of the Company and fair to the Shareholders (other than the Rollover Shareholders), the Board considered, among other things, the NBF Fairness Opinion.

The NBF Fairness Opinion states that, as of October 27, 2025 and based upon and subject to the various assumptions, limitations and qualifications set forth therein, the Consideration to be received by the Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares) is fair, from a financial point of view, to such Shareholders. See "*The Arrangement – NBF Fairness Opinion*".

MI 61-101 Requirements

The protections of MI 61-101, which are intended to ensure equality of treatment among security holders, apply to a reporting issuer proposing to carry out a "business combination" (as defined in MI 61-101). The

Arrangement is a "business combination" for the purposes of MI 61-101 because, among other things, under the terms of the Arrangement: (a) the interests of holders of equity securities of the Company may be terminated without their consent; (b) the Purchaser is a "related party" of the Company and will, as a consequence of the Arrangement, acquire all of the issued and outstanding Shares of the Company; (c) the Rollover Shareholders are a "related party" of the Company and are receiving a different form of consideration for their Rollover Shares pursuant to the Arrangement and the Rollover Agreement than the other Shareholders; and (d) a director and officer of the Company is receiving a "collateral benefit" as a result of the Arrangement.

The Purchaser is considered a "related party" of the Company because ARC and another fund advised by ARC Financial Corp. currently own, control or direct, approximately 62% of the issued and outstanding Shares and approximately 49% of the issued and outstanding Purchaser Shares.

Accordingly, the requirements of MI 61-101 apply, including the requirements to obtain a formal valuation of the fair market value of the Shares from an independent valuator and majority approval of the Arrangement from the Minority Shareholders. See *"Information Concerning Kiwetinohk – Ownership of Securities"*, *"Procedure for the Arrangement to Become Effective - Interests of Certain Persons in the Arrangement"* and *"Certain Legal Matters – Securities Laws Matters"*.

Implementation of the Arrangement

The Arrangement will be implemented by way of a court-approved plan of arrangement under the CBCA pursuant to the terms of the Arrangement Agreement, whereby each of the steps set forth in the Plan of Arrangement will take place in chronological order, in increments of two minutes (unless otherwise indicated). See *"Procedure for the Arrangement to Become Effective – Implementation of the Arrangement"*.

The Plan of Arrangement is attached as Appendix B to this Circular, and a copy of the Arrangement Agreement is available under KEC's profile on SEDAR+ at www.sedarplus.ca.

Procedural Safeguards for Shareholders

The Arrangement was negotiated by the Special Committee comprised entirely of independent directors, and was advised by experienced and qualified financial and legal advisors. The Arrangement is subject to the following Shareholder and Court approvals, which provide additional protection to Shareholders:

- (a) the Arrangement Resolution must be approved by at least two-thirds (66⅔%) of the votes cast by Shareholders present in person or represented by proxy at the Meeting;
- (b) the Arrangement Resolution must be approved by a majority of the votes (50%+1) cast by the Shareholders (other than the Rollover Shareholders and Excluded Officers), present in person or represented by proxy at the Meeting; and
- (c) the Arrangement must be approved by the Court, after hearing from all interested parties who choose to appear before it, which will consider, among other things, the fairness and reasonableness of the Arrangement.

If the Arrangement does not proceed for any reason, including because it does not receive the Required Shareholder Approval or the Court approval, KEC will continue as a publicly traded company. See *"The Arrangement – Effects on KEC if the Arrangement Is Not Completed"*.

Support Agreements

Each director and officer of KEC, Luminus and the Rollover Shareholders have entered into Support Agreements pursuant to which they have agreed, subject to the terms thereof, to support and vote their Shares in favour of the Arrangement Resolution. Consequently, holders of approximately 78% of the issued

and outstanding Shares (including 37% of the issued and outstanding Shares entitled to vote on the minority approval of the Arrangement required under MI 61-101), have agreed to vote their Shares in favour of the Arrangement Resolution. See "*Procedure for the Arrangement to Become Effective – Support Agreements*".

Rollover Agreement

In connection with the execution of the Arrangement Agreement, each of the Rollover Shareholders has entered into the Rollover Agreement, pursuant to which they have agreed, subject to the terms thereof, to sell to the Purchaser a portion of the Shares held by them in exchange for shares in the capital of the Purchaser. Following completion of the Arrangement, the Rollover Shareholders, together with another fund advised by ARC Financial Corp., are expected to hold, control or direct, directly or indirectly, approximately 28% of the issued and outstanding Purchaser Shares. The Rollover Agreement shall be terminated: (a) automatically upon the termination of the Arrangement Agreement in accordance with its terms; (b) automatically on the Outside Date (if the Effective Date has not occurred by such date); (c) upon the mutual written agreement of the parties to the Rollover Agreement; or (d) by the Rollover Shareholders, upon written notice of termination to the Purchaser, if the Purchaser, without the prior written consent of the Rollover Shareholders; (i) decreases or changes the form of the consideration payable for any Shares under the Arrangement Agreement; or (ii) otherwise amends the Arrangement Agreement in a manner that is material and adverse to the Rollover Shareholders. The remaining Shares held by the Rollover Shareholders will be exchanged for \$24.75 in cash pursuant to the Plan of Arrangement. See "*Procedure for the Arrangement to Become Effective – Rollover Agreement*".

Certain Canadian Federal Income Tax Considerations

A Shareholder (other than a Rollover Shareholder) who holds their Shares as "capital property" for the purposes of the Tax Act, and who disposes of such Shares to the Purchaser pursuant to the Arrangement generally will realize a capital gain (or a capital loss), to the extent that such Shareholder's proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to such Shareholder of his, her or its Shares. The foregoing description is only a brief summary of certain Canadian federal income tax consequences of the Arrangement and is qualified in its entirety by the more detailed discussion under "*Certain Canadian Federal Income Tax Considerations*", below, which contains a summary of certain Canadian federal income tax considerations of the Arrangement generally applicable to a Resident Holder (including a Dissenting Resident Holder) or a Non-Resident Holder (including a Dissenting Non-Resident Holder). Neither this description nor the more detailed discussion is intended to be legal advice to any particular Shareholder. Accordingly, Shareholders should consult their tax advisor with respect to their particular circumstances.

Completion of the Arrangement may have tax consequences under the laws of the United States and any other jurisdiction in which a Shareholder of the Company is subject to tax, and any such tax consequences are not described in this Circular. United States and other non-Canadian Shareholders of the Company are urged to consult their own tax advisors to determine any particular tax consequences to them of the transactions contemplated in connection with the Arrangement.

Dissent Rights

Pursuant to the Interim Order, registered Shareholders have the right to dissent with respect to the Arrangement Resolution and, if the Arrangement becomes effective, to be paid an amount equal to the fair value of their Shares in accordance with the provisions of section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement. A registered Shareholder wishing to exercise such Dissent Rights with respect to the Arrangement must send to the Company in accordance with the Interim Order, c/o Stikeman Elliott LLP, Bankers Hall West, Suite 4200, 888-3 Street SW, Calgary, Alberta T2P 5C5, Attention: Matti Lemmens, or by email at mlemmens@stikeman.com, a written objection to the Arrangement Resolution, which written objection must be received by no later than 5:00 p.m. (Mountain time) on December 9, 2025 (or the day that is five Business Days immediately preceding the reconvened Meeting if the Meeting is adjourned or postponed) and must otherwise strictly comply with the dissent procedures described in this Circular.

If you are a Shareholder and wish to dissent, you should obtain your own legal advice and carefully read the Plan of Arrangement, the Interim Order and the text of section 190 of the CBCA, all of which are set forth in Appendix B, Appendix E and Appendix F, respectively, of the Circular.

See "*Dissenting Shareholders' Rights*".

Depository

Computershare Investor Services Inc. will act as the Depository for the receipt of certificate(s) and DRS Advice(s) representing Shares and related Letters of Transmittal and the payments to be made to the Shareholders pursuant to the Arrangement. See "*Depository*".

Stock Exchange Delisting and Reporting Issuer Status

Pursuant to the Arrangement Agreement, subject to applicable Law, KEC and the Purchaser have agreed to use their commercially reasonable efforts to cause the Shares to be delisted from the TSX effective as of or as soon as practicable following the completion of the Arrangement. Following the Effective Date, it is expected that the Purchaser will cause the Company to apply to cease to be a reporting issuer under the securities legislation of each of the provinces in Canada under which it is currently a reporting issuer (or equivalent), as a result of which the Company will also cease to be required to file continuous disclosure documents with the Canadian Securities Administrators. As of the Effective Date, certificate(s) and DRS Advice(s) representing Shares will only represent a right of a registered Shareholder to receive, upon surrender thereof, the cash to which such holder is entitled under the Arrangement.

See "*Certain Legal Matters – Securities Law Matters – Stock Exchange Delisting and Reporting Issuer Status*".

Risks Associated With the Arrangement

There is a risk that the Arrangement may not be completed. In evaluating the Arrangement, Shareholders should consider the risk factors relating to the Arrangement. Some of these risks include, but are not limited to: (a) the Required Shareholder Approval may not be obtained; (b) the Arrangement Agreement may be terminated in certain circumstances, including in the event of a change having a Material Adverse Effect; and (c) there can be no certainty that all conditions precedent to the Arrangement will be satisfied.

Any failure to complete the Arrangement could materially and negatively impact the trading price of the Shares. You should carefully consider the risk factors described in the section "*Risk Factors*" in evaluating the approval of the Arrangement Resolution. Readers are cautioned that such risk factors are not exhaustive.

INFORMATION CONCERNING THE MEETING AND VOTING

Purpose of the Meeting

The purpose of the Meeting is for Shareholders to consider and, if deemed advisable, approve the Arrangement Resolution.

Date, Time and Place of Meeting

The Meeting will be held on December 16, 2025 at 9:00 a.m. (Mountain time) at Livingston Place, 222 – 3 Avenue S.W., South Tower, Plus 15 Level, Meeting Rooms A&B, Calgary, Alberta, T2P 0B4. The Shareholders entitled to vote at the Meeting are those Shareholders as of the close of business on November 10, 2025.

Canada Post Disruption

At the time of this notice, delivery of mail in Canada is disrupted as a result of the ongoing Canada Post labour dispute and the Company does not have any indication as to when such disruption may cease. As a result, delivery of paper copies of Meeting materials may be impacted and the Company cannot guarantee that delivery to Canadian addresses can be completed prior to the proxy deposit deadline for the Meeting. Alternatively, Shareholders may request that the Company send them a copy of the Meeting materials by emailing lwong@kiwetinohk.com.

Solicitation of Proxies

This Circular is delivered in connection with the solicitation of proxies by Management for use at the Meeting or any adjournment(s) or postponement(s) thereof, at the place and for the purposes set out in the accompanying Notice of Meeting.

Management requests that you sign and return the form of proxy ("**Proxy**") or voting information form ("**VIF**") so that your votes are exercised at the Meeting. The solicitation of proxies will be conducted primarily by mail but may also be made by telephone or other electronic means of communication or in-person by the directors, officers and employees of KEC or by any other means Management may deem necessary, including by proxy solicitation agents that may be specifically retained for such purpose by the Company, at its sole cost and expense. The Company will bear the cost of such solicitation. The Company will reimburse Intermediaries for their reasonable charges and expenses incurred in forwarding proxy materials to non-registered Shareholders.

Laurel Hill is acting as KEC's proxy solicitation agent. If you have any questions regarding voting your Shares please contact KEC's proxy solicitation agent, Laurel Hill, by calling 1-877-452-7184 (toll-free in Canada and the United States), 1-416-304-0211 (from outside of Canada and the United States) or by email at assistance@laurelhill.com. KEC and Laurel Hill entered into an engagement agreement with customary terms and conditions, which provides that Laurel Hill will receive a fee of approximately \$50,000 plus reasonable out-of-pocket expenses, which fees and expenses will be paid by the Company pursuant to the Arrangement Agreement.

Voting by Proxy

A registered Shareholder not attending the meeting in person is requested to complete and sign the enclosed Proxy and deliver it to the Transfer Agent. A proxy will not be valid for the Meeting unless the completed Proxy is delivered to the Transfer Agent as set out below:



Go to www.investorvote.com. Enter the 15-digit control number printed on the Proxy and follow the instructions on screen;



Completed Proxies can be sent or hand-delivered to: Computershare Trust Company of Canada, Attention: Proxy Department, 320 Bay Street, 14th Floor, Toronto, ON M5H 4A6; or



Call 1-866-732-8683 (toll-free in Canada and the United States) or 312-588-4290 (toll-free outside of Canada and the United States) and enter the 15-digit control number printed on the Proxy.

Follow the interactive voice recording instructions to submit your vote, in all cases no later than 9:00 a.m. (Mountain time) on December 15, 2025 or, if the Meeting is adjourned or postponed, at least 24 hours (excluding Saturdays, Sundays and holidays) prior to the commencement of the reconvened Meeting.

For registered Shareholders who do not receive physical delivery of the Proxy by mail due to the Canada Post Disruption, the Proxy for use by registered Shareholders is also available under the Company's profile at www.sedarplus.ca and on the Company's website at <https://kiwetinohk.com/special-meeting>.

If you are a non-registered Shareholder and have received these materials through your broker, custodian, nominee or other intermediary ("**Intermediary**"), please complete and return the VIF provided to you by your Intermediary in accordance with the instructions provided therein. Shareholders who are not registered Shareholders should refer to "*Non-Registered Shareholders*" below.

The document appointing a proxy must be in writing and executed by the Shareholder or their attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

If you have any questions about voting your Shares, please contact KEC's proxy solicitation agent, Laurel Hill, by calling 1-877-452-7184 (toll-free in Canada and the United States), 1-416-304-0211 (outside of Canada and the United States) or by email at assistance@laurelhill.com.

The persons named in the enclosed Proxy are officers and/or directors of the Company. As a Shareholder, you have the right to appoint a person, who need not be a Shareholder, to represent you at the Meeting other than the persons designated in the Proxy furnished by the Company. To exercise that right, the name of the Shareholder's appointee should be legibly printed in the blank space provided.

A registered Shareholder who has submitted a Proxy may revoke such Proxy by: (a) completing and signing a proxy bearing a later date and depositing it with the Transfer Agent in accordance with the instructions set out in this Circular under the heading "*Information Concerning the Meeting and Voting – Voting by Proxy*"; (b) depositing an instrument in writing executed by the registered Shareholder or by such registered Shareholder's personal representative authorized in writing to the Transfer Agent no later than 9:00 a.m. (Mountain time) on December 15, 2025 or in the case of any adjournment or postponement of the Meeting, not less than 24 hours (excluding Saturdays, Sundays and statutory holidays) prior to the commencement

of such reconvened Meeting; (c) delivering a written statement revoking your proxy to the chair of the Meeting, c/o Lisa Wong, Senior Vice President, Business Systems, to Suite 1700, 250 – 2nd Street SW, Calgary, Alberta, Canada T2P 0C1 on or before 9:00 a.m. (Mountain time) on December 15, 2025 or in the case of any adjournment or postponement of the Meeting, on the day of the Meeting; or (d) any other manner permitted by law. In light of the ongoing Canada Post Disruption, the Company recommends utilizing a delivery method other than mail for revocation of Proxies. In addition, if you are a registered Shareholder who attends the Meeting in person, you may (but are not obliged to) revoke any and all previously submitted Proxies by voting by ballot on the matters put forth at the Meeting. If you attend the Meeting but do not vote by ballot, your previously submitted proxy will remain valid.

Non-registered Shareholders who wish to change their vote must, in sufficient time in advance of the Meeting, arrange for their Intermediaries to change their vote and, if necessary, revoke their proxy in accordance with the revocation procedures.

Voting at the Meeting

Shares represented by any properly executed Proxy in the accompanying form will be voted for or against on any ballot that may be called for in accordance with the instructions given by the Shareholder. **In the absence of such specification, proxies in favour of Management will be voted in favour of the Arrangement Resolution.**

The accompanying Proxy confers discretionary authority on the persons named in it with respect to amendments or variations to matters identified in the Notice of Meeting or other matters that may properly come before the Meeting. As of the date hereof, Management is not aware of any such amendments, variations or other matters which may come before the Meeting. In the event that other matters come before the Meeting, then the management designees intend to vote in accordance with the judgment of Management.

In the event of any delays in receiving materials due to the Canada Post Disruption, registered Shareholders are encouraged to contact the Transfer Agent and non-registered Shareholders are encouraged to contact their Intermediary in order to obtain their control numbers.

Non-Registered Shareholders

Only registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. Most Shareholders are "non-registered" Shareholders because the Shares they own are not registered in their names but are instead registered in the name of the Intermediary through which they purchased the Shares. You are a non-registered shareholder if your Shares are registered in the name of an Intermediary, such as a bank, investment dealer, securities broker or trust company. If you are a non-registered Shareholder, your Intermediary will send you a VIF. You must follow the instructions from your Intermediary in order to vote.

In accordance with applicable securities law requirements, the Company will have distributed copies, via mail or electronically, of the materials for the Meeting to the clearing agencies and Intermediaries for distribution to non-registered Shareholders. Intermediaries are required to forward materials to non-registered Shareholders unless a non-registered Shareholder has waived the right to receive them. Intermediaries often use service companies to forward the materials to non-registered Shareholders.

If you wish to vote in person at the Meeting, insert your name in the space provided for the proxyholder appointment on the VIF, and return it as instructed by your Intermediary. If no space is provided for you to insert your name on the form, please contact your Intermediary for instructions. Your VIF may also have a box for you to indicate that you intend to vote in person at the Meeting. Do not complete the voting section of the VIF since you will vote in person at the Meeting. When you arrive at the Meeting, please register with our transfer agent, Computershare Trust Company of Canada. You will not be able to register with the Transfer Agent at the Meeting if you have not returned your VIF to your Intermediary. If you do not intend

to attend the Meeting and vote in person, you can either mark your voting instructions on the VIF or choose another person (a proxyholder) to attend the Meeting and vote your Shares for you. In either case, you will need to complete and return your VIF as instructed by your Intermediary.

A non-registered Shareholder may revoke a voting instruction form or a waiver of the right to receive Meeting materials and to vote which has been given to an Intermediary at any time by written notice to the Intermediary provided that an Intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive Meeting materials and to vote, which is not received by the Intermediary at least seven days prior to the Meeting.

Non-registered Shareholders fall into two categories: those who object to their identity being made known to the issuers of securities which they own ("**OBOs**") and those who do not object to their identity being made known to the issuers of the securities they own ("**NOBOs**"). Subject to the provisions of NI 54-101, issuers may request and obtain a list of their NOBOs from Intermediaries. The Company is not sending Meeting materials directly to the NOBOs. The Company will use and pay Intermediaries and agents to send the Meeting materials and will pay for Intermediaries to deliver the Meeting materials to the OBOs.

Notice-and-Access

The Company has elected not to use the notice-and-access procedures under applicable Securities Laws to send the proxy-related materials to registered Shareholders.

Voting Shares

Each Shareholder is entitled to one vote per Share. As at on November 10, 2025, 44,615,423 Shares were issued and outstanding. Only persons shown on the register of Shares at the close of business on November 10, 2025, or their proxyholders, will be entitled to attend the Meeting and vote.

Principal Shareholders

The following table shows the names of the persons who, as of the Record Date, to KEC's knowledge, beneficially owned, or exercised control or direction over, directly or indirectly, 10% or more of either class of Shares:

Name of Shareholder	Number of Shares	Percentage of Shares
ARC ⁽¹⁾	27,539,624	61.7%
Luminus ⁽²⁾	5,202,334	11.7%

Notes:

- (1) Such Shares are owned both of record and beneficially by ARC.
- (2) Such Shares are owned both of record and beneficially by Luminus.
- (3) Based on information publicly filed by the Shareholder and/or the Company's records.

Other Business

Management does not intend to present and does not have any reason to believe that others will present any item of business other than those set out in this Circular at the Meeting. However, if any other business is properly presented at the Meeting or any adjournment(s) or postponement(s) thereof, and may be properly considered and acted upon, proxies will be voted by those named in the applicable Proxy in their sole discretion, including with respect to any amendments or variations to the matters identified in this Circular, to the extent permitted by Law.

THE ARRANGEMENT

Background to the Arrangement

The entering into of the Arrangement Agreement is the result of negotiations between representatives of the Company, overseen by the Special Committee, and the Purchaser, and their respective legal and financial advisors. The following is a summary of the main events that led to the execution of the Arrangement Agreement (including related documents) and certain meetings, negotiations, discussions and actions of the Parties that preceded the execution of the Arrangement Agreement on October 27, 2025 and the public announcement of the Arrangement on October 28, 2025.

As part of its ongoing mandate to act in the best interests of the Company, the Board, with the assistance of Management and advisors, routinely evaluates the Company's performance, future growth prospects, capital requirements, overall corporate strategy, long-term strategic plans as well as potential strategic alternatives with a goal of expanding and strengthening the Company's business and increasing shareholder value.

In the context of this process, throughout 2024 and in early 2025, the Board increasingly focused on the valuation gap between the trading price of the Shares and the underlying value of KEC's assets. The Board sought to address this through a variety of means, including instituting a normal course issuer bid to increase liquidity available to Shareholders and return capital, focusing on cash flow rather than growth and by seeking to reduce leverage. In the course of this process the Board also identified the increased cost of capital associated with its power division projects and determined to wind down its power division activity and focus capital deployment on its upstream operations. As a result, on December 16, 2024, KEC announced its 2025 capital budget focused on a capital allocation framework that prioritizes free funds flow use for debt reduction followed by returning capital to shareholders. At this time KEC had also determined to focus its power division activities on disposition transactions or securing third party financing for its projects. This resulted in the sale of KEC's Opal power project on February 4, 2025 for \$21 million.

While these measures had some success, in early 2025 the Board remained concerned about the valuation gap between the trading price of the Shares and the underlying value of KEC's assets. As a result, the Board continued to assess measures that could be implemented to further enhance shareholder value. As part of this process, the Board regularly engaged with the Company's stakeholders, including its significant Shareholders. In the context of these discussions, ARC expressed to the Board a preference that KEC explore the strategic alternatives available to it.

On March 5, 2025, KEC announced that it was considering engaging advisors to explore the sale of all or part of one or both of its oil and gas and power businesses. After narrowing its search for financial advisors, KEC engaged NBF and RBC Capital Markets on March 14, 2025 to support KEC in this process. In selecting NBF and RBC Capital Markets as its financial advisors, KEC considered a number of factors including their respective experience in the Western Canadian Sedimentary Basin and merger and acquisition activity expertise.

On June 23, 2025, KEC announced that a formal business strategy review to evaluate a range of potential value-enhancing opportunities with a focus on KEC's upstream oil and gas assets and an orderly exit from its power business (the "**Business Strategy Review**") had been launched.

Following the launch of this process, KEC, with NBF and RBC Capital Markets, developed a list of financial and strategic parties that may have an interest in participating in the Business Strategy Review. In addition, KEC set up a virtual data room and, with the assistance of KEC's legal and financial advisors, prepared a Management presentation to provide to potential counterparties.

During the course of the Business Strategy Review and, in accordance with the directives of the Board, NBF and RBC Capital Markets contacted and/or engaged in preliminary discussions with over 100 targeted

strategic and financial parties, of which over 30 parties entered into confidentiality agreements with KEC and accessed confidential information about KEC in a virtual data room.

On August 12, 2025, KEC received bids relating to the Business Strategy Review, including a bid from the Purchaser and a bid from a strategic counterparty for all of the Shares (the "**Alternative M&A Proposal**"), along with other non-conforming bids and alternative transactions.

On August 14, 2025, the Board met, with its financial and legal advisors, to consider the bids received. During this meeting the Board was updated by Management on the Business Strategy Review and on the results of the preliminary discussions with certain potential parties. The Board again considered the potential strategic alternatives available to KEC including maintaining the status quo and continuing as an independent public company. After a lengthy discussion, it was decided that a competitive bid process for the corporate sale of KEC was in the best interest of the Company. As a result, the Board determined to focus its efforts on the bid by the Purchaser and the Alternative M&A Proposal. At that meeting, it was determined that as ARC and another fund advised by ARC Financial Corp. owned, controlled and directed, securities of both KEC and the Purchaser, a Special Committee of independent directors should be formed and tasked with overseeing the Business Strategy Review given that two directors of KEC, Mr. Kevin Brown and Mr. Colin Bergman, were nominees of ARC on the Board.

Following the initial review and evaluation of the Purchaser's bid and the Alternative M&A Proposal, both the Purchaser and the party that made the Alternative M&A Proposal were given until August 21, 2025 to submit a revised proposal following feedback from NBF and RBC Capital Markets, as directed by the Special Committee.

On August 21, 2025, the Purchaser and the party that submitted the Alternative M&A Proposal each submitted revised bids with increased consideration.

On August 23, 2025, the Board formed the Special Committee comprised of four of its independent directors to, among other things, review and evaluate the bid from the Purchaser and the Alternative M&A Proposal and other alternatives available to KEC, including maintaining the status quo. The following directors were appointed to the Special Committee at that meeting, each of whom is independent for purposes of MI 61-101: Ms. Beth Reimer-Heck (Chair), Mr. Leland Corbett, Mr. Kaush Rakhit and Mr. John Whelen. The Board approved a mandate of the Special Committee that empowered the Special Committee to, among other things: (a) organize, institute and supervise a process for the review and evaluation of the Business Strategy Review and to review and consider other alternatives available to the Company; (b) receive details of the various bids and to develop and discuss them with representatives of the Company and its legal and financial advisors; (c) review and consider, and recommend to the Board, whether a potential sale transaction is in the best interest of the Company having regard to all potentially affected stakeholders, including the Shareholders; (d) examine, review and consider whether alternatives to a potential sale transaction, including maintaining the status quo, modifying existing corporate strategy or pursuing an alternative transaction that would enhance value to the Shareholders, would be a preferable outcome to implementing a potential sale transaction; and (e) negotiate or supervise the negotiations of a potential sale transaction or any alternative transaction.

The Special Committee was also authorized to retain its own financial and legal advisors to assist it in carrying out its mandate and the performance of its duties. The Special Committee reviewed with legal counsel the duties applicable to the Special Committee members in the context of the Business Strategy Review, applicable conflicts of interest posed by a potential transaction with the Purchaser and the role of the Special Committee in mitigating those conflicts, and the impact that MI 61-101 would have on a potential transaction with the Purchaser, including, in particular, the required independence of the members of the Special Committee, the required formal valuation of the Shares by an independent valuator and the requirement to receive approval from the majority of the Minority Shareholders for the potential transaction. The Special Committee also determined that other independent directors of KEC and independent non-voting observers to KEC's Board would be invited to attend portions of Special Committee meetings as non-voting observers. Other independent directors of KEC and non-voting observers did attend Special Committee meetings as their schedules permitted.

During the days that followed, each of the Purchaser and the party that submitted the Alternative M&A Proposal conducted an extensive due diligence review of the Company on a wide range of topics, including finance, tax, operations, regulatory and legal.

On August 28, 2025, Mr. David Maddison, President and Chief Executive Officer of the Purchaser, and other members of the Purchaser's management team, along with representatives of the Sponsors, met with Management and the Special Committee to review their proposal and provide background on the Purchaser and the Sponsors.

On August 29, 2025, Management and the Special Committee met with the party that made the Alternative M&A Proposal.

The Special Committee met multiple times in late August to review the updated bids by the Purchaser and the party that submitted the Alternative M&A Proposal. After extensive discussion, the Special Committee decided to continue negotiations with both parties and to provide additional information with the goal of receiving improved proposals. The Special Committee was also provided with updates on other relevant elements of the Business Strategy Review and reassessed with Management and the advisors whether a broader group of parties should be approached. During this time, the Special Committee had a number of conversations with representatives of ARC and ARC confirmed to the Special Committee its preference that KEC proceed with the bid representing the highest value for the Shares.

On September 1 and 3, 2025, respectively, the Company received the updated proposals from the Purchaser and the party that made the Alternative M&A Proposal. The Purchaser's revised proposal was structured as an all-cash bid with committed financing, providing high certainty of execution. The proposal from the Purchaser also included the potential exchange of a portion of the Shares held by the Rollover Shareholders for Purchaser Shares. The party that made the Alternative M&A Proposal provided for improved terms relative to the prior Alternative M&A Proposal, that included a significant component of such party's common shares, which would result in significant pro forma ownership, and were subject to a financing requirement.

The Special Committee met on September 2 and 3, 2025 with Management, NBF, RBC Capital Markets and Stikeman to consider the revised bids and the pros and cons of each. NBF and RBC Capital Markets presented a summary of each bid, including with respect to price per Share, implied valuation, proposed financing, transaction rationale, due diligence requirements, future plans for the Company and any approvals required.

On September 4, 2025, the Special Committee met with Mr. Brown to discuss certain procedural and timing matters regarding the Special Committee, ARC's respective processes and whether ARC, in its capacity as a Shareholder, had any views or concerns regarding the evaluation of strategic alternatives in connection with the Business Strategy Review. In the course of that meeting, Mr. Brown advised the Special Committee that ARC would prefer proceeding with either of the two proposals rather than maintaining the status quo, and provided feedback as to what additional information ARC would require as a Shareholder to evaluate the proposals.

In the following days, NBF and RBC Capital Markets contacted each of the Purchaser and the party that made the Alternative M&A Proposal to clarify certain terms and provide input on their respective bids and advise them on the next steps of the Business Strategy Review.

On September 5, 2025, the Special Committee met with NBF, RBC Capital Markets, Stikeman and Management to receive an update from NBF and RBC Capital Markets on their discussions with the bidders. Management presented to the Special Committee on the status of the Business Strategy Review and the options available to the Company. ARC attended a portion of that meeting to provide an update as to their views of the bids. ARC also informed the Special Committee that it was not supportive of a status quo strategy in light of the bids received. At this meeting, the Special Committee confirmed its views that proceeding with a transaction involving the most attractive of the two bids was in the best interests of KEC, as none of the other alternatives presented a better option.

On September 8, 2025, after continued negotiations between the Special Committee, through its financial advisors, and the Purchaser, the Company received the final proposal from the Purchaser, which was \$24.75 per Share and structured as an all-cash bid (other than in respect of the Rollover Shares) with committed financing, providing high certainty of execution. That same day, the Special Committee met with NBF, RBC Capital Markets, Stikeman and Management. NBF and RBC Capital Markets provided an update to the Special Committee on negotiations with the two bidders. The final bids received from the Purchaser and the party that made the Alternative M&A Proposal required the Company to enter into an exclusivity period with the potential counterparty to negotiate and finalize a definitive agreement and close out remaining confirmatory due diligence items.

On September 9, 2025, the Special Committee met with NBF, RBC Capital Markets, Stikeman and Management to review the two final bids, including the potential purchase price (and the form of such consideration), the other terms and conditions of the proposals and the benefits to stakeholders, including Shareholders, employees and customers. During the meeting, members of the Special Committee received the advice of NBF, RBC Capital Markets and Stikeman and input from Management on each final bid. Following extensive review and analysis, the Special Committee determined to pursue exclusivity with the Purchaser and on September 10, 2025, the Special Committee, after consultation with KEC's financial and legal advisors, recommended KEC pursue negotiations with the Purchaser on an exclusive basis and that the Board execute an exclusivity agreement with the Purchaser.

Between September 9, 2025 and September 15, 2025, the Special Committee considered two prospective financial advisors to act as an independent valuator to the Special Committee in connection with the Business Strategy Review. After receiving the information from the two candidate firms, conducting interviews, considering potential conflicts of interests and the independence of the candidate firms and reviewing materials made available to the Special Committee, the Special Committee determined that Peters & Co. was a qualified and independent valuator for purposes of MI 61-101 and that it would retain Peters & Co. as independent valuator to the Special Committee, including to prepare and provide a formal valuation and fairness opinion, given its familiarity with KEC, relevant mergers and acquisitions experience, industry experience and independence, subject to the negotiation of satisfactory fee and engagement terms.

On September 11, 2025, the Special Committee met with Management and Stikeman. At this meeting, members of the Special Committee identified certain key issues that they were focused on relating to the transaction, including treatment of the Minority Shareholders relative to the Rollover Shareholders, the status of the Purchaser's financing arrangements including the intended debt and equity commitments, employee matters, and treatment of liabilities related to the power business. Representatives of Luminus also stated their expectation that the Sponsors would provide committed equity in respect of their obligations to the Purchaser.

On September 15, 2025, the Special Committee met to confirm its decision with respect to the retention of financial advisors and resolved to retain Peters & Co. At this meeting, Management also provided the Special Committee with an update as to the Purchaser's ongoing diligence process. The same day, Peters & Co. commenced work under its engagement and, on September 22, 2025, formally executed the Engagement Agreement, which provided that, among other things, no portion of the fees payable to Peters & Co. thereunder is contingent upon the conclusions reached in the Formal Valuation and Peters & Co. Fairness Opinion, or the completion or outcome of the Arrangement or any other transaction.

On September 18, 2025, the Special Committee received an update from Management and Stikeman as to the status of negotiations, including with respect to the key issues previously identified by the Special Committee.

On September 22, 2025, Management provided the Special Committee with an update on the Purchaser's diligence review, along with the status of the power business dispositions and general operational matters.

On September 25, 2025, the Special Committee met to discuss the status of negotiations, including with respect to the key issues it had identified. Peters & Co. provided the Special Committee with an update on

its valuation work to date. Members of the Special Committee asked various questions, all of which were answered to their satisfaction.

Following the September 25, 2025 meeting of the Special Committee, Management reached out to Mr. Maddison to receive an update on expected timing of a draft of the Arrangement Agreement.

On September 29, 2025, Management provided the Special Committee with an update as to the transaction generally, including the Purchaser's due diligence review and status of the power project dispositions.

On September 30, 2025, the Purchaser provided KEC with a draft Arrangement Agreement reflecting the terms of its proposed bid. From the period from September 30, 2025 to October 27, 2025, KEC, NBF, RBC Capital Markets, Stikeman, the Purchaser and BDP held multiple calls and meetings and exchanged and negotiated drafts of the Arrangement Agreement, the Plan of Arrangement, Debt Commitment Letters, Rollover Agreement, Sponsor Subscription Agreements and Support Agreements, while the Purchaser, its legal counsel and other advisors also conducted confirmatory due diligence on KEC.

On October 2, 2025, the Special Committee met with Management and Stikeman, to discuss the draft Arrangement Agreement. Stikeman updated the Special Committee on the terms of the draft Arrangement Agreement, including with respect to the key issues the Special Committee had previously identified. Members of the Special Committee asked various questions, all of which were answered to their satisfaction.

On October 9, 2025, Peters & Co. provided the Special Committee with a presentation summarizing its process and its preliminary valuation work to date. At this meeting, members of the Special Committee asked various questions about Peters & Co.'s valuation work and methodology, all of which were answered to the satisfaction of the Special Committee. At this meeting, the Special Committee received an update from Management and Stikeman on the status of negotiations, including with respect to the key issues previously identified by the Special Committee. Representatives of Luminus reiterated that Luminus' support as a shareholder was conditional on the Sponsors providing committed equity for all or a portion of the obligations of the Purchaser.

On October 14, 2025, the Special Committee received an update from Management and Stikeman on the status of negotiations, including with respect to the key issues previously identified by the Special Committee. Members of the Special Committee asked a number of specific questions related to the ongoing negotiation of the draft Arrangement Agreement and these questions were answered to the satisfaction of the Special Committee. Additionally, various risks related to the proposed Arrangement were discussed at length.

On October 20, 2025, the Special Committee met again to consider matters related to the Arrangement. At this meeting, Management led a review of the draft Arrangement Agreement and updates on key issues identified by the Special Committee. Additionally, Management and Stikeman updated the Special Committee and representatives of Luminus on the status of negotiations around the provision of Sponsor support for the Purchaser's obligations under the Arrangement Agreement, indicating that at this time the Sponsors were not prepared to provide third party rights to the Company to enforce the Sponsors' obligations under the Sponsor Subscription Agreements. Members of the Special Committee asked various questions, all of which were answered to their satisfaction.

On October 23, 2025, the Special Committee met with Management and its legal advisors to receive updates on the status of negotiations. At this meeting, Management and the Special Committee led a discussion of certain key issues, including the treatment of employees and tax matters and the overall status of negotiations.

Between October 24, 2025 and October 27, 2025, in order to receive the support of Luminus for the Arrangement, KEC and the Purchaser negotiated the terms of an additional clause to be added to the Arrangement Agreement that would provide the Purchaser would pay the KEC Liquidated Damages

Amount if the Purchaser failed to consummate the Arrangement after all conditions in the Arrangement Agreement had been met. In addition, it was agreed that the Sponsors would provide equity commitment letters in respect of their proportionate amount of the KEC Liquidated Damages Amount if the KEC Liquidated Damages Amount became payable. In addition, between October 24, 2025 and October 27, 2025, Management and KEC's financial and legal advisors diligently worked to finalize all other terms of the Arrangement Agreement, Plan of Arrangement, Debt Commitment Letters, Rollover Agreement, Sponsor Subscription Agreements and Support Agreements. During the evening of October 27, 2025, the Special Committee met to review and discuss the proposed Arrangement and to conduct a final review of its material terms and conditions of the Arrangement Agreement (and ancillary documents and agreements) and to receive the advice of Management, Peters & Co. and Stikeman. Peters & Co. orally rendered its Formal Valuation and the Peters & Co. Fairness Opinion (subsequently confirmed in writing) to the effect that, as of that date and based upon and subject to the various assumptions, limitations and qualifications set forth therein, the fair market value of the Shares is in the range of \$22.00 to \$27.00 per Share and that the Consideration to be received by the Shareholders (other than the Rollover Shareholders) pursuant to the Arrangement is fair, from a financial point of view, to the Shareholders (other than the Rollover Shareholders). The Special Committee also received advice from Stikeman, including with respect to the fiduciary duties of the directors. The Special Committee then met in camera with Stikeman. After reviewing the terms of the draft Arrangement Agreement and the related transaction documentation, discussing the presentations by its financial and legal advisors and having taken into consideration the Formal Valuation and the Peters & Co. Fairness Opinion, the Special Committee discussed and analyzed the benefits and risks associated with the Arrangement, including the factors described under "*The Arrangement – Reasons for the Arrangement*". After careful consideration, the Special Committee unanimously determined that the Arrangement Agreement is in the best interests of the Company and is fair to the Shareholders (other than the Rollover Shareholders). As the Rollover Shareholders are sophisticated financial parties who independently negotiated the terms of the Rollover Agreement with the Purchaser, the Special Committee made no determination of fairness of the Arrangement to, or the Rollover Consideration to be received by, the Rollover Shareholders. Accordingly, the Special Committee unanimously resolved to recommend that the Board approve the Arrangement and recommended that the Shareholders vote in favour of the Arrangement Resolution.

Later in the evening of October 27, 2025, the Board met with NBF, RBC Capital Markets and Stikeman to review the terms of the Arrangement Agreement (including the Plan of Arrangement) and the related transaction documentation and to receive the unanimous recommendation of the Special Committee. Among other things, NBF orally rendered the NBF Fairness Opinion to the Board (subsequently confirmed in writing) to the effect that, as of that date and based upon and subject to the various assumptions, limitations and qualifications set forth therein, the Consideration to be received by the Shareholders (other than the Rollover Shareholders in respect of their Rollover Shares) pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders. The Board also received advice from Stikeman, including with respect to the fiduciary duties of the directors. After careful consideration, and after consulting with NBF, RBC Capital Markets and Stikeman, and having taken into account such factors and matters as it considered relevant, including, among other things, the unanimous recommendation of the Special Committee and the factors described under "*The Arrangement – Reasons for the Arrangement*", the Board (with Messrs. Brown and Bergman abstaining) unanimously determined that the Arrangement is in the best interests of the Company and is fair to Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares), and unanimously resolved to recommend that Shareholders vote in favour of the Arrangement Resolution. Similar to the determination of the Special Committee, the Board made no determination as to the fairness of the Arrangement to, or the Rollover Consideration to be received by, the Rollover Shareholders.

During the evening of October 27, 2025, the Arrangement Agreement, the Debt Commitment Letters, the Rollover Agreement, the Sponsor Subscription Agreements, the Support Agreements (including the Luminus Support Agreement) and the related documentation were finalized and executed. A press release announcing the Arrangement was issued by KEC prior to the open of markets on October 28, 2025.

Reasons for the Arrangement

In reaching its conclusion that the Arrangement is fair to the Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares) and that the Arrangement is in the best interests of the Company, the Special Committee, comprised solely of independent directors of the Company, with the assistance of its financial and legal advisors, carefully reviewed, considered and relied upon a number of factors, including the following:

- **Attractive Value for Shareholders from Business Strategy Review.** The Arrangement was determined to be the preferred strategic alternative for the Shareholders following a comprehensive and broad strategic review process. Compared to the closing price of the Shares of \$15.20 on the TSX on March 5, 2025 (being the date on which KEC first publicly announced the Business Strategy Review), the Consideration represents a premium of 63%.
- **All Cash Consideration.** The Consideration will be paid to the Shareholders (other than the Rollover Shareholders in respect of their Rollover Shares) entirely in cash, which provides such Shareholders with certainty of value and immediate liquidity.
- **Limited Conditionality.** The Special Committee's determination, after consultation with its independent legal advisors, that the terms and conditions of the Arrangement Agreement, including the Company's and the Purchaser's representations, warranties and covenants and the conditions to completion of the Arrangement are reasonable in light of all applicable circumstances, and belief that the limited nature of the conditions to completion of the Arrangement as provided by the Arrangement Agreement, including the absence of a financing condition and the inclusion of a reverse break fee, mean that the Arrangement is likely to be completed in accordance with its terms and within a reasonable time.
- **Committed Financing.** The Arrangement is not subject to due diligence or financing conditions and the Purchaser has provided the Company with evidence, including the Debt Commitment Letters and the Sponsor Subscription Agreements, that the Purchaser has arranged for fully committed financing that is not subject to unusual conditions.
- **Status Quo.** In considering the status quo as an alternative to pursuing the Arrangement, the Special Committee considered Management's financial projections and historical achievements of targets, and assessed the current and anticipated future opportunities and risks associated with the business, execution, operations, assets, financial performance and condition of the Company should it continue as a publicly-traded company, as well as the expressed preference of ARC to not maintain the status quo in light of the bids received by KEC. The Special Committee also took into account the value available to the Shareholders under the current business model, as compared to that available under the Arrangement.
- **Strong Support.** All of the directors and officers of KEC, as well as the Company's two largest institutional shareholders, ARC and Luminus, have entered into Support Agreements pursuant to which they have agreed, subject to the terms thereof, to vote their Shares, representing in aggregate 78% of the issued and outstanding Shares, including 37% of the issued and outstanding Shares entitled to vote on the minority approval of the Arrangement required under MI 61-101, in favour of the Arrangement.
- **Consideration within the Valuation Range.** Peters & Co. orally delivered to the Special Committee the Formal Valuation of the fair market value of the Shares, subsequently confirmed in writing, which concluded that, as of October 27, 2025, and based upon and subject to the various assumptions, limitations and qualifications set forth therein, the fair market value of the Shares was in the range of \$22.00 to \$27.00 per Share. The Consideration is within such range.

- **Peters & Co. Fairness Opinion.** Peters & Co., as independent valuator, orally delivered to the Special Committee the Peters & Co. Fairness Opinion, subsequently confirmed in writing, to the effect that, as of October 27, 2025, and based upon and subject to the various assumptions, limitations and qualifications set forth therein, the Consideration to be received by the Shareholders (other than the Rollover Shareholders) pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders (other than the Rollover Shareholders). See "*The Arrangement — Formal Valuation and Peters & Co. Fairness Opinion.*"
- **Key Regulatory Approval.** The likelihood that the transaction will receive the Key Regulatory Approval under applicable laws and on terms and conditions satisfactory to the Company and the Purchaser, including based on the advice of its legal and other advisors in connection with such Key Regulatory Approval, and the reasonable assurance that such Key Regulatory Approval will be achieved within the timeframe set out in the Arrangement Agreement, including the Outside Date.

Furthermore, the Special Committee believes that the Arrangement is procedurally fair to the Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares) for the following reasons:

- **Detailed Review and Negotiation.** The Special Committee oversaw the conduct of a robust negotiation process that was undertaken between the Special Committee, the Company and their respective advisors, on the one hand, and the Purchaser and its advisors, on the other hand. The Special Committee had the authority to make recommendations to the Board as to whether or not to pursue the Arrangement, any other transaction or maintaining the status quo of the Company. The Special Committee held over 25 formal meetings and the compensation of its members was in no way contingent on their approving the Arrangement Agreement or taking the other actions described herein. The Special Committee was comprised solely of independent directors and was advised by highly experienced and qualified financial and legal advisors. The advice received by the Special Committee included detailed financial advice from its financial advisors, including with respect to the Company remaining a publicly traded company and continuing to pursue its business plan on a stand-alone basis. The Special Committee also received the Formal Valuation.
- **Approval Thresholds.** The Shareholders will have an opportunity to vote on the Arrangement, which will require the Required Shareholder Approval to be obtained for the Arrangement to be completed, including not less than a simple majority of the votes cast by the Minority Shareholders present in person or represented by proxy at the Meeting.
- **Court Approval.** The Arrangement is subject to a determination of the Court, after hearing from all interested persons who choose to appear before it, that the Arrangement is fair and reasonable, both procedurally and substantively, to the Shareholders.
- **Superior Proposals.** Pursuant to the Arrangement Agreement, the Board will have the ability, notwithstanding the non-solicitation provisions of the Arrangement Agreement, to engage in or participate in discussions or negotiations with a third party making an unsolicited Acquisition Proposal that the Board determines in good faith, after consultation with its financial advisors and outside legal counsel, constitutes or could reasonably be expected to constitute or lead to a Superior Proposal, and, in certain circumstances, to consider, accept and enter into a definitive agreement with respect to such Superior Proposal, provided that the Company concurrently pays the Purchaser Termination Amount in the amount of \$45 million to the Purchaser and subject to a five Business Day customary right for the Purchaser to match such Superior Proposal.
- **Purchaser Termination Amount.** The Special Committee, after consultation with its financial and legal advisors, is of the view that the Purchaser Termination Amount would not preclude a third party from making a potential unsolicited Superior Proposal.

- **KEC Liquidated Damages Amount.** The Arrangement Agreement provides for a reverse break fee in the amount of \$55 million to be paid by the Purchaser to the Company in the event the Arrangement Agreement is terminated for default of the Purchaser to deposit the Consideration at the relevant time. In addition, the Sponsors have provided equity commitment letters to the Purchaser in respect of their respective proportionate amounts of the KEC Liquidated Damages Amount that provide that the Company is an express third party beneficiary thereof and is entitled to seek specific performance enforcing the obligations of the Sponsors to fund their respective proportionate amounts of the KEC Liquidated Damages Amount to the Purchaser.
- **Dissent Rights.** Registered Shareholders may, upon compliance with certain conditions and in certain circumstances, exercise their dissent rights in respect of their Shares and, if ultimately successful, receive fair value for their Shares as determined by the Court. See "*Dissenting Shareholders' Rights*."

The Special Committee also considered a number of risks and potential adverse factors relating to the Arrangement, including the following:

- **Risk of Non-Completion.** The risks to the Company if the Arrangement is not completed in a timely manner or at all, including the costs to the Company in pursuing the Arrangement, the diversion of Management's time and attention away from conducting the Company's business in the ordinary course and the potential impact on the Company's current business relationships (including with future and prospective employees, customers, suppliers and partners). In the event that the Arrangement is not completed, the trading price of the Shares could decline significantly to levels at or below those experienced before March 5, 2025 (being the date on which KEC first publicly announced its intention to pursue the Business Strategy Review).
- **Conditions to Closing.** Although limited, there are conditions to the obligation of the Purchaser to complete the Arrangement, and certain of the conditions are outside the control of KEC.
- **No Longer a Public Company.** If the Arrangement is successfully completed, the Company will no longer exist as a public company and the consummation of the Arrangement will eliminate the opportunity for Shareholders (other than the Rollover Shareholders in respect of their Rollover Shares) to participate in potential longer term benefits of the business of the Company that might result from future growth and the potential achievement of the Company's long-term plans to the extent that those benefits, if any, exceed the benefits reflected in the Consideration and with the understanding that there is no assurance that any such long term benefits will in fact materialize.
- **Termination Rights.** There are conditions to the Purchaser's obligation to complete the Arrangement and the Purchaser has the right to terminate the Arrangement Agreement under certain limited circumstances.
- **Risks of Remaining Stand-Alone Public Company.** If the Arrangement Agreement is terminated, there is no assurance that the continued operation of KEC under its current business model will yield equivalent or greater value to the Shareholders compared to that available under the Arrangement, particularly if the Rollover Shareholders retain their controlling stake.
- **Prohibition on Solicitation of Additional Interest from Third Parties.** The Arrangement Agreement includes a prohibition on the Company's ability to solicit additional interest from third parties and, if the Arrangement Agreement is terminated under certain circumstances, the Company will have to pay the Purchaser Termination Amount to the Purchaser.
- **Consummation of the Financing.** The conditions set forth in the Debt Commitment Letters and the Sponsor Subscription Agreements may not be satisfied on a timely basis or at all, or other events could arise which would prevent the Purchaser from consummating the Arrangement.

- **Conduct of Business.** The covenants agreed to pursuant to the Arrangement Agreement relating to the conduct of the Company's business during the period between the execution of the Arrangement Agreement and the consummation of the Arrangement may prevent the Board and Management from pursuing opportunities that they may otherwise may have pursued if the Company had not entered into the Arrangement Agreement.
- **Key Regulatory Approval.** The Key Regulatory Approval may not be obtained on a timely basis, or at all.
- **Taxable Transaction.** The fact that the Arrangement will be a taxable transaction and, as a result, Shareholders will generally be required to pay taxes on any gains that result from their receipt of the Consideration pursuant to the Arrangement.

Recommendation of the Special Committee

Having undertaken a thorough review of, and carefully considered, the terms of the Arrangement, the Arrangement Agreement, the Formal Valuation, the Peters & Co. Fairness Opinion and a number of other factors including, without limitation, those listed under the heading "*The Arrangement – Reasons for the Arrangement*" and after consulting with experienced and qualified financial and legal advisors, the Special Committee unanimously: (a) determined that the Arrangement and the entering into of the Arrangement Agreement are in the best interests of the Company; (b) that the Arrangement is fair to Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares); (c) recommended that the Board approve the Arrangement Agreement and the transactions contemplated thereby; and (d) recommended that the Shareholders vote **IN FAVOUR** of the Arrangement Resolution.

As the Rollover Shareholders are sophisticated financial parties who independently negotiated the terms of the Rollover Agreement with the Purchaser, the Special Committee made no determination of fairness of the Arrangement to, or the Rollover Consideration to be received by, the Rollover Shareholders.

Position of the Board as to Fairness

In adopting the Special Committee's conclusion that the Arrangement is fair to the Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares), and that the Arrangement is in the best interests of the Company, the Board, with the conflicted directors abstaining from voting, with the assistance of its financial and legal advisors, carefully reviewed, considered and relied upon the same factors and considerations that the Special Committee relied upon, as further described above under "*The Arrangement – Reasons for the Arrangement*," and adopted the Special Committee's analyses and conclusion as its own. The Board also considered, among other things, the recommendations of the Special Committee in respect of the fairness of the Arrangement to Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares) and the perspective of Management as to the implications of the Arrangement, in concluding that the Arrangement is fair to Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares) and in the best interests of the Company, and the fact that certain of KEC's officers and directors may have interests that differ from those of the Shareholders.

In addition, NBF, at the request of the Board, has provided an opinion to the effect that, as of October 27, 2025 and based upon and subject to the various assumptions, limitations and qualifications set out therein, the Consideration to be received by the Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares) pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders. See "*The Arrangement — NBF Fairness Opinion*". The Board adopted NBF's analyses and conclusion as its own.

Similar to the determination of the Special Committee, the Board made no determination as to the fairness of the Arrangement to, or the Rollover Consideration to be received by, the Rollover Shareholders.

Recommendation of the Board

After careful consideration, and taking into account the unanimous recommendation of the Special Committee, the Formal Valuation and the Fairness Opinions, consultation with its experienced and qualified financial and legal advisors, and such matters as it considered relevant, the Board (with Messrs. Brown and Bergman, as conflicted directors, abstaining from voting) unanimously: (a) determined that the Arrangement and the entering into of the Arrangement Agreement are in the best interests of the Company; (b) determined that the Arrangement is fair to Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares); (c) approved the Arrangement Agreement and the transactions contemplated thereby; and (d) recommended that the Shareholders vote **IN FAVOUR** of the Arrangement Resolution.

Expenses of the Arrangement

KEC will incur expenses in connection with the Arrangement, including legal, financial advisory, accounting, filing fees and costs, Special Committee fees, the cost of preparing, printing and mailing this Circular, costs with respect to the Meeting, any regulatory approvals, and fees in respect of the Formal Valuation and the Fairness Opinions.

Except as otherwise expressly provided in the Arrangement Agreement, all out-of-pocket third party expenses incurred in connection with the Arrangement, the Arrangement Agreement or the transactions contemplated thereby, including all costs, expenses and fees of KEC incurred prior to or after the Effective Time in connection with, or incidental to, the Plan of Arrangement, shall be paid by the Party incurring such expenses, whether or not the Arrangement is consummated.

Other than as disclosed herein, in connection with the Arrangement and the transactions contemplated in connection therewith, no broker, finder or investment banker is or will be entitled to any brokerage, finder's or other fee or commission. The Company retained NBF and RBC Capital Markets as financial advisors to the Company and the Special Committee retained Peters & Co. to provide the Formal Valuation and the Peters & Co. Fairness Opinion. Pursuant to NBF's engagement, NBF will receive a transaction fee upon the Effective Time of the Arrangement for its services in connection therewith and is to be reimbursed for its reasonable out of pocket expenses and NBF will receive a fixed fee in connection with the delivery of the NBF Fairness Opinion. Pursuant to RBC Capital Markets' engagement, RBC Capital Markets will receive a transaction fee, upon the Effective Time of the Arrangement for its services in connection therewith and is to be reimbursed for its reasonable out of pocket expenses. Peters & Co. will receive fees (and is entitled to reimbursement of certain expenses) in connection with the preparation and delivery of the Formal Valuation and the Peters & Co. Fairness Opinion. See "*Formal Valuation and Peters & Co. Fairness Opinion – Engagement of Peters & Co. by the Special Committee*".

Formal Valuation and Peters & Co. Fairness Opinion

In determining that the Arrangement is in the best interests of KEC and fair to the Shareholders (other than the Rollover Shareholders), the Special Committee considered, among other things, the Formal Valuation and Peters & Co. Fairness Opinion.

The following summary of the Formal Valuation and Peters & Co. Fairness Opinion is qualified in its entirety by reference to the full text of the Formal Valuation and Peters & Co. Fairness Opinion attached to this Circular as Appendix C. The Formal Valuation and Peters & Co. Fairness Opinion are not recommendations as to how any Shareholder should vote or act on any other matter relating to the Arrangement. The full texts of the Formal Valuation and Peters & Co. Fairness Opinion set out the assumptions made, procedures followed, information reviewed, matters considered, and limitations and qualifications on the review undertaken in connection with the Formal Valuation and Peters & Co. Fairness Opinion. Shareholders are urged to read the Formal Valuation and Peters & Co. Fairness Opinion carefully and in their entirety.

Engagement of Peters & Co. by the Special Committee

Peters & Co. was initially contacted on September 9, 2025 by the Special Committee and was formally retained by the Special Committee pursuant to an engagement agreement dated September 22, 2025 (the "**Engagement Agreement**") to provide the Formal Valuation and, at the request of the Special Committee, the Peters & Co. Fairness Opinion.

The terms of the Engagement Agreement provide for Peters & Co. to be paid: (a) a \$250,000 retainer fee; (b) an \$800,000 fee upon completing, and being prepared to deliver, the Formal Valuation; and (c) a \$650,000 fee upon delivery of the written Formal Valuation. In addition, the Company has agreed to reimburse Peters & Co. for its reasonable out-of-pocket expenses, including reasonable fees paid to its legal counsel in respect of advice rendered to Peters & Co. in carrying out its obligations under the Engagement Agreement, and to indemnify Peters & Co. in respect of certain liabilities which may be incurred by Peters & Co. in connection with the use of the Formal Valuation and Peters & Co. Fairness Opinion.

No portion of the fees payable to Peters & Co. under the Engagement Agreement is contingent upon the conclusions reached in the Formal Valuation and Peters & Co. Fairness Opinion, or the completion or outcome of the Arrangement or any other transaction.

Subject to the terms of the Engagement Agreement, Peters & Co. has consented to the inclusion of the Formal Valuation and Peters & Co. Fairness Opinion, in their entirety, in the Circular, together with a summary thereof, in a form acceptable to Peters & Co., and to the filing thereof with the applicable securities commissions or similar regulatory authorities in Canada. Peters & Co. has further consented to the disclosure of the Formal Valuation and Peters & Co. Fairness Opinion, in their entirety, to the Purchaser.

Qualifications of Peters & Co.

Peters & Co. is an independent investment dealer headquartered in Calgary, Alberta. The firm specializes in investments in the Canadian energy industry. Peters & Co. was founded in 1971 and is a participating member of the TSX, the TSX Venture Exchange, the Canadian Securities Exchange, CIRO, the Canadian Forum for Financial Markets and the Canadian Investor Protection Fund. Peters & Co. Equities Inc., a wholly-owned subsidiary of Peters & Co., is a member of the Financial Industry Regulatory Authority, the Securities Investor Protection Corporation and the Securities Industry and Financial Markets Association in the United States.

Peters & Co. (directly and through affiliates) provides investment services to institutional investors and individual private clients; employs its own sales and trading group; conducts specialized and comprehensive investment research on the energy industry; and is an active underwriter for, and financial advisor to, companies active in the Canadian and international energy industry. Peters & Co. and its principals have participated in a significant number of transactions involving energy companies in Canada and internationally and have acted as financial advisor in a significant number of transactions involving evaluations of, and opinions for, private and publicly traded energy companies.

The opinion expressed in the Peters & Co. Fairness Opinion is as of October 27, 2025 and is the opinion of Peters & Co. as a firm. The Formal Valuation and Peters & Co. Fairness Opinion have been reviewed and approved for release by a valuation and opinion review committee of Peters & Co. comprised of professionals experienced in mergers and acquisitions, divestitures, valuations and fairness opinions.

Independence of Peters & Co.

Peters & Co. acts as a trader and dealer, both as principal and as agent, in all major Canadian financial markets and, as such, may have had, and may in the future have, positions in the securities of the Company, interested parties in the Arrangement, or any of their respective associated or affiliated entities, as applicable, and, from time to time, may have executed, or may execute, transactions on behalf of such persons for which it has received or may receive compensation. In addition, as an investment dealer, Peters

& Co. conducts research on securities and may, in the ordinary course of its business, be expected to provide investment advice to its clients on investment matters, including with respect to the Company, interested parties in the Arrangement, or any of their respective associated or affiliated entities or the Arrangement, as applicable. As used herein, "affiliated entity," "associated entity," "issuer insider" and "interested parties" have the meanings ascribed to them in MI 61-101.

Neither Peters & Co. nor any affiliated entity of Peters & Co.:

- (a) is an associated entity, affiliated entity or issuer insider of any interested party in the Arrangement;
- (b) is acting as an advisor to any interested party in respect of the Arrangement (except to prepare and deliver to the Special Committee the Formal Valuation and Peters & Co. Fairness Opinion as contemplated by the Engagement Agreement);
- (c) is subject to any circumstance whereby the compensation of Peters & Co. depends in whole or in part on an agreement, arrangement or understanding that gives Peters & Co. a financial incentive in respect of the conclusion reached in the Formal Valuation or the outcome of the Arrangement;
- (d) is or will be: (i) a manager or co-manager of a soliciting dealer group for the Arrangement; or (ii) a member of a soliciting dealer group for the Arrangement whereby, in its capacity as a soliciting dealer, would perform services beyond the customary soliciting dealer's function or would receive more than the per security or per security holder fees payable to other members of the group;
- (e) is an external auditor of the Company or of any interested party in the Arrangement;
- (f) has any material financial interest in the completion of the Arrangement (and Peters & Co. confirms that the fees payable to Peters & Co. pursuant to the Engagement Agreement are not material to Peters & Co.);
- (g) has a material financial interest in future business under an agreement, commitment or understanding involving the Company, any interested party in the Arrangement or any associated or affiliated entity of the Company or an interested party;
- (h) is a lead or co-lead lender or manager of a lending syndicate in respect of the Arrangement; or
- (i) derives an amount of business or revenue from any interested party in the Arrangement that is material to Peters & Co. or that would reasonably be expected to affect the independence of Peters & Co. in preparing the Formal Valuation and Peters & Co. Fairness Opinion.

Except as described below, during the 24-month period before Peters & Co. was first contacted for the purpose of its engagement, none of Peters & Co. nor any of its affiliated entities:

- (a) has had a material involvement in an evaluation, appraisal or review of the financial condition of: (i) any interested party, or an associated entity or affiliated entity of an interested party; or (ii) the Company, or an associated entity or affiliated entity of the Company, where the evaluation, appraisal or review was completed at the direction or request of an interested party or paid for by an interested party;
- (b) has acted as a lead or co-lead underwriter of a distribution of securities by: (i) any interested party; or (ii) the Company, where the retention of Peters & Co. was carried out at the direction or request of an interested party or paid for by an interested party;
- (c) has had a material financial interest in a transaction involving an interested party or an associated entity or affiliated entity of an interested party; or
- (d) has had a material financial interest in a transaction involving the Company or an associated entity or affiliated entity of the Company.

Prior to Peters & Co.'s engagement, Peters & Co. disclosed to the Special Committee the following relationships with the Company and the Rollover Shareholders and certain of their affiliates:

- (a) beginning in January 2025, Peters & Co. has acted as a broker pursuant to the normal course issuer bid of a TSX-listed issuer that is an affiliated entity of funds advised by ARC Financial Corp.;
- (b) in July 2024, Peters & Co. was engaged as a financial advisor to the special committee of the board of directors of a TSX-listed issuer that is an affiliated entity of funds advised by ARC Financial Corp. in connection with the proposed take-private of the issuer by investment funds advised by ARC Financial Corp.;
- (c) in July 2024, Peters & Co. was engaged by ARC Financial Corp. to evaluate, using public information, the potential acquisition of securities in the Company (and Peters & Co. confirmed that such engagement was terminated in January 2025 and no fee or other compensation is payable to Peters & Co. in connection with such engagement pursuant to any "tail" or other similar provision); and
- (d) in December 2023, Peters & Co. was engaged as financial advisor to a private oil and gas exploration company that is an affiliated entity of ARC Financial Corp. in connection with a potential divestiture transaction.

The fees paid to Peters & Co. in connection with the foregoing are not, individually or in the aggregate, financially material to Peters & Co. Peters & Co. does not believe that these relationships affect its independence as defined by MI 61-101.

The Special Committee determined that Peters & Co. is independent of all interested parties in the Arrangement and is a qualified and independent valuator as required by MI 61-101 based, in part, on representations made to it by Peters & Co.

Scope of Review

In connection with rendering the Formal Valuation and Peters & Co. Fairness Opinion, Peters & Co. reviewed, considered and relied upon (without attempting to verify independently the completeness, accuracy or fair presentation thereof), among other things, the following:

- (a) the most recent draft of the Arrangement Agreement dated October 23, 2025;
- (b) the letter of intent submitted to the Company by the Purchaser dated September 11, 2025;
- (c) the audited financial statements and management's discussion and analysis of the Company for each of the years ended December 31, 2024, 2023 and 2022;
- (d) the unaudited interim financial statements and management's discussion and analysis of the Company for the three- and six-month periods ended June 30, 2025 and 2024;
- (e) the annual information form of the Company for each of the years ended December 31, 2024, 2023, and 2022;
- (f) the notice of meeting and management information circular of the Company dated April 2, 2025 for the annual and special meeting of Shareholders held on May 21, 2025;
- (g) the report prepared by McDaniel dated March 4, 2025 evaluating the oil, natural gas and natural gas liquid reserves of the Company as at December 31, 2024 utilizing a three consultant average commodity price forecast as at January 1, 2025;
- (h) the look-ahead analysis prepared by McDaniel dated October 3, 2025 (the "**Mechanical Update**") evaluating the oil, natural gas and natural gas liquid reserves of the Company as at June 30, 2025, as adjusted for a commodity price and exchange rate scenario utilizing the forward strip price forecast based on the trading prices of future contracts of various maturities as at October 17, 2025 (the "**Strip Price Assumptions**");

- (i) the Company's long term financial forecast model (the "**Management Forecast**") prepared by Management and its advisors;
- (j) the value, as confirmed by Management, of the Company's unrealized hedging gains or losses as at September 30, 2025 based on Strip Price Assumptions;
- (k) a presentation from Management on September 22, 2025;
- (l) a discussion with the Company's advisors on September 24, 2025 with respect to various matters considered relevant by Peters & Co.;
- (m) select public market trading statistics and financial information of the Company and certain other Canadian oil and natural gas public entities considered relevant by Peters & Co.;
- (n) select financial statistics and financial information with respect to certain Canadian oil and natural gas precedent transactions, both on a corporate and asset-level basis, considered relevant by Peters & Co.;
- (o) select reports published by equity research analysts and industry sources regarding the Company and certain other Canadian oil and natural gas public entities considered relevant by Peters & Co.; and
- (p) certain other financial, operational, legal, corporate and other information prepared by or provided by executive management of the Company.

In addition to the information detailed above, Peters & Co. has:

- (a) reviewed certain publicly available information pertaining to current and expected future oil and natural gas prices, oilfield activity levels and other economic factors;
- (b) reviewed and considered capital market conditions, both current and expected, for the oil and natural gas industry in general, for Canadian oil and natural gas companies, and for the Company, specifically;
- (c) reviewed the operating and financial performance and business characteristics of the Company, relative to the performance of select relevant Canadian oil and natural gas companies;
- (d) received representations contained in a certificate (the "**Company Certificate**") addressed to Peters & Co. from the Chief Executive Officer, the Chief Financial Officer and the Chief Operating Officer, Upstream of the Company, as to the completeness and accuracy of the information upon which the Formal Valuation and Peters & Co. Fairness Opinion are based; and
- (e) reviewed other financial, securities market and industry information and carried out such other analyses and investigations as Peters & Co. considered necessary and appropriate in the circumstances.

In addition, Peters & Co. has participated in discussions with Management regarding its past and current business operations, reserves, other assets and prospects. Peters & Co. has also participated in discussions with the Special Committee and with Stikeman, legal counsel to the Special Committee, regarding the Arrangement, the Formal Valuation, the Peters & Co. Fairness Opinion and related matters. To the best of its knowledge, Peters & Co. has not been denied access by the Company to any information it requested.

Prior Valuations

The Company has represented to Peters & Co. after due inquiry that there have not been any prior valuations (as defined in MI 61-101) of the Company or its material assets or securities in the past 24-month period.

Assumptions and Limitations

The Formal Valuation and Peters & Co. Fairness Opinion are subject to the assumptions and limitations set out below.

The Formal Valuation and Peters & Co. Fairness Opinion are rendered, and related analyses are performed, on the basis of securities markets, economic, financial, general business conditions and effective tax rates prevailing as at October 27, 2025 and the condition and prospects, financial and otherwise, of the Company as reflected in the Information reviewed by Peters & Co. and as represented to Peters & Co. in its discussions with members of the Special Committee and executive management of the Company. In Peters & Co.'s analyses and in preparing the Formal Valuation and Peters & Co. Fairness Opinion, numerous assumptions were made with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of any party involved in the Arrangement. Certain assumptions relating to the Company's assets, including the present ability to recover resource therefrom at economic values, have been made with regard to known technologies commonly in use at the present time.

With respect to budgets and operating and financial forecasts, projections or estimates provided to Peters & Co. and used in its analyses, Peters & Co. notes that projecting future results of any company is inherently subject to uncertainty. Peters & Co. has assumed, however, that such budgets, financial forecasts, projections and estimates were prepared consistent with industry practice on a basis reflecting the best currently available assumptions, estimates and judgments of Management and are (or were at the time and continue to be) reasonable in the circumstances, having regard to the business plans, financial condition and prospects of the Company.

With the approval of the Special Committee and as provided for in the Engagement Agreement, Peters & Co. has relied upon, and has assumed the completeness, accuracy and fair presentation of, all information, data, documents, materials, opinions, advice and representations (including in the Company Certificate) relating to the Company made available to Peters & Co. or which has been or may be filed with applicable securities regulatory authorities or similar authorities by the Company or has been or may be released by the Company to the public or provided to Peters & Co. by the Company's management, counsel, consultants, auditors or other advisors. The Formal Valuation and Peters & Co. Fairness Opinion are conditional upon the completeness, accuracy and fair presentation of such information, data, documents, materials, opinions, advice and representations. Without limiting the foregoing, Peters & Co. has assumed the accuracy of the representations and warranties of the Company in the most recent draft of the Arrangement Agreement dated October 23, 2025. Subject to the exercise of Peters & Co.'s professional judgment, and except as expressly described in the Formal Valuation and Peters & Co. Fairness Opinion, Peters & Co. has not attempted to verify independently the completeness, accuracy or fair presentation of any such information, data, documents, materials, opinions, advice and representations.

Peters & Co. has relied on certain factual representations made by the Chief Executive Officer, the Chief Financial Officer and the Chief Operating Officer, Upstream of the Company, on behalf of the Company and not in their personal capacities, to Peters & Co. in the Company Certificate delivered as of October 27, 2025. Among other representations, such representations include that: (a) with the exception of forward looking information and the forecasts and projections referred to below, the information, data, budgets, company generated reports, evaluations, representations and other material, financial or otherwise (collectively, the "**Information**"), provided in writing by the Company to Peters & Co. relating to the Company, any of its subsidiaries or the Arrangement in connection with the preparation of the Formal Valuation and Peters & Co. Fairness Opinion was, on the dates the Information was provided to Peters & Co., complete, true and correct in all material respects when taken together, and did not contain any untrue statement of a material fact in respect of the Company, its subsidiaries or the Arrangement and did not, taken as a whole, omit a material fact in respect of the Company, its subsidiaries or the Arrangement necessary to make the Information not misleading in light of the circumstances under which the Information was provided to Peters & Co.; (b) the forecasts and projections provided to Peters & Co. were reasonably prepared on bases reflecting the best currently available estimates and judgment of Management as to the matters covered thereby using the identified assumptions that are, in the opinion of the Company,

reasonable in the circumstances; (c) Peters & Co. was provided with all material Information in the possession or knowledge of the Company that Peters & Co. requested; (d) since the dates on which the Information was provided to Peters & Co. and, except as disclosed to Peters & Co., there has been no "material fact" or "material change" (as each term is defined in the Securities Act) relating to the Company or the Arrangement that has not been publicly disclosed which is of a nature so as to render the Information, taken as a whole, untrue or misleading in any material respect; (e) to the best of the knowledge, information and belief after due inquiry of the Chief Executive Officer, the Chief Financial Officer and the Chief Operating Officer, Upstream of the Company, there are no independent appraisals or valuations or material non-independent appraisals or valuations relating to the Company or any of its subsidiaries or any of their respective material assets or liabilities in the possession or control of the Company that have been prepared as of a date within the two years preceding the date hereof and that have not been provided to Peters & Co.; (f) since the dates on which the Information was provided to Peters & Co., no material transactions have been entered into by the Company or any of its subsidiaries that have not been disclosed publicly or disclosed to Peters & Co.; (g) other than as disclosed in the Information, the Company does not have any material contingent liabilities and there are no material actions, suits, proceedings or inquiries of which the Company has received notice or, to the knowledge of the Company, pending or threatened against or affecting the Company or any of its subsidiaries before or by any government department, commission, bureau, board, agency or instrumentality or stock exchange which may in any way materially adversely affect the Company and its subsidiaries taken as a whole; (h) all financial statements, concerning the Company and its subsidiaries, provided to Peters & Co. were in all material respects prepared in accordance with Canadian generally accepted accounting principles consistently applied and reflect the financial position and condition of the Company as at the dates thereof and the results of the operations of the Company for the periods then ended; (i) no written offers, not disclosed to Peters & Co., for all or a material part of the assets owned by, or the securities of, the Company or any of its subsidiaries have been received by the Company, and no negotiations, not disclosed to Peters & Co., have occurred relating to any such offer, in each case within the two years preceding the date hereof; (j) the Circular and certain other disclosure documents will comply in all material respects with applicable laws and do not contain any misrepresentation (as defined in the Securities Act); (k) there are no agreements, underwriting commitments or undertakings (written or oral, formal or informal) relating to the Arrangement, except as disclosed to Peters & Co.; and (l) all projects associated with the Company's power business have been, or are in the process of being, sold, with the result that the power business will be wound down and closed prior to the completion of the Arrangement with a net zero impact to the Company, as more particularly described to Peters & Co. by Management. By virtue of the foregoing, as applicable, no adjustment has been made in the conclusions set out herein by reason of any event or occurrence after the date on which such Information was provided.

The Arrangement is subject to a number of conditions outside the control of the Company or the other parties to the Arrangement and, in connection with the preparation of the Formal Valuation and Peters & Co. Fairness Opinion, Peters & Co. has assumed that: all conditions precedent to the completion of the Arrangement can be satisfied in due course and in a reasonable amount of time; all consents, permissions, exemptions or orders of the court, regulatory authorities and other third parties will be obtained, and, in connection therewith, no restrictions, terms or adverse conditions or qualifications will be imposed that would be material to the Formal Valuation and Peters & Co. Fairness Opinion or Peters & Co.'s analyses; the procedures being followed to implement the Arrangement are valid and effective; the Circular will be distributed to the Shareholders in accordance with all applicable laws; and the disclosure in the Circular will be accurate in all material respects and will comply, in all material respects, with the requirements of all applicable laws. In rendering the Formal Valuation and Peters & Co. Fairness Opinion, Peters & Co. expresses no views as to the likelihood that the conditions with respect to the Arrangement will be satisfied or waived or that the Arrangement will be implemented within the timeframe indicated in the Arrangement Agreement. In addition, in its analyses, Peters & Co. has made numerous assumptions with respect to industry performance, commodity prices, general business and economic conditions and other matters determined to be relevant by Peters & Co.

Peters & Co. believes that the various assumptions set out above are reasonable under the current circumstances; however, actual future results may demonstrate that certain assumptions were incorrect.

Peters & Co. is not legal, tax, regulatory or accounting experts, and it expresses no opinion concerning any legal, tax, regulatory or accounting matters concerning the Arrangement. As valuator, Peters & Co. has relied upon, without independent verification, the assessments of the Company and its legal, tax, regulatory and accounting advisors with respect to legal, tax, regulatory and accounting matters.

With the consent of the Special Committee, certain competitively sensitive information, including with respect to the Mechanical Update, has been aggregated or summarized and certain portions of Peters & Co.'s analyses have been presented in summary form only for purposes of disclosure in the Formal Valuation.

The Formal Valuation and Peters & Co. Fairness Opinion have been prepared and provided solely for the exclusive use and benefit of the Special Committee and the Board in evaluating the Consideration from a financial point of view and may not be used or relied upon by any person, other than the Special Committee and the Board, or used for any other purpose without the prior written consent of Peters & Co., except as consented to in the Formal Valuation and Peters & Co. Fairness Opinion. The Formal Valuation and Peters & Co. Fairness Opinion are not to be reproduced, disseminated, quoted from or referred to (in whole or in part) without Peters & Co.'s prior written consent, except as consented to in the Formal Valuation and Peters & Co. Fairness Opinion. Peters & Co. specifically disclaims responsibility for any losses which may occur as a result of any unauthorized or improper use of the Formal Valuation or the Peters & Co. Fairness Opinion.

Peters & Co. makes no recommendation: (a) as to how any Shareholder or any other person should vote or act in any matter relating to the Arrangement; (b) to the Special Committee or the Board to authorize the Company to enter into the Arrangement Agreement or to proceed with the Arrangement; or (c) with respect to any other action the Special Committee, the Board, any Shareholder or any other party should take in connection with the Arrangement or otherwise.

Peters & Co. has not undertaken an independent evaluation, appraisal or physical inspection of any assets or liabilities (contingent or otherwise) of the Company or its subsidiaries, nor has it been furnished with any such evaluation or appraisal. The solvency or fair value of the Company, the Purchaser or any other entity under any provincial, federal or state laws relating to bankruptcy, insolvency or similar matters has not been evaluated by Peters & Co. and Peters & Co. has not been requested to make, nor have made, an independent evaluation of, and expresses no opinion as to, any pending or potential litigation, claims, governmental, regulatory or other proceedings or investigations or possible unasserted claims or other contingent liabilities affecting the Company, the Purchaser or any other entity. Peters & Co. has assumed that any such matters would not be material to, or otherwise impact, the Formal Valuation and Peters & Co. Fairness Opinion or Peters & Co.'s analyses.

The Peters & Co. Fairness Opinion is limited to an opinion as to the fairness, from a financial point of view, to the Shareholders (other than the Rollover Shareholder) of the Consideration. Peters & Co. was not authorized to solicit, and did not solicit, interest from any other party with respect to an acquisition of the securities or assets of the Company, or any business combinations or other transactions involving the Company. The Formal Valuation and Peters & Co. Fairness Opinion do not address the relative merits of the Arrangement as compared to any strategic alternatives or other transaction or business strategies that may be available to the Company.

Any financial analyses contained in the Formal Valuation and Peters & Co. Fairness Opinion must be considered and reviewed as a whole and selecting portions of the stated analyses or factors considered by Peters & Co., without considering all the stated analyses and factors together, could create a misleading view of the process underlying the Formal Valuation and Peters & Co. Fairness Opinion, and the resultant conclusions. The preparation of a valuation of this nature is a complex process and is not necessarily amenable to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

The Formal Valuation and Peters & Co. Fairness Opinion are given as of October 27, 2025, with certain information contained within the Formal Valuation and Peters & Co. Fairness Opinion provided at dates

prior to October 27, 2025. Although Peters & Co. reserves the right to change or withdraw the Formal Valuation and/or the Peters & Co. Fairness Opinion if it learns that any of the Information upon which it relied in preparing the Formal Valuation or the Peters & Co. Fairness Opinion was inaccurate, incomplete or misleading in any material respect, Peters & Co. disclaims, except as required by section 6.4(2)(c) of MI 61-101, any undertaking or obligation to change or withdraw the Formal Valuation or the Peters & Co. Fairness Opinion, or to advise any person of any change in any fact or matter affecting the Formal Valuation or the Peters & Co. Fairness Opinion which may come or be brought to the attention of Peters & Co. after October 27, 2025.

Formal Valuation Conclusion

Based upon and subject to the assumptions, limitations and qualifications set forth in the Formal Valuation, Peters & Co. is of the opinion that, as of October 27, 2025, the fair market value of the Shares is in the range of \$22.00 to \$27.00 per Share.

Peters & Co. Fairness Opinion

Based upon and subject to the assumptions, limitations and qualifications set forth in the Peters & Co. Fairness Opinion, and such other matters considered relevant, Peters & Co. is of the opinion that, as of October 27, 2025, the Consideration to be received by the Shareholders (other than the Rollover Shareholders) pursuant to the Arrangement is fair, from a financial point of view, to the Shareholders (other than the Rollover Shareholders).

KEC urges Shareholders to review the Formal Valuation and Peters & Co. Fairness Opinion carefully and in their entirety. See Appendix C to this Circular.

NBF Fairness Opinion

In determining that the Arrangement is in the best interests of the Company and fair to the Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares), the Board considered, among other things, the NBF Fairness Opinion prepared by NBF.

The Board resolved to engage NBF as its financial advisor to assist in the review of any potential transaction involving the Company on March 14, 2025. KEC then formally engaged NBF to act as its financial advisor with respect to pursuing strategic alternatives for KEC, including a possible sale of KEC, pursuant to an engagement letter dated May 6, 2025. On October 27, 2025, NBF rendered its oral fairness opinion, which was subsequently confirmed in writing, to the Board that, as of the date of such opinion, and based upon and subject to the various assumptions, limitations and qualifications set forth therein, the Consideration to be received by the Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares) is fair, from a financial point of view, to such Shareholders.

The full text of the NBF Fairness Opinion, dated as of October 27, 2025, is attached as Appendix D to this Circular. The NBF Fairness Opinion sets forth, among other things, the assumptions made, procedures followed, factors considered, qualifications and limitations upon the review undertaken by NBF in rendering its opinion. You are encouraged to read the NBF Fairness Opinion carefully in its entirety.

Effects on KEC if the Arrangement Is Not Completed

If the Arrangement is not approved by the Shareholders or if the Arrangement is not completed for any reason, the Shareholders will not receive any payment for their Shares in connection with the Arrangement. Instead, the Company will remain a public company and the Shares will continue to be listed and traded on the TSX. If the Arrangement is not completed, it is expected that KEC's management will operate the business in a manner similar to that in which it is being operated today and that Shareholders will continue

to be subject to the same risks and opportunities currently facing KEC. See "*Risk Factors — Risks Relating to KEC*".

PROCEDURE FOR THE ARRANGEMENT TO BECOME EFFECTIVE

At the Meeting, Shareholders will be asked to consider and, if thought advisable, to pass the Arrangement Resolution to approve the Arrangement. The Arrangement, the Plan of Arrangement and the terms of the Arrangement Agreement are summarized below. This summary does not purport to be complete and is qualified in its entirety by reference to the Arrangement Agreement and the Plan of Arrangement. A copy of the Arrangement Agreement is available under KEC's profile on SEDAR+ at www.sedarplus.ca, and a copy of the Plan of Arrangement is attached as Appendix B to this Circular.

Overview

The Arrangement will be effected pursuant to the Plan of Arrangement, which provides for, among other things, the acquisition by the Purchaser of all of the issued and outstanding Shares. Pursuant to the Arrangement Agreement and the Plan of Arrangement, each Shareholder (other than the Rollover Shareholders in respect of their Rollover Shares) will receive \$24.75 in cash per Share. The Rollover Shares, representing 6,060,606 Shares, all held by the Rollover Shareholders, will be sold to the Purchaser in exchange for Purchaser Shares, in accordance with the terms of the Rollover Agreement and the Plan of Arrangement. Following completion of the Arrangement, the Rollover Shareholders, together with another fund advised by ARC Financial Corp., are expected to hold, control or direct, directly or indirectly, approximately 28% of the issued and outstanding Purchaser Shares.

Required Shareholder Approval

In order to become effective, the Arrangement must be approved by:

- (a) at least 66⅔% of the votes cast by the Shareholders present in person or represented by proxy at the Meeting; and
- (b) as the Arrangement will constitute a "business combination" for the purposes of MI 61-101, not less than a simple majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting (excluding the Shares held by the Rollover Shareholders and Excluded Officers, which are required to be excluded for purposes of "minority approval" under MI 61-101 in the context of a "business combination").

(collectively, the "**Required Shareholder Approval**").

A copy of the Arrangement Resolution is set out in Appendix A of this Circular. To the knowledge of the Company, after reasonable inquiry, the Rollover Shareholders presently hold, control or direct, 27,539,624 Shares representing approximately 62% of the issued and outstanding Shares as of the date hereof and Excluded Officers presently hold, control or direct, 1,782,977 Shares, representing approximately 4% of the issued and outstanding Shares as of the date hereof. As a result, of the 44,615,423 Shares currently issued and outstanding, an aggregate of 29,322,601 Shares representing approximately 66% of the issued and outstanding Shares will be excluded for the purposes of determining whether minority approval of the Arrangement Resolution has been obtained. In total 15,292,822 Shares representing approximately 34% of the issued and outstanding Shares can be voted in respect of the minority approval of the Arrangement Resolution under MI 61-101.

The Arrangement Resolution authorizes the Board, without notice to or approval of the Shareholders: (a) to amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement to the extent permitted by their terms; and (b) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and any related transactions.

Support Agreements

The directors and officers of the Company, collectively own or exercise control or direction of approximately 5% of the issued and outstanding Shares and have entered into D&O Support Agreements pursuant to which they have agreed, subject to the terms thereof, to vote their Shares **IN FAVOUR** of the Arrangement Resolution. In addition, Luminus, who owns or exercises control or direction over approximately 12% of the Shares, has entered into the Luminus Support Agreement pursuant to which it has agreed, subject to the terms thereof, to vote its Shares **IN FAVOUR** of the Arrangement Resolution. In addition, the Rollover Shareholders, who own or exercise control or direction over approximately 62% of the Shares, have entered into the Rollover Support Agreement pursuant to which they have agreed, subject to the terms thereof, to vote their Shares **IN FAVOUR** of the Arrangement Resolution. The Shares held by the Rollover Shareholders will be excluded for purposes of the "minority approval" under MI 61-101. See "*Information Concerning Kiwetinohk – Ownership of Securities*".

The D&O Support Agreements entered into between the Purchaser and each director and officer of the Company will terminate on the earlier of: (a) the Effective Time; (b) the Outside Date; (c) the date on which the D&O Support Agreement is terminated by the mutual written agreement of the parties thereto; or (d) the date on which the Arrangement Agreement is terminated in accordance with its terms.

The Luminus Support Agreement will terminate on the earlier of: (a) the Effective Time; (b) the Outside Date; (c) the date on which the Luminus Support Agreement is terminated by the mutual written agreement of Luminus and the Purchaser; (d) the date on which the Board (or any committee thereof): (i) accepts, recommends, approves, agrees to, endorses or enters into, or proposes publicly to accept, recommend, approve, agree to, endorse or enter into, an agreement, understanding or letter of intent to implement an Acquisition Proposal or a Superior Proposal; or (ii) fails to recommend unequivocally against acceptance of an Acquisition Proposal or a Superior Proposal, provided that at such time KEC has not wilfully breached its obligations under Section 7.1 of the Arrangement Agreement; (e) the date on which the Board exercises any fiduciary out provisions under Section 9.1 of the Arrangement Agreement; (f) the date on which an event occurs that would allow: (i) KEC to terminate the Arrangement Agreement in accordance with the terms thereof; and (ii) Purchaser to terminate the Arrangement Agreement pursuant to a Purchaser Disposition Event in Sections 7.2(a), (b) and (c) of the Arrangement Agreement provided that at such time KEC has not wilfully breached its obligations under Section 7.1 of the Arrangement Agreement, such date being, for clarity, following the expiry or exhaustion of any applicable cure periods under the Arrangement Agreement; (g) the date on which the Arrangement Agreement is terminated in accordance with its terms; (h) the date upon which written notice is provided to Purchaser by Luminus if the Arrangement Agreement is amended to: (i) reduce, or change the form of, the consideration payable to Luminus for its Shares pursuant to the Arrangement; or (ii) change the Purchaser Termination Amount or the KEC Liquidated Damages Amount; and (i) the date upon which written notice is provided to Purchaser by Luminus if the Arrangement Agreement is amended to make any changes that are not immaterial, non-substantive or clerical in nature (which, for greater certainty, changes to facilitate procedural requirements, including waivers or extensions of time not past the date that is four months after the Agreement Date (provided that if the Key Regulatory Approval has not been obtained by that date and the Key Regulatory Approval has not been denied by a non-appealable decision of a Governmental Authority, the extension of such four month period by a two month period by either party to the Arrangement Agreement if such election of extension is delivered on or before such four month period) shall be deemed to be non-substantive), without the prior written consent of Luminus.

The Rollover Support Agreement terminates on the earlier of: (a) the Effective Time; (b) the Outside Date; (c) the date on which the Rollover Support Agreement is terminated by the mutual written agreement of the Rollover Shareholders and the Purchaser; or (d) the date on which the Arrangement Agreement is terminated in accordance with its terms.

In addition, the Support Agreements may be terminated by the Supporting Shareholder by notice in writing to Purchaser if the Arrangement Agreement is amended to reduce, or change the form of, the consideration payable to such Shareholders for its Shares pursuant to the Arrangement.

The form of D&O Support Agreement, the Rollover Support Agreement and the Luminus Support Agreement have been filed under KEC's profile on SEDAR+ at www.sedarplus.ca. The preceding is only a summary of the Support Agreements and is qualified in its entirety by reference to the full text of each of the Support Agreements.

Rollover Agreement

In connection with the execution of the Arrangement Agreement, each of the Rollover Shareholders entered into the Rollover Agreement, pursuant to which they have agreed, subject to the terms thereof, to sell to the Purchaser a portion of the Shares held by them in exchange for Purchaser Shares. The shares to be issued to the Rollover Shareholders pursuant to the Rollover Agreement and the Plan of Arrangement will be the same class of voting common shares of the Purchaser as will be held, directly or indirectly, by the Sponsors and will be issued at the same price per share as paid by the Sponsors at Closing in connection with the Sponsor Financing. The Rollover Shareholders, together with another fund advised by ARC Financial Corp., presently hold, control or direct, directly or indirectly, approximately 49% of the issued and outstanding Purchaser Shares. Following completion of the Arrangement, the Rollover Shareholders, together with another fund advised by ARC Financial Corp., are expected to hold, control or direct, directly or indirectly, approximately 28% of the issued and outstanding Purchaser Shares.

The Rollover Agreement shall be terminated: (a) automatically upon the termination of the Arrangement Agreement in accordance with its terms; (b) automatically on the Outside Date (if the Effective Date has not occurred by such date); (c) upon the mutual written agreement of the parties to the Rollover Agreement; or (d) by the Rollover Shareholders, upon written notice of termination to the Purchaser, if the Purchaser, without the prior written consent of the Rollover Shareholders: (i) decreases or changes the form of the consideration payable for any Shares under the Arrangement Agreement; or (ii) otherwise amends the Arrangement Agreement in a manner that is material and adverse to the Rollover Shareholders. The remaining Shares held by the Rollover Shareholders will be exchanged for \$24.75 in cash pursuant to the Plan of Arrangement.

Implementation of the Arrangement

The Arrangement will be implemented by way of a Court-approved plan of arrangement under the CBCA pursuant to the terms of the Arrangement Agreement. The following procedural steps must be taken in order for the Arrangement to become effective:

- (a) the Required Shareholder Approval must be obtained;
- (b) the Court must grant the Final Order approving the Arrangement;
- (c) all conditions precedent to the Arrangement, as set forth in the Arrangement Agreement, must be satisfied or waived (if permitted) by the appropriate Party; and
- (d) the Articles of Arrangement, prepared in the form prescribed by the CBCA and signed by an authorized director or officer of the Company, must be filed with the Director and a Certificate of Arrangement issued related thereto.

Details of the Plan of Arrangement

The following is a summary only of the Plan of Arrangement and reference should be made to the full text of the Plan of Arrangement set forth in Appendix B to this Circular and the Arrangement Agreement.

Pursuant to the Plan of Arrangement, commencing at the Effective Time, each of the following are deemed to occur consecutively in two-minute intervals in the following order (or in such other manner, order or times as the Parties may agree in writing) without any further act or formality, except as otherwise provided in the Plan of Arrangement:

- (a) the Investment Rights Agreements shall be terminated and be of no further force and effect;
- (b) the Shares held by Dissenting Shareholders shall be, and shall be deemed to be, transferred to, and acquired by, the Purchaser (free and clear of any Encumbrances), and:
 - (i) such Dissenting Shareholders shall cease to be the holders of the Shares so transferred and to have any rights as Shareholders other than the right to be paid fair value for such Shares as set out in Section 4.1 of the Plan of Arrangement;
 - (ii) such Dissenting Shareholders' names shall be removed from the register of Shareholders maintained by or on behalf of KEC as it relates to the Shares so transferred; and
 - (iii) all such Shares shall be cancelled;
- (c) each issued and outstanding Rollover Share held by a Rollover Shareholder shall be, and shall be deemed to be, pursuant to the terms and conditions of the Rollover Agreement entered into between the Purchaser and the Rollover Shareholders, transferred to, and acquired by the Purchaser (free and clear of any Encumbrances) in exchange for the Rollover Consideration issuable to such Rollover Shareholder pursuant to the Rollover Agreement;
- (d) each issued and outstanding Share (other than Rollover Shares, Option Loan Shares and those Shares transferred to the Purchaser pursuant to Section 3.1(b) of the Plan of Arrangement) shall be, and shall be deemed to be, transferred to, and acquired by, the Purchaser (free and clear of any Encumbrances) in exchange for the payment of the Consideration;
- (e) the issued and outstanding Option Loan Shares shall be, and shall be deemed to be, transferred to, and acquired by, the Purchaser (free and clear of any Encumbrances) in exchange for the payment in respect of each Option Loan Shareholder:
 - (i) to KEC, the full amount owing (including principal and interest) to KEC at the Effective Time pursuant to the Option Loan of such Option Loan Shareholder as full and final satisfaction of such Option Loan (the "**Option Loan Repayment**"); and
 - (ii) to such Option Loan Shareholder, an amount in cash equal to the Consideration multiplied by the number of Option Loan Shares held by such Option Loan Shareholder less the amount of the Option Loan Repayment in respect of such Option Loan Shareholder (the "**Net Cash Consideration**"),

and the Purchaser will, or will cause KEC to, thereafter promptly discharge the *Personal Property Security Act* (Alberta) registrations against such Option Loan Shareholder, if applicable; and
- (f) the Parties shall, forthwith following the Effective Time, make the appropriate entries into their securities registers to reflect the matters referred to under Section 3.1 of the Plan of Arrangement.

Effective Date

The Arrangement will become effective on the date shown on the Certificate of Arrangement to be endorsed by the Director on the Articles of Arrangement giving effect to the Arrangement in accordance with the CBCA.

Procedure for Exchange of Share Certificates by Shareholders

Enclosed with this Circular is the form of Letter of Transmittal which, when properly completed and duly executed and returned together with the certificate(s) or DRS Advice(s) representing Shares and all other required documents, will enable each registered Shareholder (other than the Rollover Shareholders in

respect of the Rollover Shares) to obtain the Consideration that such holder is entitled to receive under the Arrangement.

The form of Letter of Transmittal contains complete instructions on how to exchange the certificate(s) or DRS Advice(s) representing your Shares (other than Rollover Shares) for the Consideration under the Arrangement. You will not receive your Consideration under the Arrangement until after the Arrangement is completed and, if you are a registered Shareholder, until you have returned your properly completed documents, including the Letter of Transmittal, and the certificate(s) or copy of the DRS Advice(s) representing your Shares to the Depositary.

Only registered Shareholders are required to submit a Letter of Transmittal. If you are a non-registered Shareholder holding your Shares through an Intermediary, you should contact that Intermediary for instructions and assistance and carefully follow any instructions provided to you by such Intermediary.

From and after the Effective Time, all certificates or DRS Advice(s) that represented the Shares (other than Rollover Shares) immediately prior to the Effective Time will cease to represent any rights with respect to the Shares and will only represent the right to receive the Consideration or, in the case of Dissenting Shareholders, the right to receive fair value for their Shares.

Any use of mail to transmit certificate(s) or DRS Advice(s) representing Shares and the Letter of Transmittal is at each holder's risk. In light of the ongoing Canada Post Disruption, KEC recommends utilizing a delivery method other than mail and that such certificate(s) or DRS Advice(s), and other documents be delivered by hand to the Depositary and a receipt therefore be obtained. If mail delivery is used, the Company recommends that the necessary documentation be delivered to the Depositary by courier; otherwise the use of registered mail with return receipt requested, and with proper insurance obtained, is recommended.

In the event any Share certificate which immediately prior to the Effective Time represented one or more outstanding Shares has been lost, stolen or destroyed, the Shareholder should contact the Depositary and upon the making of an affidavit of that fact by the Shareholder claiming such certificate to be lost, stolen or destroyed and who was listed immediately prior to the Effective Time as the registered holder thereof on the register of Shareholders maintained by or on behalf of the Company, the Depositary will deliver in exchange for such lost, stolen or destroyed certificate, the cash Consideration which the holder is entitled to receive for such Shares under the Plan of Arrangement. When authorizing such delivery in exchange for any lost, stolen or destroyed certificate, the Shareholder to whom such cash Consideration is to be delivered shall, as a condition precedent to the delivery of such Consideration, give a bond satisfactory to each of the Purchaser, KEC and the Depositary, in such amount as the Purchaser may direct, or otherwise indemnify KEC, the Depositary and the Purchaser in a manner satisfactory to KEC, the Depositary and the Purchaser, each acting reasonably, against any claim that may be made against KEC, the Depositary or the Purchaser with respect to the Share certificate alleged to have been lost, stolen or destroyed. See also the instructions in the Letter of Transmittal.

Payment of Consideration

The Purchaser shall, on or before the Effective Date, prior to sending Articles of Arrangement to the Director, deposit, or cause to be deposited, in escrow with the Depositary pending completion of the Arrangement, a cash amount equal to the Total Cash Consideration.

The Depositary shall deliver the Consideration to which former Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares) are entitled in respect of those Shares that were transferred or deemed to be transferred, which are held on a book-entry basis, less any amounts withheld, in accordance with normal industry practice for payments relating to securities held on a book-entry only basis. With respect to those Shares (other than the Rollover Shares) not held on a book-entry basis, upon surrender to the Depositary for cancellation of certificate(s) or DRS Advice(s) (as applicable) which, immediately prior to the Effective Time, represented outstanding Shares that were transferred or deemed to be transferred, together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require, each former holder of Shares

represented by such surrendered certificate(s) or DRS Advice(s) shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder as directed in the Letter of Transmittal, the Consideration which such former holder has the right to receive under the Plan of Arrangement for such Shares (or in the case of a former Option Loan Shareholder, the right to receive the Net Cash Consideration and to have the Purchaser make the Option Loan Repayment on behalf of such former Option Loan Shareholder) less any amounts withheld, and any certificate(s) so surrendered shall forthwith be cancelled.

Until surrendered, each certificate or DRS Advice that immediately prior to the Effective Time represented Shares shall be deemed after the Effective Time to represent only the right to receive upon such surrender the Consideration (or in the case of the Option Loan Shareholder, the right to receive the Net Cash Consideration and to have the Purchaser make the Option Loan Repayment on behalf of such Option Loan Shareholder) to which such former holders of such Shares (other than Rollover Shares) are entitled under the Arrangement less any amounts withheld, or as to those held by Dissenting Shareholders, other than those Dissenting Shareholders deemed to have participated in the Arrangement, to receive the fair value of the Shares represented by such certificate.

Subject to any applicable laws relating to unclaimed personal property, any certificate formerly representing Shares (other than Rollover Shares) that is not deposited, together with all other documents required hereunder, on or before the last Business Day before the third anniversary of the Effective Date, and any right or claim by or interest of any kind or nature, shall terminate and be deemed to be surrendered and forfeited to the Purchaser for no Consideration, together with all entitlements to dividends, distributions and interest thereon. In such case, such Consideration shall be returned to the Purchaser.

No Shareholder shall be entitled to receive any consideration with respect to the Shares other than the Consideration (or in the case of the Option Loan Shareholder, the right to receive the Net Cash Consideration and to have the Purchaser make the Option Loan Repayment on behalf of such Option Loan Shareholder), and, if applicable, the Purchaser Shares, to which the holder is entitled to receive under the Arrangement and, if applicable, any Rollover Agreement, and for greater certainty, no such holder will be entitled to receive any interest, dividend, premium or other payment in connection therewith.

Sources of Funds for the Arrangement

The Purchaser and the Company estimate that the total amount of funds required by the Purchaser to complete the Arrangement and related transactions and pay related fees and expenses of the Company will be approximately \$1.25 billion. The total amount of funds required by the Purchaser to complete the Arrangement will be obtained by the Purchaser through the Debt Financings, the Sponsor Financing and/or cash on hand and, to the extent available to pay related fees and expenses or existing indebtedness of the Company, Company cash.

The Purchaser has agreed to use its commercially reasonable efforts to take certain actions, as further described under the headings "Debt Financings" and "Equity Financing", to arrange and obtain the proceeds of the Financing at the Closing.

The Purchaser has represented that at the Effective Time it will have sufficient funds to satisfy the aggregate Consideration payable to Shareholders pursuant to the Plan of Arrangement and any other amounts owing by the Purchaser pursuant to the terms of the Arrangement Agreement. Obtaining the Financing or any alternative financing is not a condition to the consummation of the Arrangement. If the Purchaser is unable to consummate the Financing, the Company expects that the Purchaser will be unable to fund the Consideration required to complete the Arrangement. See "*Risk Factors*".

Debt Financings

In connection with the execution and delivery of the Arrangement Agreement, the Purchaser delivered to Kiwetinohk: (a) a commitment letter dated October 27, 2025 (together with all exhibits, schedules, annexes and term sheets attached thereto, and as amended, supplemented, modified, or replaced from time to time

after the date of the Arrangement Agreement in compliance with the Arrangement Agreement, the "**RCF Debt Commitment Letter**"), pursuant to which National Bank of Canada, Royal Bank of Canada, ATB Financial and Bank of Montreal have committed to provide to the Purchaser, subject to the terms and conditions therein, revolving credit facilities in an amount not exceeding \$500 million; and (b) a commitment letter dated October 27, 2025 (together with all exhibits, schedules, annexes and term sheets attached thereto, and as amended, supplemented, modified, or replaced from time to time after the date of the Arrangement Agreement in compliance with the Arrangement Agreement, the "**Bridge Debt Commitment Letter**" and together with the RCF Debt Commitment Letter, the "**Debt Commitment Letters**"), pursuant to which National Bank of Canada, has committed to provide to the Purchaser, subject to the terms and conditions therein, a term credit facility in an amount not exceeding \$200 million, such debt financings being made available, directly or indirectly, to the Purchaser on the Effective Date for the purpose of financing a portion of the transactions contemplated by the Arrangement Agreement and the Plan of Arrangement (collectively, the "**Debt Financings**").

The Purchaser has agreed pursuant to the Arrangement Agreement that it shall use commercially reasonable efforts to: (a) maintain in effect the Debt Commitment Letters in accordance with its terms (except for such amendments, supplements, modifications, replacements or waivers permitted pursuant to Section 3.7 of the Arrangement Agreement); (b) negotiate and enter into the Debt Financing Documents; (c) satisfy or obtain the waiver of all conditions to funding in the Debt Commitment Letters (or Debt Financing Documents) applicable to the Purchaser to enable the consummation of the Debt Financings at or prior to the Effective Time; and (d) enforce its rights under the Debt Commitment Letters in the event of a breach by the Debt Financing Sources that would reasonably be expected to prevent or materially delay the consummation of the transactions contemplated by the Arrangement (it being agreed that any delay to a date that would be later than the Outside Date is a material delay).

The Purchaser has agreed pursuant to the Arrangement Agreement that obtaining financing is not a condition to any of its obligations under the Arrangement Agreement, regardless of the reasons why financing is not obtained or whether such reasons are within or beyond the control of the Purchaser. For the avoidance of doubt, if any financing referred to in Section 3.7 of the Arrangement Agreement is not obtained, the Purchaser will continue to be obligated to consummate the Arrangement, subject to and on the terms contemplated by the Arrangement Agreement, including the applicable conditions set forth in Article 6 of the Arrangement Agreement.

Equity Financing

Concurrently with the execution and delivery of the Arrangement Agreement, the Purchaser entered into the Sponsor Subscription Agreements, pursuant to which the Sponsors have agreed, subject to the terms and conditions of the Sponsor Subscription Agreements, to purchase Purchaser Shares for an aggregate cash subscription price of approximately \$743.5 million, which will be used by the Purchaser for purposes of funding a portion of the Consideration to be paid by it pursuant to the Arrangement.

The Purchaser has agreed pursuant to the Arrangement Agreement that it shall use commercially reasonable efforts to take, or cause to be taken, all actions, and do, or cause to be done, all things necessary, proper or advisable to cause the Sponsors to fund the aggregate proceeds of the Sponsor Financing at or prior to the Effective Date in accordance with the terms of the Sponsor Subscription Agreements, including by: (a) maintaining in effect each Sponsor Subscription Agreement in accordance with its terms (except for, subject to Section 3.7(f) of the Arrangement Agreement, amendments, supplements, modifications, replacements or waivers which would not be reasonably expected to prevent, impair or materially delay the completion of the transactions contemplated by the Arrangement Agreement, including the Arrangement); (b) to the extent within its control, satisfying on a timely basis, or obtaining the waiver of, all conditions to funding in the Sponsor Subscription Agreements applicable to the Purchaser and completing the Sponsor Financing at or before the Effective Time; (c) completing the Sponsor Financing contemplated by the Sponsor Subscription Agreements at or before the Effective Time; (d) in the event that all conditions for the benefit of the Sponsors to the Sponsor Financing have been satisfied or waived, causing the Sponsors to fund their respective commitments in accordance with the Sponsor Financing required to consummate the transactions contemplated by the Arrangement Agreement on or

prior to the Effective Date; (e) not knowingly committing any event of default or breach of the Sponsor Subscription Agreements on the part of the Purchaser; (vi) taking all commercially reasonable steps to ensure that its representations and warranties under the Sponsor Subscription Agreements are true and correct at the Effective Time, such that the applicable conditions in favour of the Sponsors are satisfied; and (f) enforcing its rights under the Sponsor Subscription Agreements in the event of a breach or default by any other party thereto, including promptly following a request from KEC to do so in circumstances where there is a breach or default by a party thereto.

The obligations of each Sponsor to fund its respective commitment pursuant to its Sponsor Subscription Agreement are subject to customary closing conditions, including: (a) the Purchaser shall have complied with its covenants under the Sponsor Subscription Agreement in all material respects; (b): (i) the representations and warranties of the Purchaser contained in sections 4.1(a) [*Corporate Standing*], 4.1(aa) [*Share Capital*] (only in respect of the outstanding Purchaser Shares) and 4.1(ee) [*Entitlements*] (only in respect of the outstanding stock options, capital warrants and performance warrants) of the Sponsor Subscription Agreement shall be true and correct in all respects as of the closing date under the Sponsor Subscription Agreement (except for de minimis inaccuracies and except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such date); and (ii) all other representations and warranties of the Purchaser contained in the Sponsor Subscription Agreement shall be true and correct, except to the extent that the failure or failures of such representations and warranties to be so true and correct, individually or in the aggregate, would not have a Material Adverse Effect (in this section, as defined in the Sponsor Subscription Agreement) on the Purchaser (and, for this purpose, any reference to "material" or other concepts of materiality in such representations and warranties shall be ignored); (c) each other Sponsor shall be concurrently closing its portion of the Sponsor Financing pursuant to its respective Sponsor Subscription Agreement; (d) there shall have been no material amendments to the Rollover Agreement or the other ancillary transaction agreements and the Rollover Agreement and each other ancillary transaction agreement shall remain in full force and effect; (e) there shall have been no occurrence of a Material Adverse Effect with respect to Kiwetinohk; and (f) the Purchaser shall have provided a certificate confirming that all conditions for closing of the Arrangement pursuant to the Arrangement Agreement, other than the funding of the Consideration with the proceeds of the Sponsor Financing, have been met and the Purchaser will forthwith complete the Arrangement once funds equal to the aggregate subscription price payable under the Sponsor Subscription Agreement have been provided by the Sponsor to the Purchaser.

If any of the conditions described above are not satisfied or waived at or before the Outside Date, the Sponsor may terminate the Sponsor Subscription Agreement by notice in writing given to the Purchaser prior to completion of closing under the Sponsor Subscription Agreement.

The Sponsor Subscription Agreements will terminate on the earliest of: (a) the termination of the Arrangement Agreement in accordance with its terms; (b) the Outside Date; (c) the date of the termination by the Purchaser or the Sponsor due to a failure to satisfy the conditions in favour of that party; and (d) the written agreement of the Purchaser and the Sponsor.

Interests of Certain Persons in the Arrangement

In considering the recommendations of the Special Committee and the Board with respect to the Arrangement, Shareholders should be aware that certain of the directors and officers of KEC have interests in connection with the Arrangement as described below that may be in addition to, separate from, or different than, those of Shareholders generally in connection with the Arrangement. The Special Committee and the Board are aware of these interests and considered them along with other matters described under "*The Arrangement – Reasons for the Arrangement*".

All of the benefits received, or to be received, by directors, officers or employees of KEC as a result of the Arrangement are, and will be, solely in connection with their services as directors, officers or employees of KEC. No benefit has been, or will be, conferred for the purpose of increasing the value of Consideration payable to any such person for the Shares held by such persons and no consideration is, or will be, conditional on the person supporting the Arrangement.

In addition, the Rollover Shareholders have interests in connection with the Arrangement as described below that may be in addition to, separate from, or different than, those of Shareholders generally in connection with the Arrangement.

The Rollover Shareholders

In connection with the execution of the Arrangement Agreement, each of the Rollover Shareholders entered into the Rollover Agreement with the Purchaser, dated as of October 27, 2025, pursuant to which they have agreed, subject to the terms thereof, to sell to the Purchaser a portion of the Shares held by them in exchange for Purchaser Shares. Each of the Rollover Shareholders will hold the same class of voting common shares in the Purchaser as will be held, directly or indirectly, by the Sponsors, and the Purchaser Shares to be issued to the Rollover Shareholders pursuant to the Rollover Agreement and the Plan of Arrangement will be issued at the same price per share as paid by the Sponsors at Closing in connection with the Sponsor Financing.

The Arrangement is supported by the Rollover Shareholders, who have entered into the Rollover Support Agreement pursuant to which they have agreed, subject to certain terms, to vote their Shares in favour of the Arrangement Resolution.

The Rollover Shareholders have interests in the Arrangement that may be in addition to, separate from, or different than, those of the other Shareholders by virtue of their present ownership of Purchaser Shares, the different form of consideration they will receive for the Rollover Shares pursuant to the Arrangement and their continuing interest in the combined company after the completion of the Arrangement.

The Rollover Shareholders presently hold, control or direct, directly or indirectly, approximately 62% of the issued and outstanding Shares. In addition, the Rollover Shareholders, together with another fund advised by ARC Financial Corp., presently hold, control or direct, directly or indirectly, approximately 49% of the issued and outstanding Purchaser Shares. Following completion of the Arrangement, the Rollover Shareholders, together with another fund advised by ARC Financial Corp., are expected to hold, control or direct, directly or indirectly, approximately 28% of the issued and outstanding Purchaser Shares.

See "*Procedure for the Arrangement to Become Effective – Implementation of the Arrangement*".

Holdings in Shares and Incentives

The Shares and the Incentives held by the directors and officers of KEC are listed under "*Information Concerning Kiwetinohk - Ownership of Securities*". The Shares held by the directors and officers of Kiwetinohk will be treated in the same fashion under the Arrangement as Shares held by any other Shareholders (other than the Rollover Shareholders in respect of their Rollover Shares). If the Arrangement is completed, all Shares outstanding as at the Effective Time (other than any Rollover Shares held by the Rollover Shareholders) will be acquired by and transferred to the Purchaser for a cash payment equal to the Consideration. Rollover Shares will be treated in accordance with the Plan of Arrangement and the Rollover Agreement.

Effective and conditional upon the completion of the Arrangement the Company shall pay, or cause to be paid to each:

- (a) director of KEC holding DSUs an amount in cash equal to the product of the number of DSUs held by such director multiplied by \$24.75, less applicable taxes, whereafter such DSUs shall be settled and terminated for the purposes of the DSU Plan;
- (b) KEC employee holding RSUs and/or PSUs an amount in cash equal to the product of the number of Shares underlying such RSUs and PSUs held by such individual multiplied by \$24.75 (and in the case of the PSUs, after making the appropriate adjustments for the "Payout Multiplier" as determined by the Board and as disclosed by KEC to the Purchaser), less applicable taxes,

whereafter such RSUs and PSUs shall be settled and terminated for the purposes of the Share Unit Plan; and

- (c) KEC employee, director or consultant holding Options an amount in cash (less applicable withholdings) equal to: (i) the product of: (A) the difference between \$24.75 and the exercise price of such Options; and (B) the number of Shares into which such Options are exercisable, provided that in the event the foregoing calculation would result in an amount less than \$0.01, the consideration to be received in respect of such Options shall be nil.

KEC is in the process of obtaining Surrender Agreements from each holder of Performance Warrants, whereby each outstanding Performance Warrant shall be, and shall be deemed to be, terminated and cancelled for, in respect of each tranche of Performance Warrants held by each holder of Performance Warrants, a cash amount (paid by KEC) equal to the product of: (a) the difference between \$24.75 and the exercise price of such tranche of Performance Warrants (less applicable withholdings); and (b) the number of Shares into which such tranche of Performance Warrants is exercisable; provided that in the event the foregoing calculation would result in an amount less than \$0.01 for any tranche of Performance Warrants, the consideration to be received in respect of such tranche of Performance Warrants shall be zero.

In the aggregate, directors and officers of the Company are expected to receive approximately \$106,117,911 in consideration for their Shares and Incentives pursuant to the Arrangement. See *"Information Concerning Kiwetinohk – Ownership of Securities – Consideration to be Received in Connection with the Arrangement"* and *"Procedure for the Arrangement to Become Effective – Implementation of the Arrangement"*.

Continuing Insurance Coverage for Directors and Officers of the Company

The Arrangement Agreement provides that the Purchaser will maintain or cause to be maintained in effect for six years from the Effective Time, policies of directors' and officers' liability insurance for the benefit of the existing KEC directors and officers of KEC providing coverage comparable to the coverage provided by the directors' and officers' policies obtained by KEC that are in effect immediately prior to the Effective Time and providing coverage in respect of claims arising from facts or events that occurred on or prior to the Effective Time and which will cover all claims made prior to the Effective Date or within six years of the Effective Date. Prior to the Effective Time, KEC may, in the alternative, purchase run-off directors' and officers' liability insurance for the benefit of its officers and directors having a coverage period of up to six years from the Effective Time, and in such event Purchaser will not have any further obligation under Section 7.7 of the Arrangement Agreement.

Employment Agreements

KEC has employment agreements with each of its officers.

Pursuant to the Arrangement Agreement, each officer will be terminated on the Effective Date, and will be paid: (a) if such officer is entitled to a change of control payment or benefit under their executive employment agreement or pursuant to their Incentives, the full amount of such change of control entitlements; or (b) if such officer is not entitled to a change of control payment or benefit under their executive employment agreement or pursuant to the Incentives, the full amount of any other entitlements that would otherwise be payable to such officer upon a termination of employment by the Company without cause.

With respect to Mr. Carlson only, in the event that there is a change of control of KEC, such as the Arrangement, and there is no termination for just cause, the Company must pay Mr. Carlson an amount, less applicable deductions and withholdings required by law, equal to: (a) all accrued but unpaid salary for services rendered up to the termination date; (b) the pro-rated value of any accrued but unused vacation entitlements; (c) any accrued but unpaid expenses required to be reimbursed at the termination date; (d) payment in lieu of termination notice as required by the *Employment Standards Code* (Alberta);

(e) any declared but unpaid bonus as at the termination date; (f) a severance amount equal to the monthly salary times a factor equal to 24 (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 (g) an amount equal to 7.5% of the amount paid under subsections (d) and (f) as compensation for the loss of employment benefits, which shall cease on the termination date.

With respect to Craig Parsons only, there are no amounts owed in the event that there is a change of control of KEC and therefore, pursuant to the Arrangement he is owed the full amount of any other entitlements that would otherwise be payable to such officer upon a termination of employment by the Company without cause. Upon termination of his employment without cause, Mr. Parsons is entitled to: (a) four months of his annual base salary; plus (b) one month's annual base salary for each completed year of service with KEC, up to a combined maximum of eight months annual base salary. Additionally, all of Mr. Parsons unvested Options and Performance Warrants as at the termination date shall immediately vest and become exercisable effective on the date employment is terminated.

With respect to officer's other than Mr. Carlson and Mr. Parsons, in the event that there is a change of control of KEC, such as the Arrangement, and, if within 6 months following the change of control, employment with the Company is terminated without cause, or if the officers so elect, within 90 days following the change of control to terminate their employment with the Company for sufficient reason, then KEC is obliged to provide the following: (a) an amount equivalent to six months' of annual base salary, plus two 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; (b) 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.

Termination Payments

The following table summarizes the severance and entitlement payments that will be received by each Company officer in each circumstance where the Arrangement is completed. For purposes of this table, the termination date of each officer is assumed to be December 22, 2025.

Name and Principal Position	Change of Control Payment	Other Entitlements^{(1) (2)}	Total
Patrick Carlson	\$1,139,745	\$1,075,520	\$2,215,265
Jakub Brogowski	\$359,358	\$499,439	\$858,797
Mike Backus	\$358,692	\$495,063	\$853,755
Fareen Sunderji	\$294,207	\$422,708	\$716,915
Janet Annesley	\$336,753	\$214,680	\$551,433
Sue Kuethe	\$275,400	\$256,864	\$532,264
Mike Hantzsch	\$290,042	\$284,325	\$574,367
Lisa Wong	\$257,022	\$371,051	\$628,073
Chris Lina	\$331,322	\$151,962	\$483,284
Craig Parsons	\$271,575	\$176,393	\$447,968

Notes:

- (1) Includes bonus payments owed pursuant to the short-term incentive program for 2025 as approved by the Board and estimated accrued vacation.
- (2) On-target bonuses are a percentage of salary and vary according to the benchmark used, as approved by the Board.

Intentions of Directors and Officers

Pursuant to the D&O Support Agreements, the directors and officers of KEC, including all of the independent directors of the Board, have agreed, among other things, to vote their Shares in favour of the Arrangement Resolution, subject to certain customary exceptions. See "*Procedure for the Arrangement to Become Effective – Support Agreements*".

Arrangements between KEC and Security Holders

Except as otherwise described in this Circular, KEC has not made or proposed to be made any agreement, commitment or understanding with a security holder of KEC relating to the Arrangement. KEC is not a party to any of the Support Agreements or the Rollover Agreement.

INFORMATION CONCERNING THE PURCHASER

The Purchaser

The Purchaser is a corporation incorporated under the *Business Corporations Act* (Alberta) and is a privately held exploration and production company. The Purchaser's major investors are investment funds associated with ARC Financial Corp. and NGP.

The total amount of funds required to complete the Arrangement will be obtained by the Purchaser pursuant to the Debt Commitment Letters, the Sponsor Financing and/or cash on hand. See "*Procedure for the Arrangement to Become Effective – Sources of Funds for the Arrangement*".

INFORMATION CONCERNING KIWETINOHK

General

KEC was incorporated under the CBCA on February 12, 2018. Its head office is located at 250 2 St SW #1700, Calgary, AB T2P 0C1 and the registered office of KEC is located at 3700 Devon Tower, 400 - 3rd Avenue S.W., Calgary, Alberta, T2P 4H2.

KEC is involved in the development and production of petroleum and natural gas reserves in Western Canada, with a focus on profitable early to mid-life liquids-rich natural gas properties that are expected to offer competitive and compelling returns.

Description of Share Capital

The following description of the Company's share capital summarizes certain provisions contained in the Company's articles and by-laws. These summaries do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all of the provisions of the Company's articles and by-laws.

KEC's authorized share capital consists of: (a) an unlimited number of Shares, of which 44,615,423 were issued and outstanding as of November 10, 2025, and (b) an unlimited number of Preferred Shares, issuable in series, none of which were outstanding as of November 10, 2025.

Shares

The Shares have the following rights, privileges, restrictions and conditions:

Dividends

The Shareholders are entitled to receive dividends if, as and when declared by the Board, such dividends or other distributions as may be declared thereon by the Board from time to time.

Voting Rights

The Shareholders are entitled to receive notice of, to attend and to vote at all meetings of Shareholders and are entitled to one vote per Share held at such meetings.

Distribution

In the event of any voluntary or involuntary liquidation, dissolution or winding-up of the Company or any other distribution of the Company's assets among its shareholders for the purpose of winding-up its affairs (a "**Distribution**"), Shareholders shall share equally, share for share, in the property of the Company.

Preferred Shares

The Preferred Shares have the following rights, privileges, restrictions and conditions:

Voting Rights

The Board may from time to time fix, before issuance, the voting rights, if any. Dividends: Subject to the preferences accorded to holders of any other shares of the Company ranking senior to the Preferred Shares from time to time with respect to the payment of dividends, the holders of each series of Preferred Shares shall be entitled, in priority to Shareholders and any other shares of the Company ranking junior to the Preferred Shares from time to time with respect to the payment of dividends, to be paid rateably with holders of each other series of Preferred Shares, the amount of accumulated dividends, if any, specified as being payable preferentially to the holders of such series.

Distribution

In the event of a Distribution, holders of each series of Preferred Shares shall be entitled, in priority to Shareholders and any other shares of the Company ranking junior to the Preferred Shares from time to time with respect to payment on a Distribution, to be paid rateably with holders of each other series of Preferred Shares the amount, if any, specified as being payable preferentially to the holders of such series on a Distribution.

There are currently no Preferred Shares outstanding and the Company has no current intention to issue any Preferred Shares.

Dividend Policy

KEC has never declared or paid any dividends. Pursuant to the Arrangement Agreement, KEC shall not, except with the prior written consent of the Purchaser, declare any dividends until the earlier of the Effective Time or the time that the Arrangement Agreement is terminated in accordance with its terms. Any decision to declare and pay dividends in the future will be made at the discretion of the Board and will depend on, among other things, the Company's results of operations, current and anticipated cash requirements and surplus, financial condition and debt levels, contractual restrictions and financing agreement covenants, solvency tests imposed by corporate law and other factors that the Board may deem relevant.

Ownership of Securities

The number and percentage of outstanding Shares beneficially owned, or over which control or direction is exercised, directly or indirectly, by each of the directors and officers of the Company and, where known after reasonable inquiry, by their respective associates or affiliates, as of the Record Date, are set out in the following table. The table also sets out the number of Incentives held by each of them as of such date:

Name & Address	Position with KEC	Shares	Options	Performance Warrants	DSUs	RSUs	PSUs
Kevin Brown Calgary, AB Canada ⁽¹⁾	Director (Chair)	-	52,932	158,530	26,162	-	-
Beth Reimer-Heck Calgary, AB Canada	Director (Lead)	9,100	10,000	20,000	26,350	-	-
Judith Athaide Calgary, AB Canada	Director	15,862	-	-	20,961	-	-
Colin Bergman Calgary, AB Canada ⁽¹⁾	Director	-	-	-	13,549	-	-
Patrick Carlson Calgary, AB Canada	Chief Executive Officer and Director	1,358,271	270,025	1,342,000	-	26,141	52,458
Leland Corbett, Calgary, AB Canada	Director	30,838	62,998	158,530	33,353	-	-
Alicia Kilmer Calgary, AB Canada	Director	-	-	-	3,786	-	-
Kaush Rakhit Calgary, AB Canada	Director	109,792	55,951	158,530	20,961	-	-
Steve Sinclair Calgary, AB Canada	Director	40,000	10,000	20,000	22,219	-	-
John Whelen Calgary, AB Canada	Director	40,000	-	-	20,961	-	-
Janet Annesley Calgary, AB Canada	Chief Sustainability Officer	30,392	48,720	152,000	-	14,334	28,767
Mike Backus Calgary, AB Canada	Chief Operating Officer, Upstream	31,289	53,649	160,000	-	14,937	29,975
Jakub Brogowski Calgary, AB Canada	Chief Financial Officer	103,721	95,564	367,970	-	15,138	30,381
Mike Hantzsch Calgary, AB Canada	Senior Vice President, Midstream and Market Development	113,803	78,135	326,260	-	12,025	24,134
Sue Kuethe Calgary, AB Canada	Executive Vice President, Land and Community Inclusion	73,200	83,927	346,870	-	11,495	23,070
Fareen Sunderji Calgary, AB Canada	President, Power Division	12,279	55,136	-	-	15,758	31,619
Craig Parsons Calgary, AB Canada	Vice President, Finance, Power Division	79,322	60,850	296,250	-	11,967	20,823
Chris Lina Calgary, AB Canada	Vice President, Projects	4,761	89,014	-	-	13,521	27,138
Lisa Wong Calgary, AB Canada	Senior Vice President, Business Systems	133,982	102,413	271,440	-	10,708	21,491
All of the directors and executive officers, as a group		2,186,612	1,129,314	3,778,380	188,302	146,024	289,856

Notes:

- (1) Incentives granted to Kevin Brown and Colin Bergman are held by such individuals for the benefit of ARC (or its general partners).

Consideration to be Received in Connection with the Arrangement

The table below sets out, to the knowledge of the directors and officers of KEC, the consideration to be received in connection with the Arrangement by each of the directors, officers of the Company for the Shares and Incentives held, or over which control or direction is exercised, by each of them as of the Record Date:

Name & Address	Position with KEC	Consideration to be received for Shares sold	Consideration to be received for					Total Consideration (\$)
			Options ⁽¹⁾	Performance Warrants ⁽²⁾	DSUs ⁽³⁾	RSUs ⁽⁴⁾	PSUs ⁽⁵⁾	
Kevin Brown Calgary, AB Canada ⁽⁶⁾	Director (Chair)	-	\$780,747	\$760,944	\$647,510	-	-	\$2,189,201
Beth Reimer-Heck Calgary, AB Canada	Director (Lead)	\$225,225	\$147,500	\$96,000	\$652,163	-	-	\$1,120,888
Judith Athaide Calgary, AB Canada	Director	\$392,585	-	-	\$518,785	-	-	\$911,370
Colin Bergman Calgary, AB Canada ⁽⁶⁾	Director	-	-	-	\$ 335,338	-	-	\$335,338
Patrick Carlson Calgary, AB Canada	Chief Executive Officer and Director	\$33,617,207	\$3,562,694 ⁽⁷⁾	\$6,441,600	-	\$646,990	\$2,046,430	\$46,314,921
Leland Corbett, Calgary, AB Canada	Director	\$763,241	\$929,221	\$760,944	\$ 825,487	-	-	\$3,278,893
Alicia Kilmer Calgary, AB Canada	Director	-	-	-	\$93,704	-	-	\$93,704
Kaush Rakhit Calgary, AB Canada	Director	\$2,717,352	\$825,277	\$760,944	\$518,785	-	-	\$4,822,358
Steve Sinclair Calgary, AB Canada	Director	\$990,000	\$147,500	\$96,000	\$549,920	-	-	\$1,783,420
John Whelen Calgary, AB Canada	Director	\$990,000	-	-	\$518,785	-	-	\$1,508,785
Janet Annesley Calgary, AB Canada	Chief Sustainability Officer	\$752,202	\$516,272	\$729,600	-	\$354,767	\$1,109,394	\$3,462,235
Mike Backus Calgary,	Chief Operating Officer, Upstream	\$774,403	\$581,899	\$768,000	-	\$369,691	\$1,148,697	\$3,642,690

Name & Address	Position with KEC	Consideration to be received for Shares sold	Consideration to be received for					Total Consideration (\$)
			Options ⁽¹⁾	Performance Warrants ⁽²⁾	DSUs ⁽³⁾	RSUs ⁽⁴⁾	PSUs ⁽⁵⁾	
AB Canada								
Jakub Brogowski Calgary, AB Canada	Chief Financial Officer	\$2,567,095	\$1,198,690 ⁽⁸⁾	\$1,766,256	-	\$374,667	\$1,168,175	\$7,074,883
Mike Hantzsch Calgary, AB Canada	Senior Vice President, Midstream and Market Development	\$2,816,624	\$981,599 ⁽⁹⁾	\$1,566,048	-	\$297,619	\$923,695	\$6,585,585
Sue Kuethe Calgary, AB Canada	Executive Vice President, Land and Community Inclusion	\$1,811,700	\$1,072,626 ⁽¹⁰⁾	\$1,664,976	-	\$284,501	\$ 884,689	\$5,718,492
Chris Lina Calgary, AB Canada	Vice President, Projects	\$117,835	\$1,014,710	-	-	\$334,645	\$ 1,033,833	\$2,501,023
Fareen Sunderji Calgary, AB Canada	President, Power Division	\$303,905	\$571,866	-	-	\$390,011	\$1,235,347	\$2,501,129
Craig Parsons Calgary, AB Canada	Vice President, Finance, Power Division	\$1,963,220	\$753,723 ⁽⁹⁾	\$1,422,000	-	\$296,183	\$777,051	\$5,212,177
Lisa Wong Calgary, AB Canada	Senior Vice President, Business Systems	\$3,316,055	\$1,353,126 ⁽¹¹⁾	\$1,302,912	-	\$265,023	\$823,705	\$7,060,821
All of the directors and executive officers, as a group	-	\$54,118,647	\$14,437,450	\$18,136,224	\$4,660,477	\$3,614,097	\$11,151,016	\$106,117,911

Notes:

- (1) Reflects the product of: (A) the difference between \$24.75 and the exercise price of such Options; multiplied by (B) the number of Shares into which the Options held by such individual are exercisable. In addition, in certain circumstances the Company lent the holders of Options the necessary funds to exercise Options that were expiring prior to the Effective Date under the Option Loans. The principal amounts owing to KEC under such Option Loans outstanding as of the date of this Circular have been subtracted from this column. All Option Loans will be repaid on Closing.
- (2) Reflects the product of: (A) the difference between \$24.75 and the exercise price of such Performance Warrants; multiplied by (B) the number of Shares into which the Performance Warrants held by such individual are exercisable.
- (3) Reflects the product of: (A) \$24.75; multiplied by (B) the number of DSUs held by such individual.
- (4) Reflects the product of: (A) \$24.75; multiplied by (B) the number of RSUs held by such individual.

- (5) Reflects the product of: (A) \$24.75; multiplied by (B) the number of Shares underlying such PSUs after making the appropriate adjustments for the "Payout Multiplier". Reflects the "Payout Multiplier" for 2023, 2024 and 2025 as determined by the Board and as disclosed by KEC to the Purchaser.
- (6) Incentives granted to Kevin Brown and Colin Bergman are held by such individuals for the benefit of ARC (or its general partners) and as such ARC (or its general partners) will receive the cash payment for such Incentives.
- (7) An Option Loan with a principal amount of \$3,000,000 remains outstanding as of the date of this Circular and will be repaid on Closing.
- (8) An Option Loan with a principal amount of \$527,780 remains outstanding as of the date of this Circular and will be repaid on Closing.
- (9) An Option Loan with a principal amount of \$542,780 remains outstanding as of the date of this Circular and will be repaid on Closing.
- (10) An Option Loan with a principal amount of \$510,000 remains outstanding as of the date of this Circular and will be repaid on Closing.
- (11) An Option Loan with a principal amount of \$248,150 remains outstanding as of the date of this Circular and will be repaid on Closing.

Commitments to Acquire Securities of KEC

Except as otherwise described in this Circular, none of the Company and its directors and officers or, to the knowledge of the directors and officers of the Company, any of their respective associates or affiliates, any other insiders of the Company or their respective associates or affiliates or any person acting jointly or in concert with the Company has made any agreement, commitment or understanding to acquire securities of the Company.

Previous Purchases and Sales

During the 12-month period prior to the date of this Circular, KEC issued 982,380 Shares on the exercise of 982,380 Options at an average exercise price of \$10.06. During the 12-month period prior to the date of this Circular, KEC repurchased and cancelled 127,572 Shares at an average price of \$23.05 under its normal course issuer bid.

Trading Price and Volume

The Shares are listed on the TSX under the symbol "**KEC**". The following table sets forth the reported high and low trading prices and total monthly trading volumes of its Shares as reported by the TSX for the periods indicated:

	High	Low	Close	Volume
2024				
November	\$15.74	\$14.78	\$15.51	81,555
December	\$16.35	\$15.35	\$16.35	113,021
2025				
January	\$17.48	\$16.45	\$17.20	105,830
February	\$17.36	\$16.20	\$16.60	98,518
March	\$17.11	\$14.69	\$16.91	220,518
April	\$17.17	\$13.57	\$14.51	1,247,290
May	\$18.16	\$14.81	\$17.69	109,775
June	\$21.24	\$17.25	\$21.10	269,570
July	\$24.15	\$21.00	\$22.90	331,839
August	\$24.05	\$22.75	\$23.52	183,129
September	\$24.70	\$22.89	\$23.16	255,855
October	\$24.74	\$21.87	\$24.54	832,804
November 1-7	\$24.65	\$24.48	\$24.53	1,211,669

The closing price per Share on October 27, 2025, the last full trading day on the TSX before the public announcement of the Arrangement was \$22.42 on the TSX. The closing price per Share on March 5, 2025 (being the date on which KEC first publicly announced its intention to pursue the Business Strategy Review), was \$15.20 on the TSX.

Interest of Informed Persons in Material Transactions

Except as otherwise described elsewhere in this Circular, to the knowledge of the directors and officers of the Company, no director or officer of the Company, or person who beneficially owns, or controls or directs, directly or indirectly, more than 10% of the Shares, or director or officer of such person, or associate or affiliate of the foregoing has any interest, direct or indirect, in any transaction since January 1, 2024 or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries. See "*Procedure for the Arrangement to become Effective – Interests of Certain Persons in the Arrangement*".

Material Changes in the Affairs of the Company

Except as described in this Circular, the directors and officers of the Company are not aware of: (a) any plans or proposals for material changes in the affairs of the Company; (b) any plans, proposals, or negotiations that would result in changes to KEC's articles, charters, by-laws or other governing instruments; and (c) any material corporate events during concerning any mergers, consolidations, acquisition, or the sale of a material amount of assets of the Company.

Independent Auditors

The auditors of the Company, Deloitte LLP, are independent of the Company within the meaning of the rules of professional conduct of the Chartered Professional Accountants of Alberta.

The registrar and transfer agent for the Shares is Computershare at its principal offices in Calgary, Alberta and Toronto, Ontario.

Additional Information

Financial and other information relating to the Company is included in its most recent audited annual and unaudited interim financial statements, Annual MD&A and Interim MD&A and other continuous disclosure documents, which are available on SEDAR+ at www.sedarplus.ca. Additional copies of this Circular and the documents referred to in the preceding sentence are available upon written request to the Company. Such written request should be directed by mail, courier or hand delivery to the attention of the Company at Suite 1700, 250 – 2nd Street SW, Calgary, Alberta, T2P 0C1, Attention: Lisa Wong, Senior Vice President, Business Systems. The Annual MD&A and Interim MD&A will be sent without charge to any Shareholder requesting them.

In light of the ongoing Canada Post Disruption, the Company recommends utilizing a delivery method other than mail for delivery of written requests.

The information listed below and filed with the securities authorities in Canada is hereby incorporated by reference:

- (a) the audited consolidated financial statements of the Company as at and for the financial years ended December 31, 2024 and 2023, together with the notes thereto and the report of the independent registered public accounting firm thereon, which were filed on SEDAR+ on March 5, 2025;
- (b) the AIF, which was filed on SEDAR+ on March 5, 2025;

- (c) the Annual MD&A, which was filed on SEDAR+ on March 5, 2025;
- (d) the unaudited consolidated financial statements of the Company for the nine months ended September 30, 2025 and 2024, together with the notes thereon, which were filed on SEDAR+ on November 5, 2025;
- (e) the Interim MD&A, which was filed on SEDAR+ on November 5, 2025;
- (f) the Arrangement Agreement, which was filed on SEDAR+ on November 4, 2025;
- (g) the Support Agreements, which were filed on SEDAR+ on November 4, 2025; and
- (h) the Material Change Report of the Company in respect of the announcement of the Arrangement Agreement, which was filed on SEDAR+ on November 4, 2025.

Any statement contained in this Circular or in any other document incorporated by reference in this Circular shall be deemed to be modified or superseded to the extent that a statement contained herein or in any other subsequently filed document which is also deemed to be incorporated by reference in this Circular modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document which it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not constitute a part of this Circular except as so modified or superseded.

Any document of the type required by Item 11.1 of Form 44-101F1 – *Short Form Prospectus* to be incorporated by reference into a short form prospectus, including any annual information forms, material change reports (except confidential material change reports), business acquisition reports, material contracts, interim financial statements, audited annual financial statements, management's discussion and analysis and information circulars by the Company with applicable securities regulatory authorities in Canada on SEDAR+ at www.sedarplus.ca after the date of this Circular and before the Meeting, are deemed to be incorporated by reference into this Circular.

ARRANGEMENT AGREEMENT

The Arrangement Agreement and the Plan of Arrangement are the legal documents that govern the Arrangement. This section of this Circular describes the material provisions of the Arrangement Agreement but does not purport to be complete and may not contain all of the information about the Arrangement Agreement that is important to you. This summary is qualified in its entirety by reference to the complete text of the Arrangement Agreement, a copy of which is available under KEC's profile on SEDAR+ at www.sedarplus.ca, and the Plan of Arrangement, a copy of which is attached as Appendix B to this Circular. We encourage you to read the Arrangement Agreement in its entirety. The Arrangement Agreement establishes and governs the legal relationship between KEC and the Purchaser with respect to the transactions described in this Circular. This summary is not intended to be a source of factual, business or operational information about KEC or the Purchaser.

The Arrangement Agreement contains representations and warranties made by the Company and the Purchaser. These representations and warranties, which are set forth in the Arrangement Agreement, were made by and to the Parties thereto for the purposes of the Arrangement Agreement (and not to other parties such as the Shareholders) and are subject to qualifications and limitations agreed to by the Parties in connection with negotiating and entering into the Arrangement Agreement. In addition, these representations and warranties were made as of specified dates, may be subject to a contractual standard of materiality different from what may be viewed as material to Shareholders, or may have been used for

the purpose of allocating risk between the Parties instead of establishing such matters as facts. Moreover, information concerning the subject matter of the representations and warranties, which do not purport to be accurate as of the date of this Circular, may have changed since the date of the Arrangement Agreement.

Representations and Warranties of the Parties and Covenants Relating to the Conduct of Business of the Company

The Arrangement Agreement contains certain customary representations and warranties of each of the Purchaser and KEC relating to, among other things, their respective organization, capitalization (in the case of KEC), operations (in the case of KEC), compliance with laws and regulations and other matters, including their authority to enter into the Arrangement Agreement and to consummate the Arrangement. For the complete text of the applicable provisions, see Article 4, Article 5, Schedule "C" and Schedule "D" of the Arrangement Agreement.

In addition, pursuant to the Arrangement Agreement, the Company has covenanted, among other things, until the earlier of the Effective Time or the termination of the Arrangement Agreement, to use all reasonable commercial efforts to maintain and preserve its businesses and refrain from taking certain actions outside the ordinary course. For the complete text of the applicable provisions, see Article 3 of the Arrangement Agreement.

Conditions to Closing

Mutual Conditions Precedent

The Arrangement Agreement provides that the Parties are not required to complete the Arrangement unless each of the following conditions is satisfied on or prior to the Effective Time, or such other time specified:

- (a) the Interim Order shall have been granted in form and substance satisfactory to each of the Purchaser and KEC, acting reasonably, and such order shall not have been set aside or modified in a manner unacceptable to the Purchaser or KEC, each acting reasonably, on appeal or otherwise;
- (b) the Arrangement Resolution shall have received the Required Shareholder Approval at the Meeting in accordance with the Interim Order;
- (c) the Final Order shall have been granted on terms consistent with the Arrangement Agreement, and such order shall not have been set aside or modified in a manner unacceptable to the Purchaser or KEC, acting reasonably, on appeal or otherwise;
- (d) the Key Regulatory Approval shall have been obtained, and shall be in full force and effect; and
- (e) no Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Order or Law which is then in effect and has the effect of making the Arrangement illegal, preventing or prohibiting consummation of the Arrangement or which would reasonably be expected to, materially impede the ability of the Parties to complete the Arrangement.

The foregoing conditions are for the mutual benefit of the Parties and may be asserted by either Party regardless of the circumstances and may be waived by the mutual written consent of the Parties, in whole or in part, at any time and from time to time without prejudice to any other rights that the Parties may have, including the right of the Parties to rely on any other of such conditions.

Additional Conditions to Obligations of the Purchaser

The Arrangement Agreement provides that the Purchaser is not required to complete the Arrangement unless each of the following conditions is satisfied on or before the Effective Date, or such other time specified:

- (a) KEC shall have fulfilled and complied with in all material respects each of its covenants in the Arrangement Agreement to be performed, fulfilled or complied with on or before the Effective Time, and KEC shall have provided to the Purchaser a certificate of two executive officers certifying compliance with such covenants dated the Effective Date;
- (b) (i) the representations and warranties in Sections: (a) (Organization and Qualification); (b) (Authority Relative to the Arrangement Agreement); (c) (Subsidiaries); (d) (Joint Ventures) and (e) (Ownership of Subsidiaries) of Schedule "D" of the Arrangement Agreement shall be true and correct in all respects as of the Agreement Date and as of the Effective Date as if made on and as of such date (except to the extent such representations and warranties speak of an earlier date, the accuracy of which shall be determined as of such earlier date); (ii) the representations and warranties in Section (n) (Capitalization) and Section (aa) (Power Business Disposition and Power Business Disposition Agreements) of Schedule "D" of the Arrangement Agreement shall be true and correct in all respects (except for de minimis inaccuracies) as of the Agreement Date and shall be true and correct in all respects (except for de minimis inaccuracies and as a result of transactions, changes, conditions and events or circumstances permitted hereunder) as of the Effective Date as if made on and as of such date; and (iii) all other representations and warranties of KEC set forth in the Arrangement Agreement shall be true and correct as of the Effective Date as if made on and as of such date (except to the extent such representations and warranties speak as of an earlier date, the accuracy of which shall be determined as of that specified date), except where any failure or failures of any such representations and warranties to be so true and correct would not have, or would not reasonably be expected to have, a Material Adverse Effect on KEC or prevent the completion of the transactions contemplated in the Arrangement Agreement (and, for this purpose, any reference to "material", "Material Adverse Effect" or any other concept of materiality in such representations and warranties shall be ignored), and KEC shall have provided to the Purchaser a certificate of two executive officers certifying such accuracy on the Effective Date;
- (c) (i) the Power Business Disposition (as defined in the Arrangement Agreement) shall be completed; (ii) there have not been any amendments to the Power Business Disposition Agreements (as defined in the Arrangement Agreement) nor have any terms been waived by the parties thereto (other than those amendments or waivers consented to by the Purchaser); and (iii) the only KEC Subsidiary shall be KEC Marketing US Corp., and (iv) the letters of credit in respect of the KEC Power Business (as defined in the Arrangement Agreement) shall be discharged on or prior to the Effective Date, or if not discharged to the satisfaction of the Purchaser acting reasonably, shall be included in the calculation of the KEC Net Debt (as defined in the Arrangement Agreement) for the purposes of Section 6.2(f) of the Arrangement Agreement and KEC shall have provided to the Purchaser a certificate of two officers of KEC certifying such accuracy on the Effective Date;
- (d) the Investment Right Agreements shall be terminated and of no further force and effect and KEC shall have provided evidence reasonably satisfactory to the Purchaser of the foregoing;
- (e) executed Resignations and Mutual Releases (as defined in the Arrangement Agreement), in form satisfactory to the Purchaser acting reasonably, shall have been received by the Purchaser from all directors and officers of KEC;
- (f) the aggregate amount of KEC Net Debt and KEC Transaction Costs (each as defined in the Arrangement Agreement) as at the Effective Date will not be greater than \$303 million (provided that for the purposes of the foregoing, the KEC Employee Obligations in respect of the Power Business Employees (each as defined in the Arrangement Agreement) will only be counted once)

and at least five Business Days before the Effective Date KEC shall have provided an estimate of the KEC Net Debt and KEC Transaction Costs as at the Effective Date that is prepared in the same manner as the sample calculation as set out in the KEC Disclosure Letter and the Purchaser shall be satisfied with such calculation, acting reasonably;

- (g) the Purchaser shall be satisfied, acting reasonably, that KEC's average production for the month of December will not be less than 39,000 boe/d, which calculation shall exclude the effect of unforeseen outages or other matters for which KEC is not responsible;
- (h) holders of not greater than 5% of the outstanding Shares shall have validly exercised Dissent Rights in respect of the Arrangement that have not been withdrawn as of the Effective Date;
- (i) the administrative agent under the KEC RCF Agreement (on behalf of the "Secured Parties" as defined therein) shall have provided (a) a payout letter with respect to repayment (or cash collateralization, if applicable) of all "Obligations" (as defined in the KEC RCF Agreement) and (b) a release and discharge evidencing (i) the termination of the KEC RCF Agreement and the other Loan Documents (as defined therein) and (ii) the discharge of the Security (as defined in the KEC RCF Agreement), or other evidence of the foregoing, in each case satisfactory to the Purchaser, acting reasonably;
- (j) to the extent the KEC LC Agreement Amendment and the EDC Consent (as defined in the Arrangement Agreement) have not been provided, Bank of Montreal, as lender under the KEC LC Agreement, and EDC under the KEC LC Indemnity Agreement shall have provided (in each case satisfactory to the Purchaser, acting reasonably), as applicable: (i) a payout letter with respect to the repayment (or cash collateralization, if applicable) of all "LC Obligations" (as defined in the KEC LC Agreement); and (ii) a release and termination evidencing: (A) the termination of the KEC LC Agreement; (B) the release of EDC from all of its obligations under the PSG (as defined in the KEC LC Agreement); and (C) the release of KEC from all covenants, liabilities and obligations under the KEC LC Agreement and the KEC LC Indemnity Agreement and the other documents entered into in connection therewith, other than: (1) in respect of any continuing letters of credit that have been cash collateralized; or (2) those covenants, liabilities, obligations and agreements that survive the termination thereof in accordance with their express terms; and
- (k) between the Agreement Date and the Effective Time, there shall not have occurred any changes, events, circumstances or developments that would reasonably be expected to have (individually or in the aggregate) a Material Adverse Effect on KEC.

The foregoing conditions are for the exclusive benefit of the Purchaser and may be asserted by the Purchaser regardless of the circumstances or may be waived by the Purchaser in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Purchaser may have, including the right of the Purchaser to rely on any other of such conditions.

Additional Conditions to Obligations of the Company

The Arrangement Agreement provides that the Company is not required to complete the Arrangement unless each of the following conditions is satisfied on or before the Effective Time, or such other time specified:

- (a) the Purchaser shall have fulfilled and complied with in all material respects each of its covenants in the Arrangement Agreement to be performed, fulfilled or complied with on or before the Effective Time, and the Purchaser shall have provided to KEC a certificate of two executive officers certifying compliance with such covenants dated the Effective Date;
- (b) the representations and warranties in Schedule "C" of the Arrangement Agreement shall be: (i) in respect of the representations and warranties set forth in Sections (a), (b) and (c) of Schedule "C"

of the Arrangement Agreement, true and correct in all respects as of the Agreement Date and as of the Effective Date as if made on and as of such date; (ii) in respect of all other representations and warranties in Schedule "C" of the Arrangement Agreement, true and correct in all respects as at the date of as of the Agreement Date and as of the Effective Time as if made at and as of such time (except for representations and warranties made as of a specified date, such accuracy of which shall be determined as of such specified date) except where the failure to be so true and correct in all respects has not and would not reasonably be expected to materially impede completion of the transactions contemplated in the Arrangement Agreement; and

- (c) the Purchaser shall have deposited, or caused to be deposited, with the Depositary, sufficient funds to satisfy the Purchaser's obligations under Section 2.6 of the Arrangement Agreement in respect of the payment of the Shareholders (other than Dissenting Shareholders and the Rollover Shareholders).

The foregoing conditions are for the exclusive benefit of KEC and may be asserted by KEC regardless of the circumstances or may be waived by KEC in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which KEC may have, including the right of KEC to rely on any other of such conditions.

Covenants Regarding Non-Solicitation

KEC shall, and shall cause its subsidiaries and their Representatives, as applicable, to: (a) immediately cease and cause to be terminated all existing solicitations, encouragements, discussions or negotiations (including through any of the Representatives of KEC), if any, with any third parties (other than the Purchaser and its Representatives), initiated before the Agreement Date with respect to any Person that has made, indicated any interest in making or may reasonably be expected to make, an Acquisition Proposal; (b) as and from the Agreement Date until termination of the Arrangement Agreement pursuant to Article 9 of the Arrangement Agreement, immediately discontinue providing access to and disclosure of any of its confidential information and not allow or establish further access to any of its confidential information, or any data room, virtual or otherwise, to any Person (other than the Purchaser or its Representatives) who has entered into a confidentiality agreement with KEC relating to an Acquisition Proposal; (c) pursuant to and in accordance with each applicable confidentiality agreement relating to an Acquisition Proposal, promptly request the return or destruction of all information provided to any third parties that have entered into a confidentiality agreement with such Party and the destruction of all material including or incorporating or otherwise reflecting such confidential information regarding such Party or any of its subsidiaries, and shall use reasonable commercial efforts to cause such requests to be honoured; and (d) not release, waive, terminate or otherwise forbear in the enforcement of, amend or modify, or enter into or participate in any discussions, negotiations or agreements to release, waive or otherwise forbear or amend or modify, any rights or other benefits under any confidentiality agreements to which KEC or the KEC Subsidiary is a party, including any "standstill provisions" thereunder. KEC undertakes to use reasonable commercial efforts to enforce all standstill, non-disclosure, non-disturbance, non-solicitation and similar covenants or agreements that it has entered into with third parties prior to the Agreement Date (it being acknowledged by the Purchaser that KEC shall not be obligated to enforce any standstill, non-disclosure, non-disturbance, non-solicitation and similar covenants or agreements that are automatically terminated or released as a result of entering into and announcing the Arrangement Agreement).

Except as provided in Article 7 of the Arrangement Agreement, the Company shall not, directly or indirectly, do, nor authorize nor permit any of its Representatives to do, any of the following:

- (a) solicit, assist, initiate or knowingly facilitate or encourage or take any action to solicit, assist, initiate or knowingly facilitate or encourage any Acquisition Proposal, or engage in any communication regarding the making of any proposal or offer that constitutes an Acquisition Proposal, including by way of furnishing information or access to properties, facilities or books and records;

- (b) withdraw, amend, modify or qualify, or propose to withdraw, amend, modify or qualify, in any manner adverse to the Purchaser, the Board Recommendation (or any related recommendation by any committee of the Board);
- (c) make any public announcement or take any other action inconsistent with the Board Recommendation;
- (d) enter into or otherwise engage or participate in any negotiations or any discussions regarding any inquiry, proposal or offer that constitutes or may constitute or may reasonably be expected to lead to an Acquisition Proposal, or furnish or provide access to any information with respect to KEC's securities, business, properties, operations or conditions (financial or otherwise) in connection with or in furtherance of an Acquisition Proposal, or otherwise cooperate in any way with, or assist or knowingly participate in, facilitate or encourage, any effort or attempt of any other Person to do or seek to do any of the foregoing;
- (e) accept, recommend, approve, agree to, endorse or propose publicly to accept, recommend, approve, agree to or endorse an Acquisition Proposal, or, for a period in excess of five Business Days, take no position or a neutral position with respect to a publicly announced or publicly proposed, Acquisition Proposal; or
- (f) accept, approve, endorse or enter into (other than a confidentiality and standstill agreement permitted by and in accordance with Section 7.1(b)(vii) of the Arrangement Agreement) or publicly propose to accept, approve, endorse or enter into any agreement, understanding or arrangement (including any letter of intent or agreement in principle) in respect of or in any way related to any Acquisition Proposal or providing for the payment of any break, termination or other fees or expenses to any Person, if KEC completes the transactions contemplated by the Arrangement Agreement,

except that notwithstanding the provisions of clauses (b) and (c) above or Section 7.1(b) of the Arrangement Agreement, KEC and its Representatives may:

- (a) at any time prior to obtaining the approval of the Shareholders of the Arrangement Resolution, enter into, or participate in, any discussions or negotiations with an arm's length third party who (without any solicitation, initiation or encouragement, directly or indirectly, after the Agreement Date, by KEC or any of its Representatives) seeks to initiate such discussions or negotiations and, subject to execution of a confidentiality and standstill agreement and/or clean teams agreement (referred to herein as a "**confidentiality and standstill agreement**") with terms at least as restrictive to such counterparty as the Confidentiality Agreements (on the condition that such confidentiality and standstill agreement shall provide for the disclosure thereof, along with the information provided thereunder, to the Purchaser), may furnish to such third party information concerning KEC and its business, affairs, properties and assets (on the condition that such third party is not furnished with greater access or information than the Purchaser), in each case if and only to the extent that:
 - (i) the third party has first made a written bona fide Acquisition Proposal, which did not result from a breach of Section 7.1 of the Arrangement Agreement, and in respect of which the Board determines in good faith, after consultation with its external legal and independent financial advisors, constitutes or would reasonably be expected to constitute or lead to a Superior Proposal (disregarding, for the purposes of such determination, any due diligence or access condition to which such Acquisition Proposal is subject);
 - (ii) prior to furnishing such information to or entering into or participating in any such negotiations or initiating any discussions with such third party, KEC promptly provides written notice to the Purchaser to the effect that it is furnishing information to or entering into or participating in discussions or negotiations with such Person or entity and provides to the Purchaser a true and complete copy of the final executed confidentiality and standstill agreement entered into with such Person or entity in compliance with Section 7.1(b)(vii) of

the Arrangement Agreement and the information required to be provided under Sections 7.1(c) and 7.1(d) of the Arrangement Agreement; and

- (iii) KEC or the KEC Subsidiary have been, and would be after entering into or participating in any such discussions or negotiations, in compliance with all of its obligations under Section 7.1 of the Arrangement Agreement;
- (b) comply with Part 2 – Division 3 of National Instrument 62-104 – *Take-Over Bids and Issuer Bids* and similar provisions under Applicable Canadian Securities Laws relating to the provision of directors' circulars and make appropriate disclosure with respect thereto to the Shareholders; and
- (c) at any time prior to obtaining the approval of the Shareholders of the Arrangement Resolution withdraw the Board Recommendation (or any recommendation by any committee of the Board) and accept, recommend, approve or enter into an agreement to implement a Superior Proposal from a third party, but only if prior to such acceptance, recommendation, approval or implementation: (A) the Board shall have concluded in good faith, after considering all proposals to adjust the terms and conditions of the Arrangement Agreement as contemplated by Section 7.1(d) of the Arrangement Agreement and after receiving the advice of one of its Financial Advisors or other professional financial advisors and external legal counsel, as reflected in minutes of the Board, that such Superior Proposal is in the best interests of KEC and failure to take such action by the Board would be inconsistent with its fiduciary duties under applicable Law; (B) KEC complies with its obligations set out in Section 7.1(d) of the Arrangement Agreement; and (C) if KEC is entering into an agreement to implement a Superior Proposal, KEC terminates the Arrangement Agreement in accordance with Section 9.1(f) of the Arrangement Agreement and concurrently therewith pays the amount required by Section 7.2 of the Arrangement Agreement, as applicable.

If, after the Agreement Date, KEC or any of its subsidiaries is in receipt of a *bona fide* Acquisition Proposal or any request (which request may be reasonably considered to be in furtherance of, or in relation to, an Acquisition Proposal) for non-public information relating to the KEC Group or its properties, facilities, books or records, the KEC Group shall promptly (and in any event within 24 hours of receipt by the KEC Group) notify the Purchaser (at first orally and then in writing) of any Acquisition Proposal (or any amendment thereto) or any amendments to the foregoing received by the KEC Group. Such notice shall include a copy of any written Acquisition Proposal (and any amendment thereto) or any such request (which request may be reasonably considered to be in furtherance of, or in relation to, an Acquisition Proposal) for non-public information relating to the KEC Group or its properties, facilities, books or records received by the KEC Group or, if no written Acquisition Proposal has been received, a description of the material terms and conditions of, and the identity of the Person making any inquiry, proposal or offer or request (to the extent then known by the KEC Group). The KEC Group shall also provide such further and other details of the Acquisition Proposal, request or any amendment thereto as the Purchaser may reasonably request (to the extent then known by the KEC Group). The KEC Group shall keep the Purchaser fully and promptly informed of the status, including any change to material terms, of any Acquisition Proposal, request or any amendment thereto, shall respond promptly to all reasonable inquiries by the Purchaser with respect thereto, and shall promptly provide to the Purchaser copies of all substantive correspondence and other written material sent to or provided to the KEC Group by any Person in connection with such inquiry, proposal, offer or request sent or provided by the KEC Group to any Person in connection with such inquiry, proposal, offer or request.

Following the determination by the Board that an Acquisition Proposal constitutes a Superior Proposal, the KEC Group shall give Purchaser, orally and in writing, at least five Business Days advance notice of any decision by the Board to accept, recommend, approve or enter into an agreement (other than a confidentiality and standstill agreement) to implement a Superior Proposal, which notice shall:

- (a) confirm that the Board has determined that such Acquisition Proposal constitutes a Superior Proposal;
- (b) identify the third party making the Superior Proposal;

- (c) if KEC is proposing to enter into an agreement to implement such Superior Proposal, confirm that the entering into of a definitive agreement to implement such Superior Proposal is not subject to any financing condition, due diligence condition or access condition; and
- (d) if KEC is proposing to enter into an agreement to implement such Superior Proposal, confirm that a definitive agreement to implement such Superior Proposal has been settled between KEC and such third party in all material respects (including in respect of the value and financial terms and the value ascribed to any non-cash consideration offered under such Acquisition Proposal), and KEC will concurrently provide a true and complete copy thereof, together with all supporting materials, including any financing documents supplied to the KEC Group in connection therewith, and will thereafter promptly provide any amendments thereto, to the Purchaser.

During the five Business Day period commencing on the delivery of such notice (such period, the "**Matching Period**"), KEC agrees not to accept, recommend, approve or enter into any agreement to implement such Superior Proposal and not to release the party making the Superior Proposal from any standstill provisions and shall not change, withdraw, withhold, amend, modify or qualify, or propose publicly to change, withdraw, withhold, amend, modify or qualify, the Board Recommendation. During the Matching Period, the Purchaser shall have the opportunity (but not the obligation) to offer to amend the Arrangement Agreement and the Arrangement in order for such Acquisition Proposal to cease to be a Superior Proposal. In addition, during the Matching Period, or such longer period as KEC may approve in writing for such purpose: (a) the Board shall review any offer made by the Purchaser to amend the Arrangement Agreement and the Arrangement in good faith in order to determine whether such proposal would, upon acceptance, result in the Acquisition Proposal previously constituting a Superior Proposal ceasing to be a Superior Proposal; and (b) KEC shall negotiate in good faith with the Purchaser to make such amendments to the terms of the Arrangement Agreement and the Arrangement as would enable the Purchaser to proceed with the transactions contemplated by the Arrangement Agreement on such amended terms. If the Board determines that such Acquisition Proposal would cease to be a Superior Proposal: (x) KEC shall promptly so advise the Purchaser, and KEC and the Purchaser shall amend the Arrangement Agreement to reflect such offer made by the Purchaser, and shall take and cause to be taken all such actions as are necessary to give effect to the foregoing; and (y) the Board shall not accept, recommend, approve or enter into any agreement to implement such Acquisition Proposal and shall not release the party making the Acquisition Proposal from any standstill provisions and shall not change, withdraw, withhold, amend, modify or qualify, or propose publicly to change, withdraw, withhold, amend, modify or qualify, the Board Recommendation. KEC acknowledges that each successive material modification of any Superior Proposal that results in an increase in the consideration (or the value thereof) to be received by Shareholders or other material terms or conditions shall constitute a new Superior Proposal for purposes of the requirement under Section 7.1(d) of the Arrangement Agreement to initiate a new Matching Period.

In the event that any Acquisition Proposal is made or announced on a date which is less than five Business Days prior to the Meeting, the Purchaser shall be entitled to require KEC to adjourn or postpone the Meeting, in each case to a date that is not more than 10 Business Days after the latest date then scheduled for the Meeting, in accordance with the Arrangement Agreement, in order to address such Acquisition Proposal and, if the Board determines such Acquisition Proposal to be a Superior Proposal, to observe and satisfy the Matching Period of such notice.

The Board shall promptly and in any event within 24 hours after the determination in clause (a) or (b) below, reaffirm the Board Recommendation by news release after any Acquisition Proposal is publicly announced or made if the Board determines that: (a) such Acquisition Proposal does not constitute a Superior Proposal in accordance with Section 7.1 of the Arrangement Agreement; or (b) an amendment to the terms of the Arrangement Agreement has been agreed that results in the Acquisition Proposal not being a Superior Proposal. KEC shall provide the Purchaser and its external legal counsel with a reasonable opportunity to review the form and content of any such news release and shall make all reasonable amendments to such news release as requested by the Purchaser and its counsel.

The Purchaser agrees that all information that may be provided to it by KEC with respect to any Superior Proposal pursuant to Section 7.1 of the Arrangement Agreement shall be treated as if it were "Confidential

Information" as that term is defined in the Confidentiality Agreements, and such information shall not be disclosed or used except in accordance with the Confidentiality Agreements or in order to enforce its rights under the Arrangement Agreement in legal proceedings.

KEC shall ensure that its Representatives are aware of the provisions of Section 7.1 of the Arrangement Agreement. KEC shall be responsible for any breach of Section 7.1 of the Arrangement Agreement by its Representatives.

Purchaser Disposition of Rights

Pursuant to the Arrangement Agreement, if at any time after the execution and delivery of the Arrangement Agreement and prior to the termination of the Arrangement Agreement:

- (a) the Board (or any committee thereof): (i): (A) fails to make the Board Recommendation as required hereunder; (B) changes, withdraws, withholds, amends, modifies or qualifies, or proposes publicly to change, withdraw, withhold, amend, modify or qualify, the Board Recommendation in a manner adverse to the Purchaser (it being understood that the taking of a neutral position or no position with respect to a publicly announced or publicly proposed Acquisition Proposal beyond the earlier of a period of eight Business Days (which for greater certainty shall include the Matching Period) following such announcement or the date which is the day prior to the date proxies in respect of the Meeting must be deposited shall be considered an adverse modification to such recommendation); (C) fails to reaffirm publicly the Board Recommendation: (y) in the manner and within the time period set out in Section 7.1(e) of the Arrangement Agreement; or (z) within five Business Days after having been requested to do so by the Purchaser; or (D) resolves to do any of the foregoing; and (ii) the Arrangement Agreement is terminated pursuant to Section 9.1(d) of the Arrangement Agreement;
- (b) KEC breaches any of its obligations under Section 7.1 of the Arrangement Agreement in any material respect and the Arrangement Agreement is terminated pursuant to Section 9.1(d) of the Arrangement Agreement;
- (c) the Board (or any committee thereof): (i) accepts, recommends, approves, agrees to, endorses or enters into, or proposes publicly to accept, recommend, approve, agree to, endorse or enter into, an agreement, understanding or letter of intent to implement an Acquisition Proposal; or (ii) fails to recommend unequivocally against acceptance of an Acquisition Proposal, and the Arrangement Agreement is terminated pursuant to Section 9.1(d) of the Arrangement Agreement;
- (d) the Arrangement Agreement is terminated by KEC or the Purchaser pursuant to Section 9.1(b)(i) of the Arrangement Agreement (*Failure to Obtain KEC Shareholder Approval*) or 9.1(b)(iii) of the Arrangement Agreement (*Occurrence of Outside Date*) and prior to such termination, an Acquisition Proposal, or an intention to make an Acquisition Proposal, for KEC has been publicly announced, proposed, disclosed, offered or made by any Person (other than the Purchaser or its affiliates) and, within twelve months following the date of such termination:
 - (i) the Board recommends any Acquisition Proposal which is subsequently consummated at any time thereafter (whether or not within such twelve-month period);
 - (ii) KEC enters into a binding definitive agreement (other than a confidentiality and standstill agreement permitted by and in accordance with Section 7.1(b) of the Arrangement Agreement) in respect of any Acquisition Proposal which is subsequently consummated at any time thereafter (whether or not within such twelve-month period);
 - (iii) any Acquisition Proposal is consummated with KEC; or

- (e) prior to approval of the Arrangement Resolution, KEC enters into, or the Board authorizes KEC to enter into, a definitive agreement (other than a confidentiality and standstill agreement) with respect to a Superior Proposal pursuant to Section 7.1(b)(ix) of the Arrangement Agreement, provided that KEC has complied with its obligations set out in Section 7.1 of the Arrangement Agreement and the Arrangement Agreement is terminated pursuant to Section 9.1(f) of the Arrangement Agreement,

(each of the above, if not timely cured, if applicable, or waived by the Purchaser, being (upon expiration of the applicable cure period) hereinafter referred to as a "**Purchaser Disposition Event**"), KEC shall pay to the Purchaser \$45 million (the "**Purchaser Termination Amount**"), subject to the Purchaser's rights in Section 7.4 and 11.8 of the Arrangement Agreement, in consideration for the disposition of the Purchaser's rights under the Arrangement Agreement, in immediately available funds, to an account designated by the Purchaser, as follows:

- (a) if the Purchaser Termination Amount is payable pursuant to Section 7.2(a), Section 7.2(b) or Section 7.2(c) of the Arrangement Agreement, the Purchaser Termination Amount shall be payable within two Business Days following the occurrence of such Purchaser Disposition Event;
- (b) if the Purchaser Termination Amount is payable pursuant to Section 7.2(d) of the Arrangement Agreement, the Purchaser Termination Amount shall be payable upon the consummation of the Acquisition Proposal referred to therein; or
- (c) if the Purchaser Termination Amount is payable pursuant to Section 7.2(e) of the Arrangement Agreement, the Purchaser Termination Amount shall be payable concurrently with the termination of the Arrangement Agreement.

KEC shall only be obligated to pay one Purchaser Termination Amount pursuant to Section 7.2 of the Arrangement Agreement.

KEC Liquidated Damages Amount

If KEC exercises its right to terminate this Agreement pursuant to Section 9.1(e) of the Arrangement Agreement, the Purchaser shall pay to KEC \$55 million (the "**KEC Liquidated Damages Amount**"), subject to its rights in Section 7.4 and Section 11.8 of the Arrangement Agreement, in consideration for the disposition of KEC's rights under the Arrangement Agreement, in immediately available funds, to an account designated by KEC within five Business Days following such termination.

The Purchaser shall only be obligated to pay one KEC Liquidated Damages Amount pursuant to Section 7.3 of the Arrangement Agreement.

Quantum of Termination Amounts and Specific Performance

Subject to each Party's right to specific performance or other equitable relief in accordance with Section 11.8 of the Arrangement Agreement, each of the Purchaser and KEC acknowledges that the payment of the amounts set out in Section 7.2 or Section 7.3 of the Arrangement Agreement is a payment in consideration for the disposition of the Other Party's rights under the Arrangement Agreement and agrees that such amount represents a genuine pre-estimate of the damages that the Purchaser or KEC (as applicable) will suffer or incur as a result of the event giving rise to the disposition of rights under the Arrangement Agreement and the resultant termination of the Arrangement Agreement and is not a penalty. Each of the Purchaser and KEC irrevocably waives any right it may have to raise as a defence that any such amounts payable by it are excessive or punitive. For greater certainty, the Purchaser and KEC agree that receipt of an amount pursuant to Section 7.2 or Section 7.3 of the Arrangement Agreement is the sole monetary remedy of the Purchaser hereunder in such circumstances, except that this limitation shall not apply in the event of fraud, or wilful or intentional breach of the Arrangement Agreement, by KEC that has made, or is required to make, a payment pursuant to Section 7.2 or Section 7.3 of the Arrangement

Agreement, and, in such circumstances, the non-breaching Party may pursue an action against the breaching Party for damages. Nothing in Section 7.2, Section 7.3 or Section 7.4 of the Arrangement Agreement shall, in circumstances where the Purchaser Termination Amount or the KEC Liquidated Damages Amount, as applicable, is not payable, otherwise preclude the Purchaser or KEC from pursuing an action against the Other Party for damages for a breach under the Arrangement Agreement or from seeking and obtaining injunctive relief to restrain any breach or threatened breach of the covenants or agreements of the Other Party set out in the Arrangement Agreement or the Confidentiality Agreements or otherwise to obtain specific performance of any of such acts, covenants or agreements, without the necessity of posting bond or security in connection therewith.

Termination of the Arrangement Agreement

The Arrangement Agreement may be terminated at any time prior to the Effective Date by:

- (a) the mutual written agreement of the Parties;
- (b) either Party, if:
 - (i) the Shareholders fail to provide the Required Shareholder Approval at the Meeting in accordance with the Interim Order;
 - (ii) a change in Law is enacted, made, enforced or amended that makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins the Parties from completing the Arrangement, and such Law has, if applicable, become final and non-appealable, on the condition that: (A) the Party seeking to terminate the Arrangement Agreement has used its reasonable commercial efforts to, as applicable, appeal or overturn such Law or otherwise have it lifted or rendered non-applicable in respect of the Arrangement; and (B) the enactment, making, enforcement or amendment of such Law was not primarily due to the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement; or
 - (iii) the Effective Time shall not have occurred on or prior to the Outside Date, except that the right to terminate the Arrangement Agreement under Section 9.1(b)(iii) of the Arrangement Agreement shall not be available to a Party whose failure to fulfill any of its obligations under the Arrangement Agreement has been the principal cause of, or resulted in, the failure of the Effective Time to occur by such date;
- (c) if any of the conditions set forth in Sections 6.1 of the Arrangement Agreement (other than Section 6.1(b)) or 6.2 of the Arrangement Agreement in the case of the Purchaser, or in Sections 6.1 (other than Section 6.1(b)) or 6.3 of the Arrangement Agreement, in the case of KEC, has not been satisfied or waived by the Outside Date or such condition is incapable of being satisfied by the Outside Date; provided that the Party seeking termination is in compliance with its obligations as provided in Section 6.4(b) of the Arrangement Agreement, if applicable, and on the condition that the failure to satisfy the particular condition precedent being relied upon as a basis for termination of the Arrangement Agreement did not occur as a result of a breach by the Party seeking to rely on the condition precedent of any of its covenants or obligations under the Arrangement Agreement;
- (d) by the Purchaser upon the occurrence of a Purchaser Disposition Event (as defined in the Arrangement Agreement), as provided in Section 7.2(a), 7.2(b) or 7.2(c) of the Arrangement Agreement;
- (e) by KEC if: (i) the conditions in Section 6.1 and Section 6.2 of the Arrangement Agreement have been and continue to be satisfied or waived by the applicable Party or Parties (excluding conditions that, by their nature, are to be satisfied at the Effective Time); (ii) KEC has delivered written notice

to the Purchaser to the effect that the conditions in Section 6.1 and Section 6.3 of the Arrangement Agreement have been satisfied or waived by the applicable Party or Parties (excluding conditions that, by their nature, are to be satisfied at the Effective Time, including the condition in Section 6.3(c) of the Arrangement Agreement); (iii) the Purchaser fails to: (A) deposit or cause to be deposited the funds required to be deposited pursuant to Section 2.6 of the Arrangement Agreement or (B) complete the closing of the Arrangement, in each case, on or before the date that is three Business Days after the delivery of the notice referred to in clause (ii) immediately above; and (iv) KEC was, and has irrevocably confirmed to the Purchaser in writing that it is, prepared to complete the closing of the Arrangement within the three Business Day period referred to in clause (iii) immediately above; or

- (f) by KEC, upon the occurrence of a Purchaser Disposition Event (as defined in the Arrangement Agreement) as provided in Section 7.2(e) of the Arrangement Agreement.

Amendments

The Arrangement Agreement (other than the Plan of Arrangement, which may only be amended in accordance with Article 6 of the Plan of Arrangement) may, at any time and from time to time before or after the holding of the Meeting but prior to the Effective Time, be amended by written agreement of the Parties, without further notice to, or authorization from the Shareholders, and any such amendment may, without limitation: (a) change the time for performance of any of the obligations or acts of the Parties; (b) waive any inaccuracy in, or modify, any representation or warranty contained in the Arrangement Agreement or in any document delivered pursuant to the Arrangement Agreement; (c) waive compliance with, or modify, any of the covenants contained in the Arrangement Agreement and waive or modify performance of any of the obligations of the Parties; or (d) waive satisfaction of, or modify, any of the conditions precedent contained in the Arrangement Agreement, on the condition that no such amendment reduces or modifies or otherwise changes the substance or form of the consideration to be received under the Arrangement by the Shareholders without approval by the Shareholders given in the same manner as required for the approval of the Arrangement Resolution.

CERTAIN LEGAL MATTERS

Implementation of the Arrangement and Timing

The Arrangement will be implemented by way of a Court-approved plan of arrangement under the CBCA pursuant to the terms of the Arrangement Agreement. The following procedural steps must be taken in order for the Arrangement to become effective:

- (a) the Required Shareholder Approval must be obtained;
- (b) the Court must grant the Final Order approving the Arrangement;
- (c) all conditions precedent to the Arrangement, as set forth in the Arrangement Agreement, must be satisfied or waived (if permitted) by the appropriate Party; and
- (d) the Articles of Arrangement prepared in the form prescribed by the CBCA and signed by an authorized director or officer of the Company, must be filed with the Director and a Certificate of Arrangement issued related thereto.

Except as otherwise provided in the Arrangement Agreement, the Company will file the Articles of Arrangement with the Director as soon as reasonably practicable and in any event within three Business Days after the satisfaction or, where not prohibited, waiver of the conditions set forth in the Arrangement Agreement (other than those which by their nature are to be satisfied at the Effective Time) unless another time or date is agreed to by the Purchaser and the Company.

It is currently anticipated that the Arrangement will be completed in December 2025, based on the assumption that the Required Shareholder Approval and Court approval are obtained and all other conditions to the Arrangement are satisfied or waived prior to such date. It is not possible, however, to state with certainty whether or when the Effective Date will occur. The Effective Date could be earlier than anticipated or could be delayed for a number of reasons, including an objection before the Court at the hearing of the application for the Final Order. As provided under the Arrangement Agreement, the Arrangement cannot be completed later than the Outside Date, unless otherwise agreed to by the Parties in writing.

Court Approval and Completion of the Arrangement

Interim Order

The Arrangement requires approval by the Court under Section 192 of the CBCA. Prior to the mailing of this Circular, the Company obtained the Interim Order providing for the calling and holding of the Meeting and other procedural matters, including, but not limited to: (a) the Required Shareholder Approval; (b) the Dissent Right to registered Shareholders; (c) the notice requirements with respect to the presentation of the application to the Court for the Final Order; (d) the ability of the Company to adjourn or postpone the Meeting from time to time in accordance with the terms of the Arrangement Agreement without the need for additional approval of the Court; and (e) unless required by Law or the Court, that the Record Date for the Shareholders entitled to receive notice of and to vote at the Meeting will not change in respect or as a consequence of any adjournment(s) or postponement(s) of the Meeting. A copy of the Interim Order is attached as Appendix E to this Circular.

Final Order

Subject to the terms of the Arrangement Agreement, following the approval of the Arrangement Resolution by Shareholders, the Company will make an application to the Court for the Final Order. An application for the Final Order approving the Arrangement is expected to be presented on December 17, 2025 by way of a virtual hearing at 3:00 p.m. (Mountain time) or so soon thereafter as counsel may be heard, or in any other room and at any other date and time the Court may see fit (the "**Final Hearing**"). Any Shareholder who wishes to appear and be heard at the Final Hearing must file an answer (notice of appearance) with the Court's registry and serve same on KEC's legal counsel c/o Stikeman Elliott LLP, Bankers Hall West, Suite 4200, 888-3 Street SW, Calgary, Alberta T2P 5C5, Attention: Matti Lemmens, or by email at mlemmens@stikeman.com. If such an answer (notice of appearance) is with a view to contesting the application for a Final Order, such answer (notice of appearance) must provide a summary of the grounds of contestation and be served on KEC's counsel and on Purchaser's counsel (at the above addresses or email addresses), no later than 5:00 p.m. on December 9, 2025.

At the Final Hearing, the Court will consider, among other things, the fairness of the Arrangement. The Court may approve the Arrangement in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit. In the event that the Final Hearing is postponed, adjourned or rescheduled then, subject to any further order of the Court, only those persons having previously served a notice of appearance in compliance with the Interim Order will be given notice of the postponement, adjournment or rescheduled date.

Securities Law Matters

Application of MI 61-101

The Company is a reporting issuer in all the provinces of Canada and, accordingly, is subject to applicable Securities Laws of such provinces. In addition, the securities regulatory authorities in the Provinces of Ontario, Québec, Alberta, Manitoba and New Brunswick have adopted MI 61-101, which regulates transactions which raise the potential for conflicts of interest, including issuer bids, insider bids, related party transactions and business combinations.

MI 61-101 regulates certain types of related party transactions to ensure equality of treatment among security holders and may require enhanced disclosure, "minority approval" (as defined under MI 61-101), a "formal valuation" (as defined under MI 61-101) and approval and oversight of certain transactions by a special committee of independent directors. The protections afforded by MI 61-101 apply to, among other transactions, "business combinations" (as defined in MI 61-101) in which the interest of holders of equity securities may be terminated without their consent and where a "related party" (as defined in MI 61-101): (a) would, as a consequence of the transaction, directly or indirectly acquire the issuer or the business of the issuer, or combine with the issuer, through an amalgamation, arrangement or otherwise, whether alone or with joint actors; (b) is a party to a "connected transaction" (as defined in MI 61-101) to the transaction; or (c) is entitled to receive: (i) consideration per equity security that is not identical in amount and form to the entitlement of the general body of holders in Canada of securities of the same class; or (ii) a "collateral benefit" (as defined in MI 61-101). As described below, the Arrangement is a "business combination" within the meaning of MI 61-101.

Acquisition of Company by Related Party

Under MI 61-101, a related party includes a control person of the issuer and any other entity of which such control person of the issuer is also a control person. The definition of "control person" under Applicable Canadian Securities Laws includes any person or company who holds a sufficient number of the voting rights attached to all outstanding voting securities of an issuer to affect materially the control of the issuer, and if a person or company holds more than 20% of the voting rights attached to all outstanding voting securities of an issuer, the person or company is deemed, in the absence of evidence to the contrary, to hold a sufficient number of the voting rights to affect materially the control of the issuer. The Rollover Shareholders are collectively considered to be a control person of both KEC and the Purchaser because the Rollover Shareholders currently hold, control or direct, directly or indirectly, approximately 62% of the issued and outstanding Shares and the Rollover Shareholders, together with another fund advised by ARC Financial Corp., presently hold, control or direct, directly or indirectly approximately 49% of the issued and outstanding Purchaser Shares. As such, both the Rollover Shareholders and the Purchaser are considered related parties of KEC pursuant to MI 61-101. As a result, the Arrangement is a business combination pursuant to MI 61-101 because pursuant to the Arrangement, the Purchaser will acquire KEC and therefore, as discussed below, the Arrangement is subject to the formal valuation requirements and the minority approval requirements under MI 61-101.

Different Consideration

As noted above, the Rollover Shareholders are considered related parties of KEC. In connection with the execution of the Arrangement Agreement, each of the Rollover Shareholders has entered into the Rollover Agreement, pursuant to which they have agreed, subject to the terms thereof, to sell to the Purchaser a portion of the Shares held by them in exchange for Purchaser Shares. Following completion of the Arrangement, the Rollover Shareholders, together with another fund advised by ARC Financial Corp., are expected to hold, control or direct, directly or indirectly, approximately 28% of the issued and outstanding Purchaser Shares. The remaining Shares held by the Rollover Shareholders will be exchanged for \$24.75 in cash pursuant to the Plan of Arrangement, which is the same consideration to be received by the other Shareholders pursuant to the Plan of Arrangement. As a result, the Arrangement is also considered a business combination pursuant to MI 61-101 because of the different form of consideration to be received by the Rollover Shareholders in respect of the Rollover Shares and is therefore, as discussed below, subject to the minority approval requirements under MI 61-101.

Collateral Benefits

MI 61-101 further provides that, in certain circumstances, where a related party of an issuer is entitled to receive a collateral benefit in connection with an arrangement transaction (such as the Arrangement), such transaction may be considered a business combination for the purposes of MI 61-101 and subject to minority approval requirements. Although, as discussed above, the Arrangement will be a business combination regardless of whether or not any related parties are entitled to receive collateral benefits, it is important to determine whether any related parties are receiving collateral benefits as the Shares held,

controlled or directed, directly or indirectly, by any related parties who are receiving a collateral benefit must be excluded for the purposes of the minority approval of the Arrangement Resolution under MI 61-101.

Under MI 61-101, a collateral benefit includes any benefit that a related party of the Company is entitled to receive as a consequence of the Arrangement, including without limitation, an increase in salary, a lump sum payment, a payment for surrendering securities or other enhancements in benefits related to services as an employee, director or consultant of the Company. MI 61-101 excludes from the meaning of collateral benefit a payment per security that is identical in amount and form to the entitlement of the general body of holders in Canada of securities of the same class, as well as certain benefits to a related party received solely in connection with the related party's services as an employee or director of an issuer, of an affiliated entity of such issuer or of a successor to the business of such issuer where: (a) the benefit is not conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to the related party for securities relinquished under the transaction; (b) the conferring of the benefit is not, by its terms, conditional on the related party supporting the transaction in any manner; (c) full particulars of the benefit are disclosed in the disclosure document for the transaction; and (d) either: (i) at the time the transaction is agreed to, the related party and his or her associated entities beneficially own, or exercise control or direction over, less than 1% of the outstanding securities of each class of equity securities of the issuer (the "**De Minimis Exclusion**"); or (ii) the related party discloses to an independent committee of the issuer the amount of consideration that the related party expects to be beneficially entitled to receive, under the terms of the transaction, in exchange for the equity securities the related party beneficially owns and the independent committee acting in good faith determines that the value of the benefit, net of any offsetting costs to the related party, is less than 5% of the value of the consideration the related party will receive pursuant to the terms of the transaction for the equity securities beneficially owned by the related party, and the independent committee's determination is disclosed in the Circular ("**Independent Committee Exclusion**").

As disclosed in this Circular, certain current directors and officers of KEC will receive compensation in the form of severance payments and payments resulting from accelerated vesting and/or surrender, settlement or cashless exercise of Incentives upon completion of the Arrangement as a result of the occurrence of a "change of control" under the Incentive Plans. See "*Procedure for the Arrangement to Become Effective – Interests of Certain Persons in the Arrangement*". KEC has considered whether any of these payments or other benefits to be received by the officers and directors of KEC and significant Shareholders would constitute a collateral benefit for purposes of MI 61-101 such that the votes attaching to the Shares held, controlled or directed, directly or indirectly, by such Persons are required to be excluded for the purposes of the minority approval of the Arrangement under MI 61-101.

Such payments and other benefits will be received by such directors and officers of KEC solely in connection with their services as officers and/or directors of KEC. Mr. Kevin Brown and Mr. Colin Bergman, each a director of KEC, are representatives of ARC and are required to hold beneficial entitlement to Incentives on behalf of ARC. In aggregate, Mr. Brown and Mr. Bergman hold beneficial entitlement to 52,932 Options, 158,530 Performance Warrants and 39,711 DSUs, representing Options, Performance Warrants and DSUs notionally granted to Mr. Brown and Mr. Bergman but held for the benefit of ARC. On Closing, ARC will receive a payment of \$2,524,539 on account of the aforementioned Incentives. As discussed above, since the votes attached to the Shares held, controlled or directed, directly or indirectly, by the Rollover Shareholders will be excluded from the minority approval of the Arrangement Resolution under MI 61-101, it is not necessary to consider whether the payments to be received by ARC pursuant to the Incentives held by Mr. Brown and Mr. Bergman would be considered collateral benefits under MI 61-101. Neither Mr. Brown nor Mr. Bergman personally hold, control or direct, directly or indirectly, any Shares.

KEC has determined that none of the payments or other benefits to be received by the other officers or directors, except for the Excluded Officers, is a collateral benefit for the purposes of MI 61-101 since: (a) the benefit is not conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to such individuals for their Shares; (b) the benefit is not, by its terms, conditional on such individuals supporting the Arrangement in any manner; (c) full particulars of the benefit have been disclosed in this Circular; (d) each of such directors and officers receiving such payments or other benefits, owned, or exercise controlled or direction over, less than 1% of the outstanding Shares at the date on which the

proposed Arrangement was agreed to and therefore the De Minimis Exclusion applies. See "*Procedure for the Arrangement to Become Effective – Interests of Certain Persons in the Arrangement*" and "*Information Concerning Kiwetinohk – Ownership of Securities – Consideration to be Received in Connection with the Arrangement*".

Each Excluded Officers currently holds, controls, or directs, directly or indirectly, a number of Shares, Options and Performance Warrants that represents more than 1% of the issued and outstanding Shares on a partially diluted basis as of the date hereof. Each Excluded Officer is expected to receive a change of control payment, bonus payment under KEC's short-term incentive program and other entitlements on Closing. In addition, each Excluded Officer will receive an aggregate cash payment in connection with the acceleration of vesting and/or the settlement, surrender or cashless exercise of Incentives held.

Name	Shares	Options	Performance Warrants	Partially Diluted Ownership %	Consideration from Equity Securities ⁽¹⁾	Total Value of Benefits ⁽²⁾	Collateral Benefit %
Patrick Carlson	1,358,271	270,025	1,342,000	6.4%	\$43,621,501	\$14,912,979	34.2%
Jakub Brogowski	103,721	95,564	367,970	1.3%	\$5,532,041	\$5,366,585	97.0%
Mike Hantzsch	113,803	78,135	326,260	1.2%	\$5,364,271	\$4,343,328	81.0%
Sue Kuethe	73,200	83,927	346,870	1.1%	\$4,549,302	\$4,439,056	97.6%
Lisa Wong	133,982	102,413	271,440	1.1%	\$5,972,093	\$4,372,839	73.2%

Notes:

(1) Includes payments pursuant to Shares, Options and Performance.

(2) Includes payments pursuant to Incentives, change of control payments, bonus payments and estimated accrued vacation.

See "*Procedure for the Arrangement to Become Effective – Interests of Certain Persons in the Arrangement*" and "*Information Concerning Kiwetinohk – Ownership of Securities – Consideration to be Received in Connection with the Arrangement*".

As each of the Excluded Officers beneficially owns or exercises control or direction over more than 1% of the Shares (calculated in accordance with the provisions of MI 61-101), the De Minimis Exclusion does not apply. In addition, each of the Excluded Officers have determined they may not rely on the Independent Committee Exclusion because, as noted above, the payments and benefits they will each receive as a consequence of the Arrangement, net of any offsetting costs, represent greater than 5% of the value of the amount of consideration that they each expect to be beneficially entitled to receive, under the terms of the Arrangement, for the Shares held, controlled or directed, directly or indirectly, by each of the Excluded Officers. As such, the payments and benefits to be received by each of the Excluded Officers are "collateral benefits" for the purposes of MI 61-101, and the Shares held by the Excluded Officers are required to be excluded for the purpose of determining if minority approval of the Arrangement Resolution is obtained in accordance with MI 61-101.

Formal Valuation

As discussed above, pursuant to MI 61-101, a formal valuation of the Shares is required since the Arrangement is a business combination within the meaning of MI 61-101 and the Purchaser is a related party of KEC and will, as a consequence of the Arrangement, directly or indirectly, acquire KEC. Accordingly, the Special Committee engaged Peters & Co. pursuant to the Engagement Agreement to, among other things, provide the Formal Valuation.

To the knowledge of the directors and officers of the Company, after reasonable inquiry: (a) there has been no prior valuation (as defined in MI 61-101) prepared in respect of the Company within the 24 months preceding the date of this Circular; and (b) other than as disclosed herein, there has been no bona fide prior offer relating to the subject matter of, or otherwise relevant to, the Arrangement received by the Company within the 24 months preceding the date of the Arrangement Agreement and unrelated to the Arrangement.

See *"The Arrangement - Formal Valuation and Peters & Co. Fairness Opinion"*.

Minority Approval

MI 61-101 requires that, in addition to any other required security holder approval, a business combination be subject to minority approval of every class of "affected securities" (as defined in MI 61-101) of the issuer.

Consequently, in relation to the Arrangement, the Arrangement Resolution will require the affirmative vote of a majority (50%+1) of the votes cast by the Shareholders present in person or represented by proxy at the Meeting and excluding the votes attached to Shares held by: (a) "interested parties" (as defined in MI 61-101); (b) any related party of an interested party, unless the related party meets that description solely in its capacity as a director or officer of one or more persons that are neither interested party nor "issuer insiders" (as defined in MI 61-101) of the Company; and (c) any person that is a "joint actor" (as defined in MI 61-101).

Under MI 61-101, for the purposes of the Arrangement, the definition of interested party includes any related party of the Company at the time the Arrangement Agreement was agreed to, if the related party: (a) would, as a consequence of the transaction, directly or indirectly acquire the Company or the business of the Company, or combine with the Company, through an amalgamation, arrangement or otherwise, whether alone or with joint actors, (b) is a party to any connected transaction to the Arrangement, or (c) is entitled to receive, directly or indirectly, as a consequence of the Arrangement (i) consideration per affected security that is not identical in amount and form to the entitlement of the general body of holders in Canada of securities of the same class, (ii) a collateral benefit, or (iii) consideration for securities of a class of equity securities of the Company if the Company has more than one outstanding class of equity securities, unless that consideration is not greater than the entitlement of the general body of holders in Canada of every other class of equity securities of the Company in relation to the voting and financial participating interests in the issuer represented by the respective securities.

As a result of the Rollover Shareholders being a related party of the Purchaser and receiving a different form of consideration in respect of the Rollover Shares than the other Shareholders, each of the Rollover Shareholders is considered an interested party. As a result the Shares beneficially owned, or over which control or direction is exercised, directly or indirectly, by the Rollover Shareholders must be excluded for purposes of determining whether minority approval of the Arrangement Resolution has been obtained.

In addition, as noted above, as the payments and benefits to be received by the Excluded Officers as a consequence of the Arrangement are collateral benefits for the purposes of MI 61-101, the Shares beneficially owned, or over which control or direction is exercised, directly or indirectly, held by the Excluded Officers must be excluded for purposes of determining whether minority approval of the Arrangement Resolution has been obtained.

To the knowledge of the Company, as of the date hereof, after reasonable inquiry, the Rollover Shareholders presently hold, control or direct, directly or indirectly 27,539,624 Shares representing approximately 62% of the issued and outstanding Shares and the Excluded Officers presently hold, control or direct, directly or indirectly, 1,782,977 Shares, representing approximately 4% of the issued and outstanding Shares. As a result, 29,322,601 Shares representing approximately 66% of the issued and outstanding Shares will be excluded for the purposes of determining whether minority approval of the Arrangement Resolution has been obtained.

Stock Exchange Delisting and Reporting Issuer Status

Pursuant to the Arrangement Agreement, subject to applicable Law, KEC and the Purchaser have agreed to use their commercially reasonable efforts to cause the Shares to be delisted from the TSX effective as of or as soon as practicable following the completion of the Arrangement. Following the Effective Date, it is expected that the Purchaser will cause the Company to apply to cease to be a reporting issuer under the securities legislation of each of the provinces in Canada under which it is currently a reporting issuer (or equivalent), as a result of which the Company will also cease to be required to file continuous disclosure documents with the Canadian Securities Administrators.

As of the Effective Date, Share certificates will only represent a right of a registered Shareholder to receive, upon surrender thereof, the Consideration to which such holder is entitled under the Arrangement.

Key Regulatory Approval

The completion of the Arrangement is conditional on the Competition Act Approval.

Competition Act Approval

The Competition Act requires that parties to any proposed transaction that exceeds specified financial and shareholding thresholds, as set out in sections 109 and 110 of the Competition Act ("**Notifiable Transactions**"), provide to the Commissioner prior notice of, and information relating to, such a Notifiable Transaction. Under the Competition Act, Notifiable Transactions may not be completed until the expiry of the applicable statutory waiting period, unless the Commissioner has waived the applicable waiting period pursuant to section 113(c) of the Competition Act, or unless the Commissioner has cleared the transaction. Such clearance can be obtained for the Arrangement by either: (a) an advance ruling certificate being issued under section 102 of the Competition Act; or (b) both (i) the waiting period expiring or being terminated under subsections 123(1) or 123(2) of the Competition Act, or the obligation to provide a pre-merger notification in accordance with Part IX of the Competition Act being waived under subsection 113(c) thereof and (ii) the purchaser receiving a letter indicating that the Commissioner does not, as of the date of the letter, intend to make an application under the Competition Act in respect of the transaction (a "**No Action Letter**").

It has been determined that the Arrangement is a Notifiable Transaction, as it exceeds the thresholds set out in sections 109 and 110 of the Competition Act. The Company is confident that, following the filing of the required documents and information, the Competition Act Approval will be granted with respect to the Arrangement.

The notification requirements of Part IX of the Competition Act impose an initial thirty calendar day waiting period, during which a Notifiable Transaction cannot be completed. The waiting period begins after the day on which the parties to the transaction submit prescribed information ("**Part IX Notifications**"). If the Commissioner determines, within the initial thirty day waiting period, that the Commissioner requires additional information to review the transaction, he or she may, in his or her discretion, issue "supplementary information requests" to the parties for additional information and documents relevant to the transaction. Such "supplementary information requests" extend the statutory waiting period by a further 30 calendar days from the day after the parties comply with such requests.

Pursuant to the Arrangement Agreement, the Purchaser and the Company were required to file with the Commissioner a request for an advance ruling certificate (or, in the alternative, a No Action Letter together with a waiver pursuant to subsection 113(c) of the Competition Act) under the Competition Act ("**ARC Request**") by November 4, 2025. The ARC Request was filed on November 4, 2025. Either the Purchaser or the Company may request that Part IX Notifications be filed after the Commissioner assigns a "complexity designation" to the Arrangement. Part IX Notifications must be filed within 10 Business Days of such a request. As of the date of this Circular, neither the Purchaser nor the Company has made a request that Part IX notifications be filed.

RISK FACTORS

The following risk factors should be carefully considered by Shareholders in evaluating the approval of the Arrangement Resolution. The following risk factors are not a definitive list of all risk factors associated with the Company or the Arrangement.

Risks Relating to KEC

If the Arrangement is not completed, KEC will continue to face the risks that it currently faces with respect to its affairs, business and operations and future prospects. Such risk factors are set forth and described in KEC's AIF, the Annual MD&A, as well as the Interim MD&A, which have been filed on SEDAR+ at www.sedarplus.ca. Copies of these documents are available upon written request to KEC, without charge to Shareholders. Such written request should be directed to Lisa Wong, Senior Vice President, Business Systems of the Company by mail to the attention of the Company at 250 – 2nd Avenue S.W., West Tower, Suite 1700, Calgary, Alberta, T2P 0C1 or by email to lwong@kiwetinohk.com.

Risks Relating to the Arrangement

Conditions Precedent and Required Approvals

There can be no certainty that all conditions precedent to the Arrangement will be satisfied or waived prior to the Outside Date. Failure to complete the Arrangement for any reason could materially negatively impact the trading price of the Shares or otherwise adversely affect the business of KEC.

The completion of the Arrangement is subject to certain conditions precedent, some of which are outside the control of KEC and the Purchaser, including the receipt of the Required Shareholder Approval and the Key Regulatory Approval, and the granting of the Final Order, and that no applicable Law is in effect that makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins KEC or the Purchaser from consummating the Arrangement. In addition, the completion of the Arrangement by the Purchaser is conditional on, among other things, Dissent Rights not having been exercised (or, if exercised, remain outstanding) with respect to more than 5% of the issued and outstanding Shares not owned by the Purchaser and no Material Adverse Effect having occurred since the date of the Arrangement Agreement. There can be no certainty, nor can KEC provide any assurance, that these conditions will be satisfied or waived or, if satisfied or waived, when they will be satisfied or waived. Moreover, a substantial delay in obtaining satisfactory approvals could result in the Arrangement not being completed.

If the Arrangement is not completed for any reason, there are risks that the announcement of the Arrangement and the dedication of substantial resources of KEC to the completion thereof could have a negative impact on KEC's current business relationships, including with future and prospective employees, customers, distributors, suppliers and partners, and could have a Material Adverse Effect on the current and future operations, financial condition and prospects of KEC. If the Arrangement is not completed and the Board decides to seek an alternative transaction, there can be no assurance that the Purchaser would be willing to accept or support an alternative transaction.

The Diversion of the Attention of Management

The pendency of the Arrangement could cause the attention of Management to be diverted from the day-to-day operations of KEC. These disruptions could be exacerbated by any delay in the completion of the Arrangement and could have an adverse effect on the business, operating results or prospects of KEC.

Financing Risk

The conditions set forth in the Debt Commitment Letters or the Sponsor Subscription Agreements may not be satisfied or events may occur preventing the Financing from being consummated.

Although the Arrangement Agreement does not contain a financing condition, there is a risk that the conditions set forth in the Debt Commitment Letters or the Sponsor Subscription Agreements may not be satisfied or that other events may arise which could prevent the Purchaser from consummating the Financing. In the event the Arrangement cannot be completed due to the failure of the Purchaser to deposit the Consideration, provided that all other conditions to the completion of the Arrangement in favour of the Purchaser are and continue to be satisfied or waived and that KEC is otherwise prepared to close the Arrangement, KEC may terminate the Arrangement Agreement and the Shareholders will not receive the Consideration. See "*Arrangement Agreement – Termination of the Arrangement Agreement*".

Termination in Certain Circumstances and Purchaser Termination Amount

Each of KEC and the Purchaser have the right, in certain circumstances, in addition to termination rights relating to the failure to satisfy the conditions of closing, to terminate the Arrangement Agreement. Accordingly, there can be no certainty, nor can KEC provide any assurance, that the Arrangement Agreement will not be terminated by either of KEC or the Purchaser prior to the completion of the Arrangement. KEC's business, financial condition or results of operations could also be subject to various material adverse consequences, including that KEC would remain liable for significant costs relating to the Arrangement including, among others, legal, accounting and printing expenses.

Occurrence of a Material Adverse Effect

The completion of the Arrangement is subject to the condition that, among other things, on or after the date of the Arrangement Agreement, there shall not have occurred a Material Adverse Effect. Although a Material Adverse Effect excludes certain events that are beyond the control of KEC (such as, but not limited to, any change, development or condition in or relating to global, international, national or regional political conditions (including strikes, lockouts, riots, blockades or facility takeover for emergency purposes) or in general economic, business, banking, regulatory, currency exchange, interest rate, rates of inflation or market conditions or in national or global financial, credit or capital markets), there is no assurance that a change having a Material Adverse Effect on KEC will not occur before the Effective Date, in which case the Purchaser could elect to terminate the Arrangement Agreement and the Arrangement would not proceed. See "*Arrangement Agreement – Conditions to Closing - Mutual Conditions Precedent*," "*Arrangement Agreement – Conditions to Closing - Additional Conditions to Obligations of the Purchaser*" and "*Arrangement Agreement – Conditions to Closing - Additional Conditions to Obligations of the Company*".

Interim Covenants

Under the Arrangement Agreement, KEC is subject to customary non-solicitation provisions and must generally conduct its business in the ordinary course. During the period prior to the completion of the Arrangement or the termination of the Arrangement Agreement, the Company is restricted from taking certain specified actions without the consent of the Purchaser (which consent shall not be unreasonably withheld by the Purchaser). See "*Arrangement Agreement – Representations and Warranties of the Parties and Covenants Relating to the Conduct of Business*" and "*The Arrangement Agreement – Covenants Regarding Non-Solicitation*". These restrictions may prevent KEC from conducting business in the manner that the Management believes is advisable and from pursuing attractive business opportunities that may arise prior to the completion of the Arrangement. If the Arrangement is not completed for any reason, the announcement of the Arrangement, the dedication of KEC's resources to the completion thereof and the restrictions that were imposed on KEC under the Arrangement Agreement may have an adverse effect on the current or future operations, financial condition and prospects of KEC.

Uncertainty Surrounding the Arrangement

The Arrangement is dependent upon satisfaction of various conditions, and as a result, its completion is subject to uncertainty. In response to this uncertainty, KEC's customers and business partners may delay or defer decisions concerning KEC. Uncertainty surrounding the Arrangement could also adversely affect the retention of key employees of KEC. Any change, delay or deferral of those decisions by customers and

business partners and any loss of key employees could negatively impact KEC's business, operations and prospects, regardless of whether the Arrangement is ultimately completed.

Interests of Directors and Officers

In considering the recommendation of the Special Committee and the Board to vote in favour of the Arrangement Resolution, Shareholders should be aware that certain members of the Board and officers of KEC may have agreements or arrangements that provide them with interests in the Arrangement that differ from, or are in addition to, those of Shareholders, generally. See "*Procedure for the Arrangement to Become Effective – Interests of Certain Persons in the Arrangement*".

No Equity Interest in KEC Following the Arrangement

Following the Arrangement, Shareholders will no longer hold any of the Shares and the Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares) will forgo any future increase in value that might result from future growth and the potential achievement of KEC's long-term plans.

Income Tax Consequences

The Arrangement may result in income tax consequences to a Shareholder. Shareholders should review the discussion under "*Certain Canadian Federal Income Tax Considerations*" to determine if such discussion applies to their particular circumstances. Shareholders are urged to consult their own tax advisors regarding the consequences to them of the Arrangement.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary, as of the date of this Circular, of the principal Canadian federal income tax considerations in respect of the Arrangement generally applicable to a Shareholder who holds Shares and who, for purposes of the Tax Act, and at all relevant times, deals at arm's length with each of KEC and the Purchaser (or any of their respective affiliates), is not affiliated with KEC or the Purchaser (or any of their respective affiliates), holds its Shares as capital property, disposes of such Shares under the Arrangement, and is not a Rollover Shareholder (a "**Holder**"). Shares will generally be considered to be capital property to a Holder unless the Holder uses or holds such Shares in the course of carrying on a business or the Holder acquired such Shares in a transaction or transactions considered to be an adventure or concern in the nature of trade.

This summary is based upon the current provisions of the Tax Act and counsel's understanding of existing case law and the administrative policies and assessing practices of the Canada Revenue Agency (the "**CRA**") published in writing and made publicly available prior to the date hereof. This summary also takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**") and assumes that all Tax Proposals will be enacted in the form proposed. However, there can be no assurance that the Tax Proposals will be enacted in their current form, or at all. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Tax Proposals, does not take into account or anticipate any changes in Law or administrative practice, whether by legislative, regulatory, administrative or judicial decision or action, nor does it take into account or consider other federal or any provincial, territorial or foreign tax considerations, which may differ significantly from the Canadian federal income tax considerations described herein.

This summary is not applicable to a Holder: (a) that is a "financial institution" (as defined in the Tax Act for purposes of the mark-to-market rules); (b) that is a "specified financial institution" (as defined in the Tax Act); (c) an interest in which is a "tax shelter investment" (as defined in the Tax Act); (d) that has made a "functional currency" election under section 261 of the Tax Act; (e) that is exempt from Tax under Part I of the Tax Act; (f) that acquired Shares pursuant to an Incentive Security or other equity-based employment compensation plan; (g) that is an Option Loan Shareholder as defined for purposes of the Arrangement; or

(h) that has or will enter into a "derivative forward agreement" or a "synthetic disposition arrangement" (each as defined in the Tax Act) in respect of the Shares. Such Holders should consult their own tax advisors.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder. This summary is not exhaustive of all Canadian federal income tax considerations. Consequently, Shareholders are urged to consult their own tax advisors for advice regarding the income tax consequences to them of disposing of their Shares under the Arrangement, having regard to their own particular circumstances, and any other consequences to them of such transactions under Canadian federal, provincial, territorial, local and foreign tax laws. No advance income tax ruling has been obtained from the CRA to confirm the tax consequences of the Arrangement to Shareholders.

For purposes of the Tax Act, all amounts relating to the acquisition, holding and disposition of the Shares must be expressed in Canadian dollars, including adjusted cost base and proceeds of disposition. Any amount denominated in another currency must be converted into Canadian dollars using exchange rates as determined in accordance with the Tax Act.

Holders Resident in Canada

The following portion of the summary is generally applicable to a Holder who, for purposes of the Tax Act and any applicable income tax treaty or convention, and at all relevant times, is resident or deemed to be resident in Canada (a "**Resident Holder**").

Certain Resident Holders whose Shares might not otherwise be considered capital property may, in certain circumstances, make an irrevocable election in accordance with subsection 39(4) of the Tax Act to have the Shares and all other "Canadian securities" (as defined in the Tax Act) owned by such Resident Holder in the taxation year in which the election is made, and in all subsequent taxation years, deemed to be capital property. Resident Holders should consult with their own tax advisors if they contemplate making such an election.

Disposition of Shares under the Arrangement

Under the Arrangement, Resident Holders (other than Dissenting Resident Holders) who sell their Shares pursuant to the Arrangement will realize a capital gain (or a capital loss) equal to the amount by which the Resident Holder's proceeds of disposition (which will generally be equal to the aggregate Consideration received for such Shares) exceeds (or is less than) the aggregate of the adjusted cost base to the Resident Holder of such Shares and any reasonable costs of disposition.

The taxation of capital gains and capital losses is discussed below under "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Capital Gains and Capital Losses*".

Dissenting Resident Shareholders

A Resident Holder who validly exercises Dissent Rights under the Arrangement (a "**Dissenting Resident Holder**") will be deemed to have transferred its Shares to the Purchaser and will be entitled to receive a payment from the Purchaser of an amount equal to the fair value of the Dissenting Resident Holder's Shares.

In general, a Dissenting Resident Holder will realize a capital gain (or capital loss) to the extent that such payment (other than any portion thereof that is interest) exceeds (or is less than) the aggregate of the adjusted cost base of the Shares to the Dissenting Resident Holder and any reasonable costs of the disposition. The taxation of capital gains and capital losses is discussed below under "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Capital Gains and Capital Losses*". A

Dissenting Resident Holder will be required to include in computing its income any interest awarded by a court in connection with the Arrangement.

Capital Gains and Capital Losses

Generally, a Resident Holder will be required to include in computing income for a taxation year one-half of the amount of any capital gain (a "**taxable capital gain**") realized in that year. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder will generally be required to deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized in a taxation year from taxable capital gains realized by the Resident Holder in such taxation year, to the extent and under the circumstances described in the Tax Act. Allowable capital losses realized in a taxation year in excess of taxable capital gains for that taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, subject to the detailed rules contained in the Tax Act.

The amount of any capital loss realized on the disposition or deemed disposition of a Share by a Resident Holder that is a corporation may, to the extent and under the circumstances specified by the Tax Act, be reduced by the amount of dividends received or deemed to have been received by such Resident Holder on their Shares. Similar rules may apply where a Resident Holder that is a corporation is a member of a partnership or a beneficiary of a trust that owns Shares, directly or indirectly, through one or more partnership or trust. **Resident Holders to whom these rules may be relevant should consult their own tax advisors.**

Additional Refundable Tax

A Resident Holder, including a Dissenting Resident Holder, that is a "Canadian- controlled private corporation" as defined in the Tax Act, throughout the relevant taxation year, or a "substantive CCPC", as defined in the Tax Act, at any time in the relevant taxation year, may be liable to pay an additional refundable tax on its "aggregate investment income," which is defined in the Tax Act to include taxable capital gains and interest.

Alternative Minimum Tax

Generally, a Resident Holder that is an individual (including certain trusts) that realizes a capital gain on the disposition or deemed disposition of the Shares may be liable for alternative minimum tax under the Tax Act. Resident Holders should consult their own tax advisors with respect to the application of alternative minimum tax.

Holders Not Resident in Canada

The following portion of the summary is generally applicable to a Holder who, for the purposes of the Tax Act and any applicable income tax treaty or convention, and at all relevant times, is not a resident or deemed to be a resident of Canada and does not use or hold, and is not deemed to use or hold, Shares in connection with carrying on a business in Canada (a "**Non-Resident Holder**"). Special rules contained in the Tax Act, which are not discussed in this summary, may apply to a non-resident person that is an insurer carrying on business in Canada and elsewhere or that is an "authorized foreign bank" (as defined in the Tax Act).

Disposition of Shares under the Arrangement

A Non-Resident Holder (other than a Non-Resident Holder who validly exercises Dissent Rights under the Arrangement) who disposes of Shares under the Arrangement will realize a capital gain or a capital loss computed in the manner described above under the heading "*Certain Canadian Federal Income Tax Considerations - Holders Resident in Canada - Disposition of Shares under the Arrangement*". A Non-Resident Holder will not be subject to tax under the Tax Act on any capital gain, or entitled to deduct any capital loss, realized on the disposition of Shares to the Purchaser under the Arrangement unless such

Shares constitute "taxable Canadian property" to the Non-Resident Holder and do not constitute "treaty-protected property" at the time of disposition in each case for purposes of the Tax Act. See the discussion below under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada - Taxable Canadian Property*".

Taxable Canadian Property

Generally, the Shares (which are listed on a designated stock exchange within the meaning of the Tax Act) will not be taxable Canadian property to a Non-Resident Holder at the time of disposition provided that at no time during the 60-month period immediately preceding that time was it the case that both (a) the Non-Resident Holder, persons with whom the Non-Resident Holder did not deal at arm's length, a partnership in which the Non-Resident Holder or a non-arm's length person held a membership interest directly or indirectly through one or more partnerships, or the Non-Resident Holder together with all such persons or partnerships, owned 25% or more of the issued shares of any class of KEC, and (b) more than 50% of the fair market value of the Shares was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource properties," or "timber resource properties" (both as defined in the Tax Act), and options in respect of, interests in or for civil law rights in, any such properties, whether or not the properties exist. Notwithstanding the foregoing, Shares may be deemed to be taxable Canadian property in certain circumstances specified in the Tax Act.

Even if the Shares are taxable Canadian property to a Non-Resident Holder, a taxable capital gain resulting from the disposition of Shares will not be included in computing the Non-Resident Holder's income for the purposes of the Tax Act if the Shares constitute "treaty-protected property" (as defined in the Tax Act). Shares owned by a Non-Resident Holder will generally be treaty-protected property if the gain from the disposition of such Shares would, because of an applicable income tax treaty or convention, be exempt from tax under Part I of the Tax Act. In the event that Shares constitute taxable Canadian property but not treaty-protected property to a particular Non-Resident Holder, the tax consequences are generally as described above under "*Certain Canadian Federal Income Tax Considerations - Holders Resident in Canada - Disposition of Shares under the Arrangement*" and "*Certain Canadian Federal Income Tax Considerations - Holders Resident in Canada – Capital Gains and Capital Losses*". Non-Resident Holders whose Shares may constitute taxable Canadian property are urged to consult their own tax advisors for advice having regard to their particular circumstances.

Dissenting Non-Resident Holders

A Non-Resident Holder who validly exercises Dissent Rights under the Arrangement (a "**Dissenting Non-Resident Holder**") will be deemed to have transferred such Dissenting Non-Resident Holder's Shares to the Purchaser and will be entitled to receive a payment from the Purchaser of an amount equal to the fair value of the Dissenting Non-Resident Holder's Shares. Any interest paid or deemed to be paid to a Dissenting Non-Resident Holder will not be subject to Canadian withholding tax provided that such interest is not "participating debt interest" (as defined in the Tax Act). Non-Resident Holders who intend to dissent from the Arrangement are urged to consult their own tax advisors.

Dissenting Non-Resident Holders will generally be subject to the same treatment described above under the headings "*Certain Canadian Federal Income Tax Considerations - Holders Not Resident in Canada - Disposition of Shares under the Arrangement*" and "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Taxable Canadian Property*".

DISSENTING SHAREHOLDERS' RIGHTS

If you are a Shareholder as of the Record Date and a registered Shareholder prior to the deadline for exercising Dissent Rights, you are entitled to dissent from the Arrangement Resolution in the manner provided in Section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement.

The following description of the Dissent Rights of Shareholders is not a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the "fair value" of his, her or its, as the case may be, Shares, as applicable, and is qualified in its entirety by the reference to the full text of the Plan of Arrangement which is attached as Appendix B to this Circular, the full text of the Interim Order which is attached as Appendix E to this Circular, and the full text of Section 190 of the CBCA which is attached as Appendix F to this Circular.

A Shareholder who intends to exercise Dissent Rights should carefully consider and strictly comply with the provisions of Section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement. Failure to strictly comply with the provisions of that section, as modified by the Interim Order and the Plan of Arrangement, and to adhere to the procedures established therein may result in the loss of all rights thereunder. It is suggested that Shareholders wishing to avail themselves of their rights under those provisions seek their own legal advice, as failure to comply strictly with them may prejudice their Dissent Rights.

The Court hearing the application for the Final Order has the discretion to alter the Dissent Rights described herein based on the evidence presented at such hearing.

Under the Interim Order, a Shareholder as of the Record Date who is a registered Shareholder prior to the deadline for exercising Dissent Rights and fully complies with the dissent procedures in Section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement, is entitled, when the Arrangement becomes effective, in addition to any other rights such Shareholder may have, to dissent and to be paid the fair value of his, her or its, as the case may be, Shares, determined as of the close of business on the last Business Day before the day on which the Arrangement Resolution is adopted. A registered Shareholder may exercise Dissent Rights only with respect to all of the Shares held by such Shareholder or on behalf of any one non-registered owner and registered in the Dissenting Shareholder's name.

Anyone who is a non-registered owner of Shares registered in the name of an Intermediary and who wishes to exercise Dissent Rights should be aware that only registered Shareholders are entitled to exercise Dissent Rights. A non-registered Shareholder who wishes to exercise Dissent Rights must make arrangements for the Shares beneficially owned by him, her or it, as the case may be, to be registered in his, her or its, as the case may be, name through their Intermediary prior to the time the Dissent Notice is required to be received by the Company or, alternatively, make arrangements for the registered holder of such Shares to exercise Dissent Rights on his, her or its, as the case may be, behalf. A registered Shareholder wishing to exercise Dissent Rights must exercise such rights with respect to all, and not less than all, Shares registered in the name of such Shareholder. A registered Shareholder who has voted in favour of the Arrangement Resolution shall not be entitled to exercise Dissent Rights.

A Shareholder as of the Record Date who is a registered Shareholder prior to the deadline for exercising Dissent Rights wishing to exercise such Dissent Rights with respect to the Arrangement must send to the Company in accordance with the Interim Order, c/o Stikeman Elliott LLP, Bankers Hall West, Suite 4200, 888-3 Street SW, Calgary, Alberta T2P 5C5, Attention: Matti Lemmens, or by email at mlemmens@stikeman.com by no later than 5:00 p.m. (Mountain time) on December 9, 2025 (or on the date that is five Business Days prior to the commencement of the reconvened Meeting if the Meeting is adjourned or postponed) and must otherwise strictly comply with the dissent procedures and set forth in section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement.

Registered Shareholders who validly exercise Dissent Rights as set out in the CBCA, as modified by the Interim Order and the Plan of Arrangement, will be deemed to have transferred their Shares free and clear of any Encumbrances, as of the Effective Date, and if they: (a) ultimately are entitled to be paid the fair value for their Shares will be entitled to be paid the fair value of such Shares which fair value notwithstanding anything to the contrary in Part XV of the CBCA, shall be determined as of the close of business on the last Business Day before the day on which the Arrangement Resolution is adopted, and will not be entitled to any other payment or consideration (including any payment that would be payable under the Arrangement

had they not exercised their Dissent Rights); or (b) are ultimately not entitled, for any reason, to be paid fair value for their Shares, will be deemed to have participated in the Arrangement on the same basis and at the same time as a non-dissenting Shareholder and shall be entitled to receive the Consideration for their Shares.

The filing of a Dissent Notice does not deprive a registered Shareholder of the right to vote at the Meeting.

However, a registered Shareholder who has submitted a Dissent Notice and who votes in favour of the Arrangement Resolution will no longer be considered a Dissenting Shareholder with respect to the Shares voted in favour of the Arrangement Resolution. If such Dissenting Shareholder votes in favour of the Arrangement Resolution in respect of a portion of the Shares registered in such Dissenting Shareholder's name or held by same on behalf of any one non-registered owner, such vote approving the Arrangement Resolution will be deemed to apply to the entirety of the Shares held by such Dissenting Shareholder in such Dissenting Shareholder's name or in the name of that non-registered owner, given that section 190 of the CBCA provides there is no right of partial dissent.

A vote against the Arrangement Resolution will not constitute a Dissent Notice.

Within 10 days after the approval of the Arrangement Resolution, the Company is required to notify each Dissenting Shareholder that the Arrangement Resolution has been approved. Such notice is not required to be sent to a registered Shareholder who voted for the Arrangement Resolution or who has, or was deemed to have, withdrawn a Dissent Notice previously filed. A Dissenting Shareholder must, within 20 days after the Dissenting Shareholder receives notice that the Arrangement Resolution has been approved or, if the Dissenting Shareholder does not receive such notice, within 20 days after the Dissenting Shareholder learns that the Arrangement Resolution has been approved, send a demand for payment containing the Dissenting Shareholder's name and address, the number and class of Shares held by the Dissenting Shareholder, and a demand for payment of the fair value of such Dissent Shares. Within 30 days after sending a demand for payment, the Dissenting Shareholder must send to Lisa Wong, Senior Vice President, Business Systems, at Suite 1700, 250 – 2nd Street SW, Calgary, Alberta, Canada T2P 0C1, with a copy to c/o Stikeman Elliott LLP, Bankers Hall West, Suite 4200, 888-3 Street SW, Calgary, Alberta T2P 5C5, Attention: Matti Lemmens, or by email at mlemmens@stikeman.com, the certificates (if any) representing the Dissent Shares. A Dissenting Shareholder who fails to send the certificates representing the Dissent Shares has no right to make a claim under section 190 of the CBCA. The Company will endorse on certificates received from a Dissenting Shareholder a notice that the holder is a Dissenting Shareholder under section 190 of the CBCA and will forthwith return the certificates to the Dissenting Shareholder. In light of the ongoing Canada Post Disruption, the Company recommends utilizing a delivery method other than mail for delivery of written objections.

On the filing of a demand for payment (and in any event upon the Effective Date), a Dissenting Shareholder ceases to have any rights in respect of its Dissent Shares, other than the right to be paid the fair value of his, her or its, as the case may be, Dissent Shares as determined pursuant to section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement, except where, prior to the date at which the Arrangement becomes effective: (a) the Dissenting Shareholder withdraws, or is deemed to have withdrawn, his, her or its, as the case may be, demand for payment before the Company makes an Offer to Pay to the Dissenting Shareholder; (b) an Offer to Pay is not made and the Dissenting Shareholder withdraws, or is deemed to have withdrawn, its demand for payment; or (c) the Board revokes the Arrangement Resolution, in which case the Company will reinstate the Dissenting Shareholder's rights in respect of its Dissent Shares as of the date the demand for payment was sent. Pursuant to the Plan of Arrangement, in no case will the Company, the Purchaser or any other Person be required to recognize any Dissenting Shareholder as a Shareholder after the Effective Date, and the names of such Shareholders will be deleted from the list of registered Shareholders at the Effective Date. In addition to any other restrictions under section 190 of the CBCA, none of the following shall be entitled to exercise Dissent Rights: (a) holders of Incentives (in their capacity as holders of Incentives); (b) Shareholders who voted or have instructed a proxyholder to vote Shares in favour of the Arrangement Resolution; (c) Rollover Shareholders; and (d) any Person who is not a registered Shareholder.

No later than seven days after the later of the Effective Date and the date on which a demand for payment of a Dissenting Shareholder is received, each Dissenting Shareholder who has sent a demand for payment must be sent a written Offer to Pay for its Dissent Shares in an amount considered by the Board to be the fair value thereof, accompanied by a statement showing how the fair value was determined. Every Offer to Pay in respect of Shares must be on the same terms.

Payment for the Dissent Shares of a Dissenting Shareholder must be made within 10 days after an Offer to Pay has been accepted by a Dissenting Shareholder, but any such Offer to Pay lapses if a written acceptance thereof is not received within 30 days after the Offer to Pay has been made. If an Offer to Pay for the Dissent Shares of a Dissenting Shareholder is not made, or if a Dissenting Shareholder fails to accept an Offer to Pay that has been made, an application to the Court to fix a fair value for the Dissent Shares of Dissenting Shareholders may be made by the Company within 50 days after the Effective Date or within such further period as the Court may allow. If no such application is made, a Dissenting Shareholder may apply to the Court for the same purpose within a further period of 20 days or within such further period as the Court may allow. A Dissenting Shareholder is not required to give security for costs in such an application.

Upon an application to the Court, all Dissenting Shareholders whose Dissent Shares have not been purchased will be joined as parties and bound by the decision of the Court, and each affected Dissenting Shareholder shall be notified of the date, place and consequences of the application and of their right to appear and be heard in person or by counsel. Upon any such application to the Court, the Court may determine whether any other Person is a Dissenting Shareholder who should be joined as a party, and the Court will then fix a fair value for the Dissent Shares of all such Dissenting Shareholders. The Final Order of the Court will be rendered against the Company in favour of each Dissenting Shareholder joined as a party and for the amount of the Dissent Shares as fixed by the Court. The Court may, in its discretion, allow a reasonable rate of interest on the amount payable to each such Dissenting Shareholder from the Effective Date until the date of payment. Any judicial determination of fair value will result in delay of receipt by a Dissenting Shareholder of Consideration for such Dissenting Shareholder's Dissent Shares.

Dissent rights are only available to registered Shareholders and no rights of dissent shall be available to holders of other securities of the Company.

The above is only a summary of the provisions of the CBCA pertaining to Dissent Rights, as modified by the Interim Order and the Plan of Arrangement, which are technical and complex. If you are a Shareholder and wish to directly or indirectly exercise Dissent Rights, you should seek your own legal advice as failure to strictly comply with the provisions of the CBCA, as modified by the Interim Order and the Plan of Arrangement, may prejudice your Dissent Rights. We urge any Shareholder who is considering dissenting to the Arrangement to consult their own tax advisor with respect to the income tax consequences to them of such action. For a general summary of certain income tax implications to a Dissenting Shareholder, see: *"Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada," "Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Dissenting Resident Shareholders" and "Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Dissenting Non-Resident Holders"*.

DEPOSITARY

Computershare Investor Services Inc. will act as the depositary for the receipt of certificate(s) and DRS Advice(s) representing Shares and related Letters of Transmittal and the payments to be made to the Shareholders (other than the Dissenting Shareholders and the Rollover Shareholders in respect of their Rollover Shares) pursuant to the Arrangement. The Depositary will receive reasonable and customary compensation for its services in connection with the Arrangement, will be reimbursed for certain out-of-pocket expenses and will be indemnified by the Company against certain liabilities under applicable Securities Laws and expenses in connection therewith.

No fee or commission is payable by any Shareholder who transmits its Shares directly to the Depositary. Except as set forth above or elsewhere in this Circular, the Company will not pay any fees or commissions to any broker or dealer or any other person for soliciting deposits of Shares pursuant to the Arrangement.

QUESTIONS AND FURTHER ASSISTANCE

If you have any questions about the information contained in this Circular relating to the Meeting or require assistance with the procedure for voting, including to complete the accompanying Letter of Transmittal, please contact the Transfer Agent, by telephone at 1-800-564-6253 (toll-free in Canada and the United States) or at 1-514-982-7555 (outside of Canada and the United States).

Any questions regarding voting your Shares, including about completing the accompanying Proxy, should be directed to KEC's proxy solicitation agent, Laurel Hill, by calling 1-877-452-7184 (toll-free in Canada and the United States), 1-416-304-0211 (outside of Canada and the United States) or by email at assistance@laurelhill.com.

APPROVAL BY THE DIRECTORS

The Board has approved the content and delivery of this Circular.

By: (Signed) "Beth Reimer-Heck"
Name: Beth Reimer-Heck
Title: Chair of the Special Committee of
the Board

GLOSSARY OF TERMS

"Acquisition Proposal" means, other than the transactions contemplated by the Arrangement Agreement (including the Power Business Disposition (as defined in the Arrangement Agreement)) any proposal, expression of interest, inquiry or offer from, or public announcement of an intention by, any Person, or group of Persons "acting jointly or in concert" within the meaning of National Instrument 62-104 – *Take-Over Bids and Issuer Bids* (other than the Purchaser or its affiliates) whether or not in writing and whether or not delivered to KEC, the KEC Subsidiary or the Shareholders and whether or not subject to due diligence or other conditions, or whether in one transaction or a series of transactions, that relates to, or may reasonably be expected to relate to:

- (a) any direct or indirect sale, issuance or acquisition of shares or other securities (or securities convertible or exercisable for shares or other securities) of KEC that, when taken together with the shares and other securities of KEC held by the proposed acquiror and any Person acting jointly or in concert with such acquiror, represent 20% or more of the voting securities of KEC or rights or interests therein and thereto;
- (b) any direct or indirect acquisition or purchase of KEC's assets to which 20% or more of KEC's revenues or earnings on a consolidated basis are attributable (or any joint venture, lease, long-term supply agreement or other arrangement having the same economic effect as an acquisition or purchase) of KEC and its subsidiaries taken as a whole (and, for greater certainty, assets shall include shares of subsidiaries owned by KEC);
- (c) an amalgamation, arrangement, share exchange, merger, business combination, joint venture, consolidation, recapitalization, liquidation, dissolution, winding-up, reorganization or other similar transaction involving KEC or its subsidiaries that collectively own assets to which 20% or more of KEC's revenues or earnings on a consolidated basis are attributable;
- (d) any take-over bid, issuer bid, exchange offer or similar transaction involving KEC or its subsidiaries that, if consummated, would result in a Person or group of Persons acting jointly or in concert with such Person acquiring beneficial ownership of 20% or more of any class of equity or voting securities of KEC; or
- (e) any transaction that would reasonably be expected to materially reduce the benefits to the Purchaser of the Arrangement or impede, interfere with, prevent or delay the transactions contemplated by the Arrangement Agreement or the Arrangement.

"Agreement Date" means October 27, 2025.

"AIF" means the annual information form of the Company for the year ended December 31, 2024, dated March 4, 2025.

"allowable capital loss" has the meaning ascribed thereto under *"Certain Canadian Federal Income Tax Considerations - Holders Resident in Canada – Capital Gains and Capital Losses"*.

"Alternative M&A Proposal" has the meaning ascribed thereto under *"The Arrangement – Background to the Arrangement"*.

"Annual MD&A" means management's discussion and analysis of the financial performance and results of operations of the Company for the year ended December 31, 2025.

"Applicable Canadian Securities Laws" means, collectively, the Securities Act or similar statutes of each of the provinces and territories of Canada and the respective rules and regulations under such laws, together with applicable published national, multilateral and local policy statements, instruments, notices

and blanket orders of the provinces and territories of Canada and all rules, by-laws and regulations governing the TSX.

"Applicable U.S. Securities Laws" means, collectively, federal and state securities legislation of the United States (including the U.S. Securities Act and the U.S. Exchange Act) prior to the Effective Date.

"ARC" means ARC Financial Corp. and the Rollover Shareholders.

"ARC Energy Fund 8" means, collectively, 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.

"ARC Energy Fund 9" means, collectively, 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.

"ARC Request" has the meaning ascribed thereto under *"Certain Legal Matters – Key Regulatory Approval – Competition Act Approval"*.

"Arrangement" means the arrangement pursuant to Section 192 of the CBCA, on the terms set out in the Plan of Arrangement, as supplemented, modified or amended in accordance with the Plan of Arrangement or made at the direction of the Court in the Final Order with the consent of the Company and the Purchaser, each acting reasonably.

"Arrangement Agreement" means the arrangement agreement dated October 27, 2025, between the Company and the Purchaser, as it may be supplemented, modified or amended from time to time in accordance with its terms.

"Arrangement Resolution" means the special resolution approving the Plan of Arrangement to be considered at the Meeting in the form attached hereto as Appendix A to this Circular.

"Articles of Arrangement" means the articles of arrangement of the Company in respect of the Arrangement, required by the CBCA to be sent to the Director after the Final Order is made, which shall include the Plan of Arrangement and otherwise be in a form and content satisfactory to the Company and the Purchaser, each acting reasonably.

"BDP" means Burnet, Duckworth & Palmer LLP.

"Board" or **"Board of Directors"** means the board of directors of the Company, as constituted from time to time.

"Board Recommendation" means the unanimous (with Kevin Brown and Colin Bergman, as conflicted directors, abstaining from the vote): (a) determination that the Arrangement and the entry into the Arrangement Agreement are in the best interests of Kiwetinohk; (b) determination that the Arrangement is fair to the Shareholders (other than the Rollover Shareholders in respect of their Rollover Shares); (c) approval of the Arrangement Agreement and the transactions contemplated by the Arrangement Agreement; and (d) recommendation of the Board that the Shareholders vote in favour of the Arrangement Resolution.

"Bridge Debt Commitment Letter" has the meaning ascribed thereto under *"Procedures for the Arrangement to Become Effective – Sources of Funds for the Arrangement"*.

"Business Day" means, with respect to any action to be taken, any day other than a Saturday, Sunday or a statutory holiday in the Province of Alberta.

"Business Strategy Review" has the meaning ascribed thereto under *"The Arrangement – Background to the Arrangement"*.

"Canada Post Disruption" means the Canadian Union of Postal Workers nation-wide strike declared on September 25, 2025, the subsequent change to rolling strikes effective October 11, 2025 and any new or continuing strike action by the Canadian Union of Postal Workers or any lockout or related event that prevents, delays or otherwise interrupts mail service in Canada.

"CBCA" means the *Canada Business Corporations Act*, RSC 1985, c. C-44.

"Certificate of Arrangement" means the certificate of arrangement giving effect to the Arrangement, to be issued by the Director pursuant to subsection 192(7) of the CBCA in respect of the Articles of Arrangement.

"Circular" means the notice of the Meeting and accompanying management information circular, including all schedules, appendices and exhibits thereto, to be sent to each Shareholder and other Persons as required by the Interim Order and Law in connection with the Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of the Arrangement Agreement.

"CIRO" means the Canadian Investment Regulatory Organization.

"Closing" means the closing of the Arrangement.

"Commissioner" means the Commissioner of Competition appointed under the Competition Act or any Person authorized to exercise the powers and perform the duties of the Commissioner of Competition and includes the Commissioner's representatives where the context requires.

"Company" or **"KEC"** or **"Kiwetinohek"** means Kiwetinohek Energy Corp., a corporation existing under the CBCA.

"Company Certificate" has the meaning ascribed thereto under *"The Arrangement – Formal Valuation and the Peters & Co. Fairness Opinion – Scope of Review"*.

"Competition Act" means the *Competition Act*, RSC 1985, c. C-34.

"Competition Act Approval" means the occurrence of one or more of the following, in respect of the transactions contemplated by the Arrangement Agreement (other than a post-closing asset disposition and the Power Business Disposition (as defined in the Arrangement Agreement)):

- (a) the Commissioner shall have issued an advance ruling notification; or
- (b) both: (i) either the waiting period has expired or been terminated by the Commissioner under sections 123(1) or 123(2), respectively, of the Competition Act, or the obligation to provide a pre-merger notification in accordance with Part IX of the Competition Act has been waived by the Commissioner under section 113(c) thereof; and (ii) the Commissioner shall have issued a No Action Letter.

"Confidentiality Agreement" means the confidentiality agreement between the Purchaser and the Company dated June 10, 2025, as amended from time to time.

"confidentiality and standstill agreement" has the meaning ascribed thereto under *"Arrangement Agreement – Covenants Regarding Non-Solicitation"*.

"Consideration" means the consideration to be received by the Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares) pursuant to the Plan of Arrangement, consisting of \$24.75 in cash per Share, without interest.

"Contracts" means, with respect to a Party, a contract, lease, instrument, note, bond, debenture, mortgage, agreement, arrangement or understanding, written or oral, to which such Party or any of its subsidiaries, is a party or under which such Party or any of its subsidiaries is bound, has unfulfilled obligations or contingent liabilities or is owed unfulfilled obligations, whether known or unknown, and whether asserted or not.

"Court" means the Court of King's Bench of Alberta.

"CRA" has the meaning ascribed thereto under *"Certain Canadian Federal Income Tax Considerations"*.

"D&O Support Agreements" means, collectively, the support and voting agreements entered into between the Purchaser and the directors and officers of the Company other than the Rollover Shareholders or its affiliates.

"De Minimis Exclusion" has the meaning ascribed thereto under *"Certain Legal Matters – Securities Law Matters - Application of MI 61-101"*.

"Debt Commitment Letters" has the meaning ascribed thereto under *"Procedures for the Arrangement to Become Effective – Sources of Funds for the Arrangement"*.

"Debt Financing Documents" means the definitive documentation with respect to the Debt Financings on the respective terms and conditions (including the "market flex" provisions) contained in the Debt Commitment Letters.

"Debt Financing Sources" means the agents, advisors, arrangers, lenders, underwriters and other Persons that have committed or been engaged to provide or arrange (including through soliciting purchasers of, or otherwise placing, notes or other debt) or otherwise entered into agreements in connection with all or any part of the Debt Financings, including the parties to any joinder agreements, indentures or credit agreements entered into in connection therewith, together with their respective affiliates and their respective affiliates' officers, directors, employees, controlling persons, agents and representatives and their respective successors and assigns.

"Debt Financings" has the meaning ascribed thereto under *"Procedures for the Arrangement to Become Effective – Sources of Funds for the Arrangement"*.

"Depository" means Computershare Investor Services Inc., in its capacity as depository for the Arrangement, or such other person as the Company and the Purchaser agree to engage as depository for the Arrangement.

"Director" means the Director appointed pursuant to Section 260 of the CBCA.

"Dissent Notice" means a written objection to the Arrangement Resolution provided by a Dissenting Shareholder in accordance with the dissent procedure set out in Section 190 of the CBCA.

"Dissent Rights" means the rights of dissent granted in favour of registered Shareholders in respect of the Arrangement pursuant to and in the manner set forth in Section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement.

"Dissent Shares" means those Shares in respect of which Dissent Rights have been exercised by a Dissenting Shareholder in accordance with Section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement.

"Dissenting Resident Holder" has the meaning ascribed thereto under *"Certain Canadian Federal Income Tax Considerations - Holders Resident in Canada - Dissenting Resident Shareholders"*.

"Dissenting Shareholder" means a registered Shareholder (other than a Rollover Shareholder or an Option Loan Shareholder) who has duly and validly exercised its Dissent Rights and has not withdrawn or has not been deemed to have withdrawn such exercise of Dissent Rights prior to the Effective Time.

"DRS Advice" means a direct registration statement (DRS) advice.

"DSU" means a deferred share unit of the Company awarded pursuant to the DSU Plan.

"DSU Plan" means the deferred share unit plan of KEC dated March 23, 2022.

"EDC" means Export Development Canada.

"Effective Date" means the date the Arrangement becomes effective in accordance with the CBCA.

"Effective Time" means the time on the Effective Date at which the Articles of Arrangement are filed in accordance with Section 192(6) of the CBCA.

"Employees" means all current employees of the Company and its subsidiaries, as the case may be, including part time and full-time employees, in each case, whether active or inactive, unionized or non-unionized.

"Encumbrance" means any mortgage, pledge, assignment, charge, lien, security interest, adverse interest in property, other third party interest or encumbrance of any kind whether contingent or absolute, and any agreement, option, right or privilege (whether by Law, Contract or otherwise) capable of becoming any of the foregoing.

"Engagement Agreement" has the meaning ascribed thereto under *"The Arrangement – Formal Valuation and the Peters & Co. Fairness Opinion – Engagement of Peters & Co. by the Special Committee"*.

"Excluded Officers" means Patrick Carlson, President and Chief Executive Officer and a director of the Company, Jakub Brogowski, Chief Financial Officer, Mike Hantzsch, Senior Vice President, Midstream and Market Development, Sue Kuethe, Executive Vice President, Land and Community and Lisa Wong, Senior Vice President, Business Systems.

"Fairness Opinions" means together the Peters & Co. Fairness Opinion and the NBF Fairness Opinion.

"Final Hearing" has the meaning ascribed thereto under *"Certain Legal Matters – Court Approval and Completion of the Arrangement – Final Order"*.

"Final Order" means the final order of the Court in a form acceptable to the Company and the Purchaser, each acting reasonably, approving the Arrangement under Section 192(4) of the CBCA, as such order may be amended by the Court (with the consent of both the Company and the Purchaser, each acting reasonably) at any time prior to the Effective Time or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended on appeal (provided that any such amendment is acceptable to both the Company and the Purchaser, each acting reasonably).

"Financial Advisors" means NBF and RBC Capital Markets.

"Financing" means, collectively, the Debt Financings and the Sponsor Financing.

"Financing Commitments" means, collectively, the Debt Commitment Letters and the Sponsor Financing.

"Formal Valuation" means the formal valuation of the fair market value of the Shares delivered by Peters & Co. to the Special Committee in accordance with the requirements of MI 61-101, to the effect that, as of October 27, 2025 and based upon and subject to the assumptions, qualifications and limitations

communicated to the Special Committee by Peters & Co. and set forth therein, the fair market value of the Shares was in the range of \$22.00 to \$27.00 per Share.

"Governmental Authority" means any: (a) domestic or foreign, multinational, national, federal, territorial, provincial, state, regional, municipal or local government or governmental, regulatory, legislative, executive or administrative authority, department, court, commission, board or tribunal, arbitral body, bureau, ministry, agency, regulator, legislature or instrumentality or official, including any political subdivision thereof; (b) quasi-governmental or private body exercising regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (c) any stock exchange.

"Holder" has the meaning ascribed thereto under *"Certain Canadian Federal Income Tax Considerations"*.

"IFRS" means accounting principles generally accepted in Canada applicable to public companies at the relevant time and which incorporate International Financial Reporting Standards as adopted by the International Accounting Standards Board.

"Incentive Plans" means, collectively: (a) the DSU Plan; (b) the Option Plan; and (c) the Share Unit Plan.

"Incentives" means the outstanding Options, RSUs, PSUs, DSUs and the Performance Warrants.

"Independent Committee Exclusion" has the meaning ascribed thereto under *"Certain Legal Matters – Securities Law Matters - Application of MI 61-101"*.

"Independent Contractors" means those Persons engaged by KEC or the KEC Subsidiary to provide services to KEC or the KEC Subsidiary and, where the context requires, includes Persons that were formerly engaged to provide services to KEC, the KEC Subsidiary or any other subsidiary of KEC.

"Information" has the meaning ascribed thereto under *"The Arrangement – Formal Valuation and the Peters & Co. Fairness Opinion – Assumptions and Limitations"*.

"interested party" and **"interested parties"** have the meanings ascribed thereto under *"The Arrangement – Formal Valuation and Peters & Co. Fairness Opinion – Independence of Peters & Co."*.

"Interim MD&A" means management's discussion and analysis of the financial performance and results of operations of the Company for the nine months ended September 30, 2025.

"Interim Order" means the interim order of the Court concerning the Arrangement under Section 192(4) of the CBCA, containing declarations and directions with respect to the Arrangement and the holding of the Meeting, as such order may be affirmed, amended or modified by the Court prior to the Effective Time (provided that any such amendment, or modification is acceptable to both the Company and the Purchaser, each acting reasonably), a copy of which is attached as Appendix E to this Circular.

"Intermediary" has the meaning ascribed thereto under *"Information Concerning the Meeting and Voting – Voting by Proxy"*.

"Investment Rights Agreements" means, together: (a) the amended and restated investment rights agreement dated September 22, 2021 among Kiwetinohk and ARC Energy Fund 8 and ARC Energy Fund 9, as amended from time to time; and (b) the investment rights agreement dated September 22, 2021 between Kiwetinohk and Luminus.

"KEC Disclosure Letter" means the disclosure letter dated the Agreement Date from KEC to the Purchaser.

"KEC Group" means collectively, KEC and the KEC Subsidiary.

"KEC LC Agreement" means the letter of credit facility agreement dated February 10, 2022 between KEC, as borrower, and Bank of Montreal, as lender (as amended).

"KEC LC Indemnity Agreement" means the guarantee products and other insurance declaration and indemnity dated as of January 5, 2022 between KEC as the customer, and EDC.

"KEC Liquidated Damages Amount" has the meaning ascribed thereto under *"Arrangement Agreement – KEC Liquidated Damages Amount"*.

"KEC RCF Agreement" means the third amended and restated senior secured extendible revolving facility credit agreement dated as of May 27, 2024 among KEC, as borrower, a syndicate of Canadian chartered banks and financial institutions, as lenders, and Bank of Montreal, as administrative agent (as amended).

"KEC Subsidiary" means KEC Marketing US Corp.

"Key Regulatory Approval" means the Competition Act Approval.

"Laurel Hill" means Laurel Hill Advisory Group, the proxy solicitation company retained by KEC to act as proxy solicitation and information agent for the Meeting.

"Laws" means all laws (including, for greater certainty, common law), statutes, regulations, by-laws, rules, Orders, ordinances, protocols, codes, guidelines, notices and directions (in each case, having the force of law) enacted, promulgated, enforced, issued or entered by a Governmental Authority (including all Applicable Canadian Securities Laws and all Applicable U.S. Securities Laws) and the terms and conditions of any grant of approval, permission, judgment, decision, ruling, award, authority or license of any Governmental Authority or self-regulatory authority.

"Letter of Transmittal" means the form of letter of transmittal accompanying this Circular sent to Shareholders (other than Rollover Shareholders in respect of their Rollover Shares) in respect of the disposition of their Shares, pursuant to the Arrangement.

"Luminus" means Luminus Energy IE Designated Activity Company.

"Luminus Support Agreement" means the support and voting agreement entered into between the Purchaser and Luminus Energy IE Designated Activity Company.

"Management" means the officers of the Company.

"Management Forecast" has the meaning ascribed thereto under *"The Arrangement – Formal Valuation and the Peters & Co. Fairness Opinion – Scope of Review"*.

"Matching Period" has the meaning ascribed thereto under *"Arrangement Agreement – Additional Covenants Regarding Non-Solicitation"*.

"Material Adverse Effect" means, with respect to the KEC Group, any fact or state of facts, circumstance, change, effect, occurrence or event that individually is or in the aggregate are, or would individually or in the aggregate reasonably be expected to be, material and adverse to the business, operations, results of operations, assets, properties, capitalization, liabilities, obligations (whether absolute, accrued, conditional or otherwise) or condition (financial or otherwise) of the KEC Group, taken as a whole, other than any fact or state of facts, circumstance, change, effect, occurrence or event resulting from or arising in connection with:

- (a) any change, development or condition generally affecting the industries, businesses or segments thereof in which the KEC Group operates (other than the Power Business (as defined in the Arrangement Agreement));

- (b) any change, development or condition in or relating to global, international, national or regional political conditions (including strikes, lockouts, riots, blockades or facility takeover for emergency purposes) or in general economic, business, banking, regulatory, currency exchange, interest rate, rates of inflation or market conditions or in national or global financial, credit or capital markets;
- (c) any change, development or condition resulting from any act of terrorism or any outbreak of hostilities or declared or undeclared war, or any escalation or worsening of such acts of terrorism, hostilities or war;
- (d) any adoption, proposal, implementation or change in Law or in any interpretation, application or non-application of any Laws by any Governmental Authority (including, for greater certainty, any change to the Tax Act or other applicable taxing legislation or to tax rates and any change to the *Greenhouse Gas Pollution Pricing Act* S.C. 2018, c. 12, s. 186 or the *Technology Innovation and Emissions Reduction Regulation*, Alta Reg 133/2019);
- (e) any change in applicable generally accepted accounting principles, including IFRS, or changes in regulatory accounting requirements applicable to the oil and gas exploration, development and production businesses;
- (f) any climatic, earthquake or other natural event or condition (including weather conditions and any natural disaster);
- (g) any epidemic, pandemic, disease outbreak, other health crisis or public health event;
- (h) any decline in the market price for crude oil, natural gas or related hydrocarbons on a current or forward basis;
- (i) any actions taken (or omitted to be taken) at the written request of the Purchaser;
- (j) any action taken by KEC or the KEC Subsidiary that is required pursuant to the Arrangement Agreement (excluding any obligation to act in the ordinary course of business, but, for greater certainty, including any steps taken pursuant to Section 3.2 of the Arrangement Agreement);
- (k) any matter which has been disclosed in the KEC Disclosure Letter or in a document filed by KEC since January 1, 2024 until two Business Days prior to the Agreement Date with any securities commission or similar regulatory authority in compliance, or intended compliance, with Applicable Canadian Securities Laws, which is available for public viewing on KEC's profile on SEDAR+ at www.sedarplus.ca;
- (l) the execution, announcement, pendency or performance of this Arrangement Agreement or the consummation of the Arrangement;
- (m) the failure of KEC to meet any internal, published, public or analyst projections, forecasts, guidance or estimates, including without limitation of revenues, earnings or cash flows (it being understood that the causes underlying such failure may be taken into account in determining whether a Material Adverse Effect has occurred);
- (n) any change in the market price or trading volume of any securities of KEC (it being understood that the causes underlying such change in market price or trading volume may be taken into account in determining whether a Material Adverse Effect has occurred);
- (o) any change to any existing, or the imposition of any new, import or export restriction, prohibition, tariff, duty, charge or tax imposed by any Governmental Authority; or

provided, however, that: (i) with respect to clauses (a) through and including (h), and including (o), such matter does not have a materially disproportionate effect on the business, operations, results of operations, assets, properties, capitalization, liabilities, obligations (whether absolute, accrued, conditional or otherwise) or condition (financial or otherwise) of KEC Group (other than the Power Business (as defined in the Arrangement Agreement)), taken as a whole, relative to other comparable companies and entities operating in the oil and gas industry (in which case the incremental disproportionate effect may be taken into account in determining whether there has been, or is reasonably expected to be, a Material Adverse Effect); and (ii) unless expressly provided in any particular section of the Arrangement Agreement, references in certain sections of the Arrangement Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretive for purposes of determining whether a "Material Adverse Effect" has occurred.

"McDaniel" means McDaniel & Associates Consultants Ltd.

"Mechanical Update" has the meaning ascribed thereto under *"The Arrangement – Formal Valuation and the Peters & Co. Fairness Opinion – Scope of Review"*.

"Meeting" means the special meeting of the Shareholders, including any adjournment or postponement of such special meeting in accordance with the terms of the Arrangement Agreement, called and to be held in accordance with the Interim Order to consider the Arrangement Resolution.

"MI 61-101" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (in Québec, Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions).

"Minority Shareholders" means all Shareholders other than the Rollover Shareholders and the Excluded Officers.

"NBF" means National Bank Financial Inc.

"NBF Fairness Opinion" means the opinion of NBF to the effect that as of the date of such opinion, and based upon and subject to the various assumptions, limitations and qualifications set forth therein, the Consideration to be received by the Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares) is fair, from a financial point of view, to such holders.

"Net Cash Consideration" has the meaning ascribed thereto under *"Procedure for the Arrangement to Become Effective – Details of the Plan of Arrangement"*.

"NGP" means NGP Energy Capital Management, LLC.

"NI 54-101" means National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*.

"No Action Letter" has the meaning ascribed thereto under *"Certain Legal Matters – Key Regulatory Approval – Competition Act Approval"*.

"NOBOs" has the meaning ascribed thereto under *"Information Concerning the Meeting and Voting – Non-Registered Shareholders"*.

"Non-Resident Holder" has the meaning ascribed thereto under *"Certain Canadian Federal Income Tax Considerations - Holders Not Resident in Canada"*.

"Notice of Meeting" means the notice of special meeting of Shareholders accompanying this Circular.

"Notifiable Transactions" has the meaning ascribed thereto under *"Certain Legal Matters – Key Regulatory Approval – Competition Act Approval"*.

"OBOs" has the meaning ascribed thereto under *"Information Concerning the Meeting and Voting – Non-Registered Shareholders"*.

"Offer to Pay" means a written offer to a Dissenting Shareholder to pay the fair value for the number of Shares in respect of which that Shareholder exercises Dissent Rights.

"Option Loan Repayment" has the meaning ascribed thereto under *"Procedure for the Arrangement to Become Effective – Details of the Plan of Arrangement"*.

"Option Loan Shareholders" means the holders of the Option Loan Shares, only in respect of the Option Loan Shares held by such Option Loan Shareholders.

"Option Loan Shares" means the Shares received on exercise of Options by holders of Options who received Option Loans in order to fund the exercise price of such Options.

"Option Loans" means the loan agreements between KEC and certain holders of Options pursuant to which KEC loaned such holders the necessary funds to exercise certain Options to purchase Shares.

"Option Plan" means the amended and restated stock option plan KEC dated January 1, 2022.

"Options" means the options to purchase Shares granted pursuant to the Option Plan.

"Order" means all judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, injunctions, orders, decisions, rulings, determinations, awards, decrees of any Governmental Authority (in each case, whether temporary, preliminary or permanent).

"Other Party" means: (a) with respect to the Purchaser, the Company; and (b) with respect to the Company, the Purchaser.

"Outside Date" means the date that is four months after the Agreement Date, provided that if the Key Regulatory Approval has not been obtained by that date and the Key Regulatory Approval has not been denied by a non-appealable decision of a Governmental Authority the Outside Date may be extended by a two month period by either Party delivering a notice to the Other Party of its election of such extension delivered on or before the Outside Date then in effect, and thereafter the Outside Date may be extended by the mutual agreement of the Parties in writing.

"Part IX Notifications" has the meaning ascribed thereto under *"Certain Legal Matters – Key Regulatory Approval – Competition Act Approval"*.

"Parties" means, collectively, the Company and the Purchaser, and **"Party"** means any one of them, as the context requires.

"Performance Warrants" means the performance warrants granted to certain Employees, KEC directors and Independent Contractors.

"Person" includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate group, body corporate, corporation, unincorporated association or organization, Governmental Authority, syndicate or other entity, whether or not having legal status.

"Peters & Co." means Peters & Co. Limited.

"Peters & Co. Fairness Opinion" means the opinion of Peters & Co. to the effect that as of the date of such opinion, and based upon and subject to the various assumptions, limitations and qualifications set forth therein, the Consideration to be received by the Shareholders (other than the Rollover Shareholders) pursuant to the transaction contemplated by the Arrangement Agreement is fair, from a financial point of view, to the Shareholders (other than the Rollover Shareholders).

"Plan of Arrangement" means the plan of arrangement, in the form of Appendix B, subject to any amendments or variations to such plan made in accordance with the Arrangement Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably.

"Preferred Shares" means the preferred shares in the capital of the Company.

"Proxy" has the meaning ascribed thereto under the heading *"Information Concerning the Meeting and Voting – Solicitation of Proxies"*.

"PSUs" means the performance share units of the Company granted awarded pursuant to the Share Unit Plan.

"Purchaser" means Cygnet Energy Ltd.

"Purchaser Disposition Event" has the meaning ascribed thereto under *"Arrangement Agreement – Purchaser Disposition of Rights"*.

"Purchaser Share" means a common share in the capital of the Purchaser.

"Purchaser Termination Amount" has the meaning ascribed thereto under *"Arrangement Agreement – Purchaser Disposition of Rights"*.

"RBC Capital Markets" means RBC Dominion Securities Inc., a member company of RBC Capital Markets.

"RCF Debt Commitment Letter" has the meaning ascribed thereto under *"Procedures for the Arrangement to Become Effective – Sources of Funds for the Arrangement"*.

"Record Date" means November 10, 2025.

"Representative" means, with respect to any Person, any officer, director, employee, financial advisor, legal counsel, accountant, advisor and all other representatives and agents of such Person or of any of its subsidiaries.

"Required Shareholder Approval" has the meaning ascribed thereto under *"Procedure for the Arrangement to Become Effective – Required Shareholder Approval"*.

"Resident Holder" has the meaning ascribed thereto under *"Certain Canadian Federal Income Tax Considerations - Holders Resident in Canada"*.

"Rollover Agreement" means the share transfer agreement, dated as of October 27, 2025, entered into between the Purchaser and the Rollover Shareholders whereby the Rollover Shareholders have agreed to transfer the Rollover Shares to the Purchaser as payment of the subscription price for Purchaser Shares in connection with the Arrangement.

"Rollover Consideration" means the number of Purchaser Shares set out in the Rollover Agreement and issuable to the Rollover Shareholders for the transfer of the Rollover Shares.

"Rollover Shareholders" 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).

"Rollover Shares" means an aggregate of 6,060,606 Shares held by ARC Energy Fund 8 and ARC Energy Fund 9 that are the subject of the Rollover Agreement and that are to be exchanged for the Rollover Consideration as of the Effective Date.

"Rollover Support Agreement" means the support and voting agreement entered into between the Purchaser and the Rollover Shareholders.

"RSUs" means the restricted share units of the Company awarded pursuant to the Share Unit Plan.

"Securities Act" means the *Securities Act*, RSA 2000, c S-4.

"Securities Laws" means the Securities Act, the *United States Securities Act of 1933*, the U.S. Exchange Act, and any other applicable securities Laws and the rules and published policies of the TSX.

"SEDAR+" means the System for Electronic Document Analysis and Retrieval +.

"Share Unit Plan" means the restricted and performance share unit plan of the Company dated May 11, 2022.

"Shareholders" means the registered or beneficial holders of Shares.

"Shares" means the common shares in the capital of the Company.

"Special Committee" means the special committee of independent members of the Board formed in connection with the Arrangement and the other transactions contemplated by the Arrangement Agreement.

"Sponsor Financing" means the respective agreements of the Sponsors to invest or cause to be invested in the Purchaser, subject to the terms and conditions of the Sponsor Subscription Agreements, the amounts set forth in the Sponsor Subscription Agreements, which in the aggregate are approximately \$743.5 million, which will be used by the Purchaser for purposes of financing a portion of the Consideration contemplated by the Arrangement Agreement.

"Sponsor Subscription Agreements" means the respective subscription agreements between the Purchaser and the Sponsors dated the date of the Arrangement Agreement, complete and accurate copies of which have been disclosed to KEC.

"Sponsors" means NGP Canadian Holdings, LP and its affiliates and CIEP North Star S.a.r.l and its affiliates.

"Stikeman" means Stikeman Elliott LLP.

"Strip Price Assumptions" has the meaning ascribed thereto under "*The Arrangement – Formal Valuation and the Peters & Co. Fairness Opinion – Scope of Review*".

"subsidiary" has the meaning ascribed thereto in the Securities Act.

"Superior Proposal" means an unsolicited *bona fide* written Acquisition Proposal:

- (a) that complies with all Applicable Canadian Securities Laws and Applicable U.S. Securities Laws;
- (b) that is not subject to a financing condition;
- (c) that is not subject to any due diligence condition and/or access condition;
- (d) to acquire not less than all of the outstanding Shares or not less than substantially all of the assets, properties, permits, rights or other privileges (whether contractual or otherwise) of KEC and its subsidiaries and partnership interests;
- (e) that the Board and/or any relevant committee thereof has determined in good faith, after receipt of advice from one of its Financial Advisors or other its professional financial advisors and external legal counsel, is reasonably capable of being consummated without undue delay, taking into account all legal, financial, regulatory and other aspects of such Acquisition Proposal and the Person making such Acquisition Proposal; and
- (f) that the Board and/or any relevant committee thereof determines in good faith, consultation with its professional financial advisors and external legal counsel, would be, if consummated in accordance with the terms of such Acquisition Proposal, more favourable, from a financial point of view, to the Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares) than the Arrangement.

"Support Agreements" means, collectively, the D&O Support Agreements, the Rollover Support Agreement and the Luminus Support Agreement.

"Supporting Shareholders" means the KEC directors and officers, the Rollover Shareholders and Luminus.

"Surrender Agreements" means the agreements to be entered into by KEC and each of the holders of Performance Warrants in a form satisfactory to the Purchaser, acting reasonably, pursuant to which each such holder has agreed or shall agree to exercise or surrender such Performance Warrants in accordance with the provisions of Section 2.8 of the Arrangement Agreement.

"Tax Act" means the Income Tax Act, RSC 1985, c. 1 (5th Supp).

"Tax Proposals" has the meaning ascribed thereto under *"Certain Canadian Federal Income Tax Considerations"*.

"taxable capital gain" has the meaning ascribed thereto under *"Certain Canadian Federal Income Tax Considerations - Holders Resident in Canada – Capital Gains and Capital Losses"*.

"Total Cash Consideration" means the amount to be paid by the Purchaser that is equal to the number of Shares issued and outstanding as at the Effective Time (less the total number of Rollover Shares and the Shares held by Dissenting Shareholders) multiplied by the Consideration.

"Transfer Agent" means Computershare Trust Company of Canada.

"TSX" means the Toronto Stock Exchange.

"U.S. Exchange Act" means the *United States Securities Exchange Act of 1934*, as amended.

"U.S. Securities Act" means the *United States Securities Act of 1933*.

"VIF" has the meaning ascribed thereto under the heading *"Information Concerning the Meeting and Voting – Solicitation of Proxies"*.

CONSENT OF PETERS & CO. LIMITED

To: The Special Committee of the Board of Directors of Kiwetinohk Energy Corp.

We refer to the formal valuation and fairness opinion report of our firm dated October 27, 2025 (the "**Formal Valuation and Peters & Co. Fairness Opinion**") attached as Appendix C to the management information circular dated November 10, 2025 (the "**Circular**") of Kiwetinohk Energy Corp. (the "**Company**") which we prepared for the Special Committee of the Board of Directors of the Company.

In connection with the Arrangement (as defined in the Circular), we hereby consent to the inclusion of the Formal Valuation and Peters & Co. Fairness Opinion as Appendix C to the Circular, to the filing of the Formal Valuation and Peters & Co. Fairness Opinion in the Circular with the securities regulatory authorities in the provinces of Canada, and to the inclusion of a summary of the Formal Valuation and Peters & Co. Fairness Opinion, and the reference thereto, in the Circular. The Formal Valuation and Peters & Co. Fairness Opinion are provided for the benefit and use of the Special Committee of the Board of Directors of the Company in connection with and for purposes of their consideration of the Arrangement (as defined in the Circular). This consent is being delivered solely for the specific purposes stated above, and the Formal Valuation and Peters & Co. Fairness Opinion may not be used, circulated, quoted or otherwise referred to, for any other purpose. The Formal Valuation and Peters & Co. Fairness Opinion were delivered as at October 27, 2025 and remain subject to the scope of review, assumptions, limitations and qualifications set forth therein.

(signed) Peters & Co. Limited.

Calgary, Alberta
November 10, 2025

CONSENT OF NATIONAL BANK FINANCIAL INC.

November 10, 2025

We refer to our opinion letter, dated October 27, 2025, to the Board of Directors of Kiwetinohk Energy Corp. (the "**Company**"), attached as Appendix D to the management information circular dated November 10, 2025 (the "**Circular**") of the Company, relating to the business combination transaction involving the Company and Cygnet Energy Ltd. (the "**NBF Fairness Opinion**").

In connection with the Arrangement (as defined in the Circular), we hereby consent to: (a) the inclusion of the NBF Fairness Opinion as Appendix D to the Circular; and (b) the references in the Circular to the NBF Fairness Opinion and our firm in the Circular under the headings "*Letter to Shareholders — Recommendation of the Board*," "*Summary — Reasons for the Arrangement*," "*Summary — NBF Fairness Opinion*," "*The Arrangement — Background to the Arrangement*," "*The Arrangement — Reasons for the Arrangement*," "*The Arrangement — Position of the Board as to Fairness*," and "*The Arrangement — NBF Fairness Opinion*".

The NBF Fairness Opinion was provided for the benefit and use of the Board of Directors of the Company as of October 27, 2025 and remains subject to the various assumptions, limitations and qualifications set forth therein.

Very truly yours,

(signed) "NATIONAL BANK FINANCIAL INC."

APPENDIX A
ARRANGEMENT RESOLUTION

BE IT RESOLVED THAT:

- (a) The arrangement (the "**Arrangement**") under Section 192 of the *Canada Business Corporations Act*, involving Kiwetinohk Energy Corp. ("**KEC**") and Cygnet Energy Ltd. ("**Purchaser**") and the holders ("**KEC Shareholders**" of common shares of KEC), all as more particularly described and set forth in the management information circular of KEC dated on or about November 10, 2025 accompanying the notice of this meeting (as the Arrangement may be modified or amended in accordance with the terms of the Arrangement Agreement), and all transactions contemplated thereby, be and are hereby authorized, approved and adopted;
- (b) The plan of arrangement, as it may be or has been amended (the "**Plan of Arrangement**") involving among others, KEC, Purchaser, and KEC Shareholders, implementing the Arrangement, the full text of which is set out in Schedule "A" to the Arrangement Agreement (as hereinafter defined) (as the Plan of Arrangement may be, or may have been, modified or amended in accordance with its terms), is hereby approved and adopted;
- (c) The arrangement agreement (the "**Arrangement Agreement**") between KEC and Purchaser dated as of October 27, 2025, as the same may be amended from time to time, and all the transactions contemplated therein, the actions of the KEC Directors in approving the Arrangement Agreement, and the actions of the officers of KEC in executing and delivering the Arrangement Agreement, and any amendments thereto, are hereby confirmed, authorized, ratified and approved;
- (d) Any one KEC Director or officer of KEC be and is hereby authorized and directed for and on behalf of KEC to execute, under the corporate seal of KEC or otherwise, and to deliver to the Director under the *Canada Business Corporations Act* for filing, articles of arrangement and such other documents as are necessary or advisable to give effect to the Arrangement and the Plan of Arrangement in accordance with Arrangement Agreement;
- (e) Notwithstanding that this resolution has been duly passed (and the Arrangement adopted) by the KEC Shareholders or that the Arrangement has been approved by the Court of King's Bench of Alberta, the KEC Directors are hereby authorized and empowered, without further notice to, or approval of, the securityholders of KEC:
 - (i) to amend the Arrangement Agreement or the Plan of Arrangement (or any documents or agreements delivered in connection therewith) to the extent permitted by the Arrangement Agreement or the Plan of Arrangement, as applicable; or
 - (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Plan of Arrangement and revoke this resolution at any time prior to the Effective Time (as defined in the Plan of Arrangement);
- (f) Any one or more KEC Directors or officers of KEC is hereby authorized, for and on behalf and in the name of KEC, to execute (or cause to be executed) and deliver (or cause to be delivered), whether under corporate seal of KEC or otherwise not, all such agreements, forms, waivers, notices, certificates, confirmations and other documents and instruments and to do or cause to be done all such other acts and things as in the opinion of such KEC Director or officer may be necessary, desirable or useful for the purpose of giving full effect to this resolution and the matters authorized

hereby, the Arrangement Agreement and the completion of the Plan of Arrangement in accordance with the terms of the Arrangement Agreement, including:

- (i) all actions required to be taken by or on behalf of KEC, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and
- (ii) the signing of the certificates, consents and other documents or declarations required under the Arrangement Agreement or otherwise to be entered into by KEC;

such opinion to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

APPENDIX B
PLAN OF ARRANGEMENT

SCHEDULE "A"
PLAN OF ARRANGEMENT UNDER SECTION 192
OF THE

CANADA BUSINESS CORPORATIONS ACT

ARTICLE 1
INTERPRETATION

1.1 Definitions

Whenever used in this Plan of Arrangement, unless there is something in the context or subject matter inconsistent therewith, the following defined words and terms have the indicated meanings and grammatical variations of such words and terms have corresponding meanings:

"Agreement Date" means the date of the execution of the Arrangement Agreement;

"Applicable Canadian Securities Laws" means, collectively, the Securities Act or similar statutes of each of the provinces and territories of Canada and the respective rules and regulations under such Laws, together with applicable published national, multilateral and local policy statements, instruments, notices and blanket orders of the provinces and territories of Canada and all rules, by-laws and regulations governing the TSX;

"Applicable Laws" means, in any context that refers to one or more Persons or its or their respective businesses, activities, properties, assets, undertakings or securities, the Laws that apply to such Person or Persons or its or their respective businesses, activities, properties, assets, undertakings or securities and emanate from a Governmental Authority having jurisdiction over the Person or Persons or its or their respective businesses, activities, properties, assets, undertakings or securities and, for greater certainty, includes Applicable Canadian Securities Laws and Applicable U.S. Securities Laws;

"Applicable U.S. Securities Laws" means, collectively, federal and state securities legislation of the United States (including the U.S. Securities Act and the U.S. Exchange Act) prior to the Effective Date;

"Arrangement" means the arrangement pursuant to section 192 of the CBCA, on the terms set out in this Plan of Arrangement, as supplemented, modified or amended in accordance with this Plan of Arrangement or made at the direction of the Court in the Final Order with the consent of KEC and the Purchaser, each acting reasonably;

"Arrangement Agreement" means the arrangement agreement dated October 27, 2025 between the Purchaser and KEC with respect to the Arrangement (including the Schedules thereto), as supplemented, modified or amended;

"Articles of Arrangement" means the articles of arrangement of KEC in respect of the Arrangement required by the CBCA to be sent to the Director after the Final Order is made, which shall include this Plan of Arrangement and otherwise be in a form and content satisfactory to KEC and the Purchaser, each acting reasonably;

"Business Day" means, with respect to any action to be taken, any day other than a Saturday, Sunday or a statutory holiday in the Province of Alberta;

"Cash Consideration" means \$24.75 per KEC Share;

"CBCA" means the *Canada Business Corporations Act*, RSC 1985, c. C-44;

"Certificate" means the certificate giving effect to the Arrangement issued by the Director pursuant to section 192(7) of the CBCA in respect of the Articles of Arrangement;

"Circular" means the management information circular of KEC to be sent by KEC to the KEC Shareholders (and any other Persons required by the Interim Order) in connection with the KEC Meeting, together with any amendments thereto or supplements thereof;

"Court" means the Court of King's Bench of Alberta;

"Depositary" means the Person appointed by the Parties in connection with the Arrangement for the purpose of receiving deposits of certificates formerly representing KEC Shares (other than the Rollover Shares) and paying the Cash Consideration;

"Director" means the Director appointed under section 260 of the CBCA;

"Dissent Rights" means the rights of dissent granted in favour of registered KEC Shareholders in accordance with Article 4 of this Plan of Arrangement;

"Dissenting Shareholder" means any registered KEC Shareholder (other than a Rollover Shareholder or a KEC Option Loan Shareholder) who has duly and validly exercised its Dissent Rights with respect to the KEC Transaction Resolution pursuant to Article 4 and the Interim Order, and has not withdrawn or has not been deemed to have withdrawn, such exercise of Dissent Rights prior to the Effective Time;

"DRS Advice" means a direct registration system (DRS) advice;

"Effective Date" means the date shown on the Certificate;

"Effective Time" means the time on the Effective Date at which the Articles of Arrangement are filed in accordance with section 192(6) of the CBCA;

"Encumbrance" means any mortgage, pledge, assignment, charge, lien, security interest, adverse interest in property, other third party interest or encumbrance of any kind whether contingent or absolute, and any agreement, option, right or privilege (whether by Law, Contract or otherwise) capable of becoming any of the foregoing;

"Final Order" means the order of the Court approving the Arrangement pursuant to section 192(4) of the CBCA, as such order may be affirmed, amended or modified by any court of competent jurisdiction prior to the Effective Time, provided that any such amendment or modification is acceptable to both KEC and the Purchaser, each acting reasonably;

"Governmental Authority" means any: (i) domestic or foreign, multinational, national, federal, territorial, provincial, state, regional, municipal or local government or governmental, regulatory, legislative, executive or administrative authority, department, court, commission, board or tribunal, arbitral body, bureau, ministry, agency, regulator, legislature or instrumentality or official, including any political subdivision thereof; (ii) quasi-governmental or private body exercising regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (iii) any stock exchange;

"Interim Order" means the interim order of the Court concerning the Arrangement under section 192(a) of the CBCA, containing declarations and directions with respect to the Arrangement and the holding of the KEC Meeting, as such order may be affirmed, amended or modified by any court of competent jurisdiction prior to the Effective Time, provided that any such amendment or modification is acceptable to both KEC and the Purchaser, each acting reasonably;

"Investment Rights Agreements" means, together: (i) the amended and restated investment rights agreement dated September 22, 2021 among KEC and ARC Energy Fund 8 Limited Partnership, ARC Energy Fund 8 United States Limited Partnership, ARC Energy Fund 8 International Limited Partnership, ARC Capital 8 Limited Partnership, 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, as amended from time to time; and

(ii) the investment rights agreement dated September 22, 2021 between KEC and Luminus Energy IE Designated Activity Company;

"KEC" means Kiwetinohk Energy Corp., a corporation existing under the CBCA;

"KEC Option Loan Repayment" has the meaning ascribed thereto under Section 3.1(e)(i) of this Plan of Arrangement;

"KEC Option Loans" means the loan agreements between KEC and certain holders of KEC Options pursuant to which KEC loaned such holders the necessary funds to exercise certain KEC Options to purchase KEC Shares;

"KEC Option Loan Shareholders" means the holders of the KEC Option Loan Shares, only in respect of the KEC Option Loan Shares held by such KEC Option Loan Shareholders;

"KEC Option Loan Shares" means the KEC Shares received on exercise of KEC Options by holders of KEC Options who received KEC Option Loans in order to fund the exercise price of such KEC Options;

"KEC Option Plan" means the amended and restated stock option plan of KEC dated January 1, 2022;

"KEC Options" means the options to purchase KEC Shares granted pursuant to the KEC Option Plan;

"KEC Meeting" means the special meeting of KEC Shareholders to be called and held in accordance with the Arrangement Agreement and the Interim Order to permit the KEC Shareholders to consider the KEC Transaction Resolution and related matters, and any adjournment(s) or postponement(s) thereof;

"KEC Shareholders" means the holders of KEC Shares;

"KEC Shares" means the common shares in the capital of KEC;

"KEC Transaction Resolution" means the special resolution in respect of the Arrangement to be considered and voted on by the KEC Shareholders at the KEC Meeting, substantially in the form included in Schedule "B" attached to the Arrangement Agreement, including any amendments or variations made thereto in accordance with the Arrangement Agreement or at the direction of the Court in the Interim Order, provided any amendments made at the discretion of the Court in the Interim Order are acceptable to KEC and the Purchaser, each acting reasonably;

"Laws" means all laws (including, for greater certainty, common law), statutes, regulations, by-laws, rules, Orders, ordinances, protocols, codes, guidelines, notices and directions enacted, promulgated, enforced, issued or entered by a Governmental Authority (including all Applicable Canadian Securities Laws and all Applicable U.S. Securities Laws) and the terms and conditions of any grant of approval, permission, judgment, decision, ruling, award, authority or license of any Governmental Authority or self-regulatory authority;

"Letter of Transmittal" means the letter of transmittal form to be used by registered KEC Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares) to surrender their certificate(s) or DRS Advice(s) (as applicable) which, immediately prior to the Effective Time, represented outstanding KEC Shares to the Depositary;

"Net Cash Consideration" has the meaning ascribed thereto under Section 3.1(e)(ii) this Plan of Arrangement;

"Parties" means the Purchaser and KEC, and "Party" means either of them;

"Person" includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate group, body corporate, corporation, unincorporated association or organization, Governmental Authority, syndicate or other entity, whether or not having legal status;

"Plan of Arrangement" means this plan of arrangement, as supplemented, modified or amended from time to time in accordance with the terms of the Arrangement Agreement and the terms hereof or at the direction of the Court in the Final Order;

"Purchaser" means Cygnet Energy Ltd., a corporation existing under the *Business Corporations Act* (Alberta);

"Purchaser Share" means a common share in the capital of the Purchaser;

"Rollover Agreement" means the agreement, dated as of the date hereof, entered into between the Purchaser and the Rollover Shareholders whereby each Rollover Shareholder has agreed to transfer the Rollover Shares to the Purchaser in consideration for the issuance of such number of Purchaser Shares set out therein, all in connection with the Arrangement;

"Rollover Shareholders" 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);

"Rollover Shares" means, in respect of a Rollover Shareholder, that number of KEC Shares held by such Rollover Shareholder that are the subject of the Rollover Agreement and that are to be transferred to the Purchaser in exchange for that number of Purchaser Shares set out therein pursuant to the terms of such Rollover Agreement;

"Securities Act" means the *Securities Act*, RSA 2000, c S-4;

"Tax Act" means the *Income Tax Act*, RSC 1985, c 1 (5th Supp);

"Total Cash Consideration" means the amount to be paid by the Purchaser that is equal to the number of KEC Shares issued and outstanding as at the Effective Time (less the total number of Rollover Shares and the KEC Shares held by Dissenting Shareholders) multiplied by the Cash Consideration;

"TSX" means the Toronto Stock Exchange;

"U.S. Exchange Act" means the United States *Securities Exchange Act of 1934*, as amended;

"U.S. Securities Act" means the United States *Securities Act of 1933*, as amended; and

"Withholding Taxes" has the meaning ascribed thereto under Section 5.3 this Plan of Arrangement.

1.2 Interpretation Not Affected by Headings, etc.

The division of this Plan of Arrangement into articles and sections is for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. The terms "this Plan of Arrangement", "hereof", "herein", "hereto" and "hereunder" and similar expressions refer to this Plan of Arrangement and not to any particular article, section or other portion hereof and include any agreement or instrument supplementary or ancillary hereto.

1.3 Number, etc.

Words importing the singular number include the plural and vice versa, and words importing the use of any gender include all genders. Where the word "including" or "includes" is used in this Plan of Arrangement, it means "including (or includes) without limitation".

1.4 Date for Any Action

If any date on which any action is required to be taken hereunder is not a Business Day, such action shall be taken on the next succeeding day that is a Business Day.

1.5 Currency

Unless otherwise indicated, all sums of money referred to in this Plan of Arrangement are expressed in lawful money of Canada.

1.6 References to Legislation

References in this Plan of Arrangement to any statute or sections thereof shall include such statute as amended or substituted and any regulations promulgated thereunder from time to time in effect.

ARTICLE 2 THE ARRANGEMENT AGREEMENT

2.1 Plan Pursuant to the Arrangement Agreement

This Plan of Arrangement is made pursuant to the Arrangement Agreement. If there is any inconsistency or conflict between the provisions of this Plan of Arrangement and the provisions of the Arrangement Agreement, the provisions of this Plan of Arrangement shall govern.

2.2 Binding Effect

This Plan of Arrangement and the Arrangement, upon the filing of the Articles of Arrangement and the issuance of the Certificate, shall become effective at, and be binding as and from, the Effective Time, on: (a) KEC; (b) the Purchaser; (c) all registered and beneficial holders of KEC Shares, including Dissenting Shareholders; (d) the Depositary; and (e) all other Persons, without any further act or formality required on the part of any Person except as expressly provided herein.

2.3 Filing of the Articles of Arrangement

The Articles of Arrangement shall be sent to the Director with the purpose and intent that none of the provisions of this Plan of Arrangement shall become effective unless all of the provisions of this Plan of Arrangement shall have become effective in the sequence provided herein. The Certificate shall be conclusive evidence that the Arrangement has become effective and that each of the steps, events or transactions set out in Section 3.1 have become effective in the sequence and at the times set out therein. If no Certificate is required to be issued by the Director pursuant to section 192(7) of the CBCA, the Arrangement shall become effective commencing at the Effective Time on the date the Articles of Arrangement are filed with the Director pursuant to section 192(6) of the CBCA.

ARTICLE 3 PLAN OF ARRANGEMENT

3.1 Arrangement

Commencing at the Effective Time, each of the steps, events or transactions set out in this Section 3.1 shall, except for steps, events or transactions deemed to occur concurrently with other steps, events or transactions as set out below, occur and shall be deemed to occur consecutively in two minute intervals in the following order (or in such other manner, order or times as the parties to the Arrangement Agreement may agree in writing) without any further act or formality, except as otherwise provided herein:

- (a) the Investment Rights Agreements shall be terminated and be of no further force and effect;

- (b) the KEC Shares held by Dissenting Shareholders shall be, and shall be deemed to be, transferred to, and acquired by, the Purchaser (free and clear of any Encumbrances), and:
 - (i) such Dissenting Shareholders shall cease to be the holders of the KEC Shares so transferred and to have any rights as KEC Shareholders other than the right to be paid fair value for such KEC Shares as set out in Section 4.1;
 - (ii) such Dissenting Shareholders' names shall be removed from the register of holders of KEC Shares maintained by or on behalf of KEC as it relates to the KEC Shares so transferred; and
 - (iii) all such KEC Shares shall be cancelled;
- (c) each issued and outstanding Rollover Share held by a Rollover Shareholder shall be, and shall be deemed to be, pursuant to the terms and conditions of the Rollover Agreement entered into between the Purchaser and the Rollover Shareholders, transferred to, and acquired by the Purchaser (free and clear of any Encumbrances) in exchange for that number of Purchaser Shares issuable to such Rollover Shareholder pursuant to the Rollover Agreement;
- (d) each issued and outstanding KEC Share (other than Rollover Shares, KEC Option Loan Shares and those KEC Shares transferred to the Purchaser pursuant to Section 3.1(b)) shall be, and shall be deemed to be, transferred to, and acquired by, the Purchaser (free and clear of any Encumbrances) in exchange for the payment of the Cash Consideration;
- (e) the issued and outstanding KEC Option Loan Shares shall be, and shall be deemed to be, transferred to, and acquired by, the Purchaser (free and clear of any Encumbrances) in exchange for the payment in respect of each KEC Option Loan Shareholder:
 - (i) to KEC, the full amount owing (including principal and interest) to KEC at the Effective Time pursuant to the KEC Option Loan of such KEC Option Loan Shareholder as full and final satisfaction of such KEC Option Loan (the "**KEC Option Loan Repayment**"); and
 - (ii) to such KEC Option Loan Shareholder, an amount in cash equal to the Cash Consideration multiplied by the number of KEC Option Loan Shares held by such KEC Option Loan Shareholder less the amount of the KEC Option Loan Repayment in respect of such KEC Option Loan Shareholder (the "**Net Cash Consideration**"),

and the Purchaser will, or will cause KEC to, thereafter promptly discharge the *Personal Property Security Act* (Alberta) registrations against such KEC Option Loan Shareholder, if applicable; and
- (f) the Parties shall, forthwith following the Effective Time, make the appropriate entries into their securities registers to reflect the matters referred to under this Section 3.1.

3.2 Securities Register

With respect to each KEC Shareholder (other than Dissenting Shareholders), at the times indicated in Section 3.1:

- (a) such KEC Shareholder shall cease to be the holder of the KEC Shares so transferred and to have any rights as a KEC Shareholder other than the right to receive the Cash Consideration (or in the case of the KEC Option Loan Shareholder, the right to receive the Net Cash Consideration (as applicable) and to have the Purchaser make the KEC Option Loan Repayment on behalf of such KEC Option Loan Shareholder) and, if applicable, the Purchaser Shares issuable to such holder on the basis set forth in Sections 3.1(c), 3.1(d) and 3.1(e) and, in respect of the Rollover Shares, the Rollover Agreement;
- (b) such KEC Shareholder's name shall be removed from the register of holders of KEC Shares maintained by or on behalf of KEC as it relates to the KEC Shares so transferred; and

- (c) the Purchaser shall be deemed to be the transferee (free and clear of all Encumbrances) of the KEC Shares so transferred and shall, in respect of such KEC Shares, be added to the register of holders of KEC Shares maintained by or on behalf of KEC.

3.3 U.S. Securities Act Exemption

Notwithstanding any provision herein to the contrary, KEC and the Purchaser agree that this Plan of Arrangement will be carried out with the intention that all the Rollover Shareholders to whom the Purchaser Shares are issued on completion of this Plan of Arrangement will be issued by the Purchaser in reliance on the exemption from the registration requirements of the U.S. Securities Act, as provided by section 3(a)(10) thereof and pursuant to exemptions from registration under any Applicable U.S. Securities Laws.

ARTICLE 4 RIGHTS OF DISSENT

4.1 Rights of Dissent

Registered KEC Shareholders (other than the Rollover Shareholders) may exercise Dissent Rights with respect to the KEC Shares held by such holders in connection with the Arrangement pursuant to and in the manner set forth in section 190 of the CBCA, as modified by the Interim Order and this Section 4.1; provided that notwithstanding section 190(5) of the CBCA, the written notice setting forth a registered KEC Shareholder's objection to the KEC Transaction Resolution must be received in accordance with the Interim Order by no later than 5:00 p.m. (Calgary time) on the Business Day which is five Business Days immediately preceding the date of the KEC Meeting. Dissenting Shareholders who duly exercise their Dissent Rights shall be deemed to have transferred the KEC Shares held by them and in respect of which Dissent Rights have been validly exercised to KEC (free and clear of all Encumbrances) without any further act or formality at the effective time of Section 3.1(b) notwithstanding the provisions of section 190 of the CBCA, and if they:

- (a) ultimately are entitled to be paid fair value for such KEC Shares they: (i) shall be deemed not to have participated in the transactions in Article 3 (other than Section 3.1(b)); (ii) shall be paid by KEC the fair value of such KEC Shares which fair value shall be determined as of the close of business, in respect of the KEC Shares, on the last Business Day before the KEC Transaction Resolution was adopted; and (iii) will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such KEC Shares; or
- (b) ultimately are not entitled, for any reason, to be paid fair value for such KEC Shares they shall be deemed to have participated in the Arrangement, commencing at the Effective Time, on the same basis as a non-dissenting holder of KEC Shares (other than a Rollover Shareholder in respect of the Rollover Shares) notwithstanding the provisions of section 190 of the CBCA, and such holder shall receive Cash Consideration pursuant to Section 3.1(d).

4.2 Recognition of Dissenting Shareholders

- (a) In no circumstances shall KEC, the Purchaser or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is the registered holder of those KEC Shares in respect of which such rights are sought to be exercised.
- (b) For greater certainty, in no case shall KEC, the Purchaser or any other Person be required to recognize Dissenting Shareholders as holders of KEC Shares in respect of which Dissent Rights have been validly exercised after the effective time of Section 3.1(b).

4.3 Other Dissent Provisions

- (a) In addition to any other restrictions in section 190 of the CBCA, KEC Shareholders who have voted in favour of the KEC Transaction Resolution shall not be entitled to exercise Dissent Rights.

- (b) A Person may only exercise Dissent Rights in respect of all, and not less than all, of such Person's KEC Shares.

ARTICLE 5

CERTIFICATES AND DELIVERY OF CONSIDERATION

5.1 Delivery of Consideration

- (a) The Purchaser shall, following receipt of the Final Order and prior to sending Articles of Arrangement to the Director, deposit, or cause to be deposited, in escrow with the Depositary pending completion of the Arrangement, a cash amount equal to the Total Cash Consideration, which cash shall be held, as of the effective time of Section 3.1(d), by the Depositary as agent and nominee for the KEC Shareholders in accordance with the provisions of this Article 5.
- (b) The Depositary shall deliver the Cash Consideration to which former KEC Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares) are entitled in respect of those KEC Shares that were transferred or deemed to be transferred pursuant to Section 3.1(d), which are held on a book-entry basis, less any amounts withheld pursuant to Section 5.3, in accordance with normal industry practice for payments relating to securities held on a book-entry only basis. With respect to those KEC Shares (other than the Rollover Shareholders in respect of the Rollover Shares) not held on a book-entry basis, upon surrender to the Depositary for cancellation of certificate(s) or DRS Advice(s) (as applicable) which, immediately prior to the Effective Time, represented outstanding KEC Shares that were transferred or deemed to be transferred pursuant to Section 3.1(d) or 3.1(e), together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require, each former holder of KEC Shares represented by such surrendered certificate(s) or DRS Advice(s) shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder as directed in the Letter of Transmittal, the Cash Consideration which such former holder has the right to receive under this Plan of Arrangement for such KEC Shares (or in the case of a former KEC Option Loan Shareholder, the right to receive the Net Cash Consideration and to have the Purchaser make the KEC Option Loan Repayment on behalf of such former KEC Option Loan Shareholder) less any amounts withheld pursuant to Section 5.3, and any certificate(s) so surrendered shall forthwith be cancelled.
- (c) Until surrendered as contemplated by Section 5.1(b) (which, for the purposes of this Section 5.1(c) shall be deemed to apply to Dissenting Shareholders) each certificate or DRS Advice that immediately prior to the Effective Time represented KEC Shares shall be deemed after the Effective Time to represent only the right to receive upon such surrender the Cash Consideration (or in the case of the KEC Option Loan Shareholder, the right to receive the Net Cash Consideration and to have the Purchaser make the KEC Option Loan Repayment on behalf of such KEC Option Loan Shareholder) to which such former holders of such KEC Shares (other than Rollover Shares) are entitled under the Arrangement less any amounts withheld pursuant to Section 5.3, or as to those held by Dissenting Shareholders, other than those Dissenting Shareholders deemed to have participated in the Arrangement pursuant to Section 4.1(b), to receive the fair value of the KEC Shares represented by such certificate.
- (d) Subject to any Applicable Laws relating to unclaimed personal property, any certificate formerly representing KEC Shares (other than Rollover Shares) that is not deposited, together with all other documents required hereunder, on or before the last Business Day before the third anniversary of the Effective Date, and any right or claim by or interest of any kind or nature, shall terminate and be deemed to be surrendered and forfeited to the Purchaser for no Cash Consideration, together with all entitlements to dividends, distributions and interest thereon. In such case, such Cash Consideration shall be returned to the Purchaser.
- (e) No KEC Shareholder shall be entitled to receive any consideration with respect to the KEC Shares other than the Cash Consideration (or in the case of the KEC Option Loan Shareholder, the right to receive the Net Cash Consideration and to have the Purchaser make the KEC Option Loan Repayment on behalf of such KEC Option Loan Shareholder), and, if applicable, the Purchaser Shares, to which the holder is entitled to receive under the Arrangement and, if applicable, any Rollover Agreement, and for greater certainty, no such holder will be entitled to receive any interest, dividend, premium or other payment in connection therewith.

5.2 Lost Certificates

If any certificate which immediately prior to the Effective Time represented an interest in one or more outstanding KEC Share (other than a Rollover Share) that was transferred pursuant to Section 3.1 has been lost, stolen or destroyed, upon satisfying such reasonable requirements as may be imposed by the Purchaser and the Depositary in relation to the issuance of replacement share certificates, the Depositary will issue and deliver in exchange for such lost, stolen or destroyed certificate the Cash Consideration (or in the case of the KEC Option Loan Shareholder, the right to receive the Net Cash Consideration, if any, and to have the Purchaser make the KEC Option Loan Repayment on behalf of such KEC Option Loan Shareholder) to which the holder is entitled pursuant to the Arrangement as determined in accordance with the Arrangement and deliverable in accordance with such holder's Letter of Transmittal. The Person (other than a Rollover Shareholder) who is entitled to receive such Cash Consideration (or in the case of the KEC Option Loan Shareholder, the right to receive the Net Cash Consideration and to have the Purchaser make the KEC Option Loan Repayment on behalf of such KEC Option Loan Shareholder) shall, as a condition precedent to the receipt thereof, give a bond satisfactory to each of the Purchaser, KEC and the transfer agent of the KEC Shares in such form as is satisfactory to the Purchaser, KEC and the transfer agent of the KEC Shares, or shall otherwise indemnify the Purchaser, KEC and their respective transfer agents, to the reasonable satisfaction of such parties, against any claim that may be made against any of them with respect to the certificate alleged to have been lost, stolen or destroyed.

5.3 Withholdings

KEC, the Purchaser and the Depositary shall be entitled to deduct or withhold from any amounts payable to any Person pursuant to the Arrangement, such amounts (whether in cash or Purchaser Shares) as KEC, the Purchaser or the Depositary reasonably determines it is required to deduct or withhold with respect to such payment under the Tax Act or any provision of federal, provincial, territorial, state, local or foreign tax Law ("**Withholding Taxes**"). To the extent that amounts are so deducted or withheld, such deducted or withheld amounts shall be treated, for all purposes hereof, as having been paid or delivered to such Person in respect of whom such deduction or withholding was made, provided that such deducted or withheld amounts (or net proceeds therefrom) are timely remitted to the appropriate Governmental Authority.

5.4 No Encumbrances

Any exchange or transfer of securities pursuant to this Plan of Arrangement and the Rollover Agreements shall be free and clear of any Encumbrances or other claims of third parties of any kind.

5.5 Paramountcy

From and after the Effective Time:

- (a) this Plan of Arrangement shall take precedence and priority over any and all rights related to KEC Shares issued or outstanding prior to the Effective Time;
- (b) the rights and obligations of KEC, the Purchaser, the Depositary, the KEC Shareholders (including Dissenting Shareholders but excluding the Rollover Shareholders in respect of the Rollover Shares) and any trustee, transfer agent or other depositary therefor, shall be solely as provided for in this Plan of Arrangement; and
- (c) all actions, causes of action, claims or proceedings (actual or contingent, and whether or not previously asserted) based on or in any way relating to any KEC Shares shall be deemed to have been settled, compromised, released and determined without liability except as set forth in this Plan of Arrangement and, in the case of the Rollover Shares, the Rollover Agreement.

ARTICLE 6 AMENDMENTS

6.1 Amendment of this Plan of Arrangement

- (a) KEC and the Purchaser may amend, modify or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification or supplement must be: (i) set out in writing; (ii) approved by both KEC and the Purchaser, each acting reasonably; (iii) filed with the Court and, if made following the KEC Meeting, approved by the Court; and (iv) communicated to the KEC Shareholders, if and as required by the Court.
- (b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by KEC or the Purchaser at any time prior to or at the KEC Meeting (provided that KEC or the Purchaser, as applicable, shall have consented thereto in writing, acting reasonably) with or without any other prior notice or communication and, if so proposed and accepted by the Persons voting at the KEC Meeting (other than as may be required by the Interim Order), shall become part of this Plan of Arrangement for all purposes.
- (c) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the KEC Meeting shall be effective only: (i) if it is consented to in writing by each of KEC and the Purchaser (in each case, acting reasonably); and (ii) if required by the Court, if it is consented to by some or all of the KEC Shareholders voting in the manner directed by the Court.
- (d) This Plan of Arrangement may be amended, modified or supplemented following the Effective Time unilaterally by the Purchaser, provided that it concerns a matter which, in the reasonable opinion of the Purchaser, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the economic interest of any former holder of KEC Shares.

ARTICLE 7 FURTHER ASSURANCES

7.1 Further Assurances

Notwithstanding that the steps, events and transactions set out in this Plan of Arrangement shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the Purchaser and Kiwetinohk shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by either of them in order to further document or evidence any of the steps, events and transactions set out in this Plan of Arrangement.

APPENDIX C
FORMAL VALUATION AND PETERS & CO. FAIRNESS OPINION

October 27, 2025

The Special Committee of the Board of Directors

Kiwetinothk Energy Corp.
1700, 250 2nd Street SW
Calgary, AB T2P 0C1

To the Special Committee of the Board of Directors of Kiwetinothk Energy Corp.:

Peters & Co. Limited (“**Peters & Co.**” or “**we**”) understands that Kiwetinothk Energy Corp. (“**Kiwetinothk**” or the “**Company**”) intends to enter into an arrangement agreement to be dated October 27, 2025 (the “**Arrangement Agreement**”) with Cygnet Energy Ltd. (the “**Purchaser**”), pursuant to which the Purchaser, either directly or through a newly incorporated wholly-owned subsidiary, subject to certain conditions, proposes to acquire all of the issued and outstanding common shares of Kiwetinothk (the “**Shares**”), other than the Rollover Shares (defined herein), for cash consideration of \$24.75 per Share (the “**Consideration**”), by way of a plan of arrangement (the “**Transaction**”) under the provisions of the *Canada Business Corporations Act*. Peters & Co. understands that affiliates of ARC Financial Corp. (the “**Rollover Shareholders**”) currently hold, directly or indirectly, approximately 63% of the outstanding Shares. As part of the Transaction, the Rollover Shareholders will sell approximately 78% of their Shares for the same cash consideration per Share as other holders of Shares (“**Shareholders**”) and have agreed to exchange their remaining Shares (the “**Rollover Shares**”) for an equity interest in the Purchaser.

The above description is summary in nature and Peters & Co. understands that the terms and conditions of the Transaction will be more fully described in the notice of meeting and accompanying management information circular (the “**Circular**”), which will be mailed to Shareholders in connection with the Transaction.

Peters & Co. further understands that the board of directors of the Company (the “**Board**”) has constituted a committee of independent directors (the “**Special Committee**”) to, among other things, consider the Transaction and make recommendations to the Board regarding the Transaction and supervise the preparation of a formal valuation required by *Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions* (the “**Rule**”). The Special Committee has retained Peters & Co. to prepare and deliver to the Special Committee: (i) a formal valuation of the Shares (the “**Valuation**”) in accordance with the Rule; and (ii) an opinion (the “**Fairness Opinion**”) as to the fairness, from a financial point of view, of the Consideration to Shareholders (other than the Rollover Shareholders).

The Valuation and Fairness Opinion have been prepared in accordance with the disclosure standards for formal valuations and fairness opinions of the Canadian Investment Regulatory Organization (“**CIRO**”), but CIRO has not been involved in the preparation or review of the Valuation or the Fairness Opinion.

All financial figures contained herein are denominated in Canadian dollars unless otherwise noted.

ENGAGEMENT OF PETERS & CO.

Peters & Co. was initially contacted on September 9, 2025 by the Special Committee and was formally retained by the Special Committee pursuant to an engagement agreement dated September 22, 2025 (the “**Engagement Agreement**”) to provide the Valuation and, at the request of the Special Committee, the Fairness Opinion.

The terms of the Engagement Agreement provide for Peters & Co. to be paid: (i) a \$250,000 retainer fee; (ii) an \$800,000 fee upon completing, and being prepared to deliver, the Valuation; and (iii) a \$650,000 fee upon delivery of the written Valuation. In addition, the Company has agreed to reimburse Peters & Co. for its reasonable out-of-pocket expenses, including reasonable fees paid to its legal counsel in respect of advice rendered to Peters & Co. in carrying out its obligations under the Engagement Agreement, and to indemnify Peters & Co. in respect of certain liabilities which may be incurred by Peters & Co. in connection with the use of the Valuation and the Fairness Opinion.

No portion of the fees payable to Peters & Co. under the Engagement Agreement is contingent upon the conclusions reached in the Valuation and Fairness Opinion, or the completion or outcome of the Transaction or any other transaction.

Subject to the terms of the Engagement Agreement, Peters & Co. consents to the inclusion of the Valuation and the Fairness Opinion, in their entirety, in the Circular, together with a summary thereof, in a form acceptable to Peters & Co., and to the filing thereof with the applicable securities commissions or similar regulatory authorities in Canada. Peters & Co. further consents to the disclosure of the Valuation and the Fairness Opinion, in their entirety, to the Purchaser.

QUALIFICATIONS OF PETERS & CO.

Peters & Co. is an independent investment dealer headquartered in Calgary, Alberta. The firm specializes in investments in the Canadian energy industry. Peters & Co. was founded in 1971 and is a participating member of the Toronto Stock Exchange, the TSX Venture Exchange, the Canadian Securities Exchange, the Canadian Investment Regulatory Organization, the Canadian Forum for Financial Markets and the Canadian Investor Protection Fund. Peters & Co. Equities Inc., a wholly-owned subsidiary of Peters & Co., is a member of the Financial Industry Regulatory Authority, the Securities Investor Protection Corporation and the Securities Industry and Financial Markets Association in the United States.

Peters & Co. (directly and through affiliates) provides investment services to institutional investors and individual private clients; employs its own sales and trading group; conducts specialized and comprehensive investment research on the energy industry; and is an active underwriter for, and financial advisor to, companies active in the Canadian and international energy industry. Peters & Co. and its principals have participated in a significant number of transactions involving energy companies in Canada and internationally and have acted as financial advisor in a significant number of transactions involving evaluations of, and opinions for, private and publicly traded energy companies.

The opinion expressed herein is as of October 27, 2025 and is the opinion of Peters & Co. as a firm. The Valuation and Fairness Opinion have been reviewed and approved for release by a valuation and opinion review committee of Peters & Co. comprised of professionals experienced in mergers and acquisitions, divestitures, valuations and fairness opinions.

INDEPENDENCE OF PETERS & CO.

Peters & Co. acts as a trader and dealer, both as principal and as agent, in all major Canadian financial markets and, as such, may have had, and may in the future have, positions in the securities of the Company, interested parties in the Transaction, or any of their respective associated or affiliated entities, as applicable, and, from time to time, may have executed, or may execute, transactions on behalf of such persons for which it has received or may receive compensation. In addition, as an investment dealer, Peters & Co. conducts research on securities and may, in the ordinary course of its business, be expected to provide investment advice to its clients on investment matters, including with respect to the Company, interested parties in the Transaction, or any of their respective associated or affiliated entities or the Transaction, as

applicable. As used herein, “affiliated entity,” “associated entity,” “issuer insider” and “interested parties” have the meanings ascribed to them in the Rule.

Neither Peters & Co. nor any affiliated entity of Peters & Co.:

- (a) is an associated entity, affiliated entity or issuer insider of any interested party in the Transaction;
- (b) is acting as an advisor to any interested party in respect of the Transaction (except to prepare and deliver to the Special Committee the Valuation and the Fairness Opinion as contemplated by the Engagement Agreement);
- (c) is subject to any circumstance whereby the compensation of Peters & Co. depends in whole or in part on an agreement, arrangement or understanding that gives Peters & Co. a financial incentive in respect of the conclusion reached in the Valuation or the outcome of the Transaction;
- (d) is or will be (i) a manager or co-manager of a soliciting dealer group for the Transaction, or (ii) a member of a soliciting dealer group for the Transaction whereby, in its capacity as a soliciting dealer, would perform services beyond the customary soliciting dealer’s function or would receive more than the per security or per security holder fees payable to other members of the group;
- (e) is an external auditor of the Company or of any interested party in the Transaction;
- (f) has any material financial interest in the completion of the Transaction (and Peters & Co. confirms that the fees payable to Peters & Co. pursuant to the Engagement Agreement are not material to Peters & Co.);
- (g) has a material financial interest in future business under an agreement, commitment or understanding involving the Company, any interested party in the Transaction or any associated or affiliated entity of the Company or an interested party;
- (h) is a lead or co-lead lender or manager of a lending syndicate in respect of the Transaction; or
- (i) derives an amount of business or revenue from any interested party in the Transaction that is material to Peters & Co. or that would reasonably be expected to affect the independence of Peters & Co. in preparing the Valuation and Fairness Opinion.

Except as described herein, during the 24-month period before Peters & Co. was first contacted for the purpose of this engagement, none of Peters & Co. nor any of its affiliated entities:

- (a) has had a material involvement in an evaluation, appraisal or review of the financial condition of (i) any interested party, or an associated entity or affiliated entity of an interested party, or (ii) the Company, or an associated entity or affiliated entity of the Company, where the evaluation, appraisal or review was completed at the direction or request of an interested party or paid for by an interested party;
- (b) has acted as a lead or co-lead underwriter of a distribution of securities by (i) any interested party, or (ii) the Company, where the retention of Peters & Co. was carried out at the direction or request of an interested party or paid for by an interested party;
- (c) has had a material financial interest in a transaction involving an interested party or an associated entity or affiliated entity of an interested party; or
- (d) has had a material financial interest in a transaction involving the Company or an associated entity or affiliated entity of the Company.

Prior to Peters & Co.’s engagement, Peters & Co. disclosed to the Special Committee the following relationships with the Company and the Rollover Shareholders and certain of their affiliates:

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- (a) beginning in January 2025, Peters & Co. has acted as a broker pursuant to the normal course issuer bid of a TSX-listed issuer that is an affiliated entity of funds managed by the Rollover Shareholders;
 - (b) in July 2024, Peters & Co. was engaged as a financial advisor to the special committee of the board of directors of a TSX-listed issuer that is an affiliated entity of funds managed by the Rollover Shareholders in connection with the proposed take-private of the issuer by the Rollover Shareholders;
 - (c) in July 2024, Peters & Co. was engaged by the Rollover Shareholders to evaluate, using public information, the potential acquisition of securities in the Company (and Peters & Co. confirms that such engagement was terminated in January 2025 and no fee or other compensation is payable to Peters & Co. in connection with such engagement pursuant to any “tail” or other similar provision); and
 - (d) in December 2023, Peters & Co. was engaged as financial advisor to a private oil and gas exploration company that is an affiliated entity of the Rollover Shareholders in connection with a potential divestiture transaction.

The fees paid to Peters & Co. in connection with the foregoing are not, individually or in the aggregate, financially material to Peters & Co. Peters & Co. does not believe that these relationships affect its independence as defined by the Rule.

SCOPE OF REVIEW

In connection with rendering the Valuation and the Fairness Opinion, Peters & Co. has reviewed, considered and relied upon (without attempting to verify independently the completeness, accuracy or fair presentation thereof), among other things, the following:

- (a) the most recent draft of the Arrangement Agreement dated October 23, 2025;
- (b) the letter of intent submitted to the Company by the Purchaser dated September 11, 2025;
- (c) the audited financial statements and management’s discussion and analysis of the Company for each of the years ended December 31, 2024, 2023 and 2022;
- (d) the unaudited interim financial statements and management’s discussion and analysis of the Company for the three- and six-month periods ended June 30, 2025 and 2024;
- (e) the annual information form of the Company for each of the years ended December 31, 2024, 2023, and 2022;
- (f) the notice of meeting and management information circular of the Company dated April 2, 2025 for the annual and special meeting of Shareholders held on May 21, 2025;
- (g) the report prepared by McDaniel & Associates Consultants Ltd. (“**McDaniel**”) dated March 4, 2025 (the “**McDaniel Report**”) evaluating the oil, natural gas and natural gas liquid reserves of the Company as at December 31, 2024 utilizing a three consultant average commodity price forecast as at January 1, 2025 (“**3CA Price Assumptions**”);
- (h) the look-ahead analysis prepared by McDaniel dated October 3, 2025 (the “**Mechanical Update**”) evaluating the oil, natural gas and natural gas liquid reserves of the Company as at June 30, 2025, as adjusted for a commodity price and exchange rate scenario utilizing the forward strip price forecast based on the trading prices of future contracts of various maturities as at October 17, 2025 (the “**Strip Price Assumptions**”);
- (i) the Company’s long term financial forecast model (the “**Management Forecast**”) prepared by management of the Company and its advisors;
- (j) the value, as confirmed by management, of the Company’s unrealized hedging gains or losses as at June 30, 2025 based on Strip Price Assumptions;
- (k) a presentation from management of the Company on September 22, 2025;

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- (l) a discussion with the Company's advisors on September 24, 2025 with respect to various matters considered relevant by Peters & Co.;
 - (m) select public market trading statistics and financial information of the Company and certain other Canadian oil and natural gas public entities considered relevant by Peters & Co.;
 - (n) select financial statistics and financial information with respect to certain Canadian oil and natural gas precedent transactions, both on a corporate and asset-level basis, considered relevant by Peters & Co.;
 - (o) select reports published by equity research analysts and industry sources regarding the Company and certain other Canadian oil and natural gas public entities considered relevant by Peters & Co.; and
 - (p) certain other financial, operational, legal, corporate and other information prepared by or provided by executive management of the Company.

In addition to the information detailed above, Peters & Co. has:

- (a) reviewed certain publicly available information pertaining to current and expected future oil and natural gas prices, oilfield activity levels and other economic factors;
- (b) reviewed and considered capital market conditions, both current and expected, for the oil and natural gas industry in general, for Canadian oil and natural gas companies, and for the Company, specifically;
- (c) reviewed the operating and financial performance and business characteristics of the Company, relative to the performance of select relevant Canadian oil and natural gas companies;
- (d) received representations contained in a certificate (the "**Company Certificate**") addressed to us from the Chief Executive Officer, the Chief Financial Officer and the Chief Operating Officer, Upstream of the Company, as to the completeness and accuracy of the information upon which the Valuation and the Fairness Opinion are based; and
- (e) reviewed other financial, securities market and industry information and carried out such other analyses and investigations as Peters & Co. considered necessary and appropriate in the circumstances.

In addition, we have participated in discussions with management of the Company regarding its past and current business operations, reserves, other assets and prospects. We have also participated in discussions with the Special Committee and with Stikeman Elliott LLP, legal counsel to the Special Committee, regarding the Transaction, the Valuation, the Fairness Opinion and related matters. To the best of our knowledge, Peters & Co. has not been denied access by the Company to any information it requested.

PRIOR VALUATIONS

The Company has represented to Peters & Co. after due inquiry that there have not been any prior valuations (as defined in the Rule) of the Company or its material assets or securities in the past 24-month period.

ASSUMPTIONS AND LIMITATIONS

The Valuation and the Fairness Opinion are subject to the assumptions and limitations set out below.

The Valuation and the Fairness Opinion are rendered, and related analyses are performed, on the basis of securities markets, economic, financial, general business conditions and effective tax rates prevailing as at the date hereof and the condition and prospects, financial and otherwise, of the Company as reflected in the Information (defined herein) reviewed by us and as represented to us in our discussions with members of the Special Committee and executive management of the Company. In our analyses and in preparing the Valuation and Fairness Opinion, numerous assumptions were made with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of any

party involved in the Transaction. Certain assumptions relating to the Company's assets, including the present ability to recover resource therefrom at economic values, have been made with regard to known technologies commonly in use at the present time.

With respect to budgets and operating and financial forecasts, projections or estimates provided to Peters & Co. and used in our analyses, we note that projecting future results of any company is inherently subject to uncertainty. We have assumed, however, that such budgets, financial forecasts, projections and estimates were prepared consistent with industry practice on a basis reflecting the best currently available assumptions, estimates and judgments of management of the Company and are (or were at the time and continue to be) reasonable in the circumstances, having regard to the business plans, financial condition and prospects of the Company.

With the approval of the Special Committee and as provided for in the Engagement Agreement, Peters & Co. has relied upon, and has assumed the completeness, accuracy and fair presentation of, all information, data, documents, materials, opinions, advice and representations (including in the Company Certificate) relating to the Company made available to us or which has been or may be filed with applicable securities regulatory authorities or similar authorities by the Company or has been or may be released by the Company to the public or provided to Peters & Co. by the Company's management, counsel, consultants, auditors or other advisors. The Valuation and the Fairness Opinion are conditional upon the completeness, accuracy and fair presentation of such information, data, documents, materials, opinions, advice and representations. Without limiting the foregoing, we have assumed the accuracy of the representations and warranties of the Company in the most recent draft of the Arrangement Agreement dated October 23, 2025. Subject to the exercise of our professional judgment, and except as expressly described herein, Peters & Co. has not attempted to verify independently the completeness, accuracy or fair presentation of any such information, data, documents, materials, opinions, advice and representations.

Peters & Co. has relied on certain factual representations made by the Chief Executive Officer, the Chief Financial Officer and the Chief Operating Officer, Upstream of the Company, on behalf of the Company and not in their personal capacities, to Peters & Co. in the Company Certificate delivered as of the date hereof. Among other representations, such representations include that (i) with the exception of forward looking information and the forecasts and projections referred to below, the information, data, budgets, company generated reports, evaluations, representations and other material, financial or otherwise (collectively, the "**Information**"), provided in writing by the Company to Peters & Co. relating to the Company, any of its subsidiaries or the Transaction in connection with the preparation of the Valuation and the Fairness Opinion was, on the dates the Information was provided to Peters & Co., complete, true and correct in all material respects when taken together, and did not contain any untrue statement of a material fact in respect of the Company, its subsidiaries or the Transaction and did not, taken as a whole, omit a material fact in respect of the Company, its subsidiaries or the Transaction necessary to make the Information not misleading in light of the circumstances under which the Information was provided to Peters & Co.; (ii) the forecasts and projections provided to Peters & Co. were reasonably prepared on bases reflecting the best currently available estimates and judgment of management of the Company as to the matters covered thereby using the identified assumptions that are, in the opinion of the Company, reasonable in the circumstances; (iii) Peters & Co. was provided with all material Information in the possession or knowledge of the Company that Peters & Co. requested; (iv) since the dates on which the Information was provided to Peters & Co. and, except as disclosed to Peters & Co., there has been no "material fact" or "material change" (as each term is defined in the *Securities Act* (Alberta)) relating to the Company or the Transaction that has not been publicly disclosed which is of a nature so as to render the Information, taken as a whole, untrue or misleading in any material respect; (v) to the best of the knowledge, information and belief after due inquiry of the Chief Executive Officer, the Chief Financial Officer and the Chief Operating Officer, Upstream of the Company, there are no independent appraisals or valuations or material non-independent appraisals or valuations relating to the Company or any of its subsidiaries or any of their respective material assets or liabilities in the possession or control of the Company that have been prepared as of a date within the two years preceding the date hereof and that have not been provided to Peters & Co.; (vi) since the dates on which the Information was provided to Peters & Co., no material transactions have been entered into by the Company or any of its subsidiaries that have not been disclosed

publicly or disclosed to Peters & Co.; (vii) other than as disclosed in the Information, the Company does not have any material contingent liabilities and there are no material actions, suits, proceedings or inquiries of which the Company has received notice or, to the knowledge of the Company, pending or threatened against or affecting the Company or any of its subsidiaries before or by any government department, commission, bureau, board, agency or instrumentality or stock exchange which may in any way materially adversely affect the Company and its subsidiaries taken as a whole; (viii) all financial statements, concerning the Company and its subsidiaries, provided to Peters & Co. were in all material respects prepared in accordance with Canadian generally accepted accounting principles consistently applied and reflect the financial position and condition of the Company as at the dates thereof and the results of the operations of the Company for the periods then ended; (ix) no written offers, not disclosed to Peters & Co., for all or a material part of the assets owned by, or the securities of, the Company or any of its subsidiaries have been received by the Company, and no negotiations, not disclosed to Peters & Co., have occurred relating to any such offer, in each case within the two years preceding the date hereof; (x) the Circular and certain other disclosure documents will comply in all material respects with applicable laws and do not contain any misrepresentation (as defined in the *Securities Act* (Alberta)); (xi) there are no agreements, underwriting commitments or undertakings (written or oral, formal or informal) relating to the Transaction, except as disclosed to Peters & Co.; and (xii) all projects associated with the Company's power business have been, or are in the process of being, sold, with the result that the power business will be wound down and closed prior to the completion of the Transaction with a net zero impact to the Company, as more particularly described to Peters & Co. by management of the Company. By virtue of the foregoing, as applicable, no adjustment has been made in the conclusions set out herein by reason of any event or occurrence after the date on which such Information was provided.

The Transaction is subject to a number of conditions outside the control of the Company or the other parties to the Transaction and, in connection with the preparation of the Valuation and the Fairness Opinion, we have assumed that: all conditions precedent to the completion of the Transaction can be satisfied in due course and in a reasonable amount of time; all consents, permissions, exemptions or orders of the court, regulatory authorities and other third parties will be obtained, and, in connection therewith, no restrictions, terms or adverse conditions or qualifications will be imposed that would be material to the Valuation and Fairness Opinion or Peters & Co.'s analyses; the procedures being followed to implement the Transaction are valid and effective; the Circular will be distributed to the Shareholders in accordance with all applicable laws; and the disclosure in the Circular will be accurate in all material respects and will comply, in all material respects, with the requirements of all applicable laws. In rendering the Valuation and the Fairness Opinion, we express no views as to the likelihood that the conditions with respect to the Transaction will be satisfied or waived or that the Transaction will be implemented within the timeframe indicated in the Arrangement Agreement. In addition, in its analyses, Peters & Co. has made numerous assumptions with respect to industry performance, commodity prices, general business and economic conditions and other matters determined to be relevant by Peters & Co.

Peters & Co. believes that the various assumptions set out above are reasonable under the current circumstances; however, actual future results may demonstrate that certain assumptions were incorrect.

We are not legal, tax, regulatory or accounting experts, and we express no opinion concerning any legal, tax, regulatory or accounting matters concerning the Transaction. As valuator, Peters & Co. has relied upon, without independent verification, the assessments of the Company and its legal, tax, regulatory and accounting advisors with respect to legal, tax, regulatory and accounting matters.

With the consent of the Special Committee, certain competitively sensitive information, including with respect to the Mechanical Update, has been aggregated or summarized and certain portions of our analyses have been presented in summary form only for purposes of disclosure in the Valuation.

The Valuation and the Fairness Opinion have been prepared and provided solely for the exclusive use and benefit of the Special Committee and the Board in evaluating the Consideration from a financial point of view and may not be used or relied upon by any person, other than the Special Committee and the Board, or used for any other purpose without the prior written consent of Peters & Co., except as consented to

herein. The Valuation and the Fairness Opinion are not to be reproduced, disseminated, quoted from or referred to (in whole or in part) without our prior written consent, except as consented to herein. Peters & Co. specifically disclaims responsibility for any losses which may occur as a result of any unauthorized or improper use of the Valuation or the Fairness Opinion.

Peters & Co. makes no recommendation (i) as to how any Shareholder or any other person should vote or act in any matter relating to the Transaction, (ii) to the Special Committee or the Board to authorize the Company to enter into the Arrangement Agreement or to proceed with the Transaction, or (iii) with respect to any other action the Special Committee, the Board, any Shareholder or any other party should take in connection with the Transaction or otherwise.

Peters & Co. has not undertaken an independent evaluation, appraisal or physical inspection of any assets or liabilities (contingent or otherwise) of the Company or its subsidiaries, nor has it been furnished with any such evaluation or appraisal. The solvency or fair value of the Company, the Purchaser or any other entity under any provincial, federal or state laws relating to bankruptcy, insolvency or similar matters has not been evaluated by Peters & Co. and we have not been requested to make, nor have made, an independent evaluation of, and express no opinion as to, any pending or potential litigation, claims, governmental, regulatory or other proceedings or investigations or possible unasserted claims or other contingent liabilities affecting the Company, the Purchaser or any other entity. Peters & Co. has assumed that any such matters would not be material to, or otherwise impact, the Valuation and Fairness Opinion or Peters & Co.'s analyses.

The Fairness Opinion is limited to an opinion as to the fairness, from a financial point of view, of the Consideration to be received by the Shareholders (other than the Rollover Shareholder). Peters & Co. was not authorized to solicit, and did not solicit, interest from any other party with respect to an acquisition of the securities or assets of the Company, or any business combinations or other transactions involving the Company. The Valuation and Fairness Opinion do not address the relative merits of the Transaction as compared to any strategic alternatives or other transaction or business strategies that may be available to the Company.

Any financial analyses contained herein must be considered and reviewed as a whole and selecting portions of the stated analyses or factors considered by Peters & Co., without considering all the stated analyses and factors together, could create a misleading view of the process underlying the Valuation and the Fairness Opinion, and the resultant conclusions. The preparation of a valuation of this nature is a complex process and is not necessarily amenable to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

The Valuation and the Fairness Opinion are given as of the date hereof, with certain information contained within the Valuation and the Fairness Opinion provided at dates prior to the date hereof. Although we reserve the right to change or withdraw the Valuation and/or the Fairness Opinion if we learn that any of the Information upon which we relied in preparing the Valuation or the Fairness Opinion was inaccurate, incomplete or misleading in any material respect, we disclaim, except as required by section 6.4(2)(c) of the Rule, any undertaking or obligation to change or withdraw the Valuation or the Fairness Opinion, or to advise any person of any change in any fact or matter affecting the Valuation or the Fairness Opinion which may come or be brought to the attention of Peters & Co. after the date hereof.

GENERAL INDUSTRY CONDITIONS

Valuations of oil and natural gas companies, and the ability to market them on an *en bloc* basis, are heavily influenced by broader industry conditions.

Commodity price recovery and disciplined operations have driven robust cash flow growth in the Canadian upstream sector, while capital spending has remained restrained. Since 2020, cash flow among Canadian producers has increased ~4.0x versus a ~2.5x increase in capital expenditures⁽¹⁾.

Trading multiples for Canadian upstream companies, particularly intermediates and juniors, remain below historical averages and continue to lag larger companies, despite improvement since 2020. A clear trading multiple gap persists, with large U.S. and Canadian producers commanding a premium relative to smaller operators.

In general, merger and acquisition activity is being led by mid-cap and larger producers seeking scale, synergies, and high-quality inventory. Large-scale, high-quality unconventional opportunities remain scarce and premium valuations are being paid for assets with strong inventory depth. Although the number of transactions has declined over the past decade in the Canadian upstream sector, aggregate annual transaction value has held steady over the years, reflecting larger average deal sizes.

Investor sentiment toward Canadian upstream is improving. Breakeven prices for top Canadian upstream plays remain well below strip pricing levels, and leading Canadian upstream plays continue to demonstrate efficiency gains. Canadian natural gas now has more direct access to international markets, with the launch of the first phase of LNG Canada in 2025.

While access to equity capital is limited, Canadian upstream companies are in stronger financial positions than in past cycles. Investors generally tend to remain focused on total returns, including consistent return of capital frameworks and sustainable profitability; trends that are expected to support ongoing consolidation and disciplined capital deployment in the Canadian upstream sector over the near-term.

(1) As per Peters & Co. research coverage universe inclusive of companies that were covered in 2020 and currently.

OVERVIEW OF THE COMPANY

The following description is derived from the Information.

Kiwetinohk is a Canadian energy company engaged in the exploration, acquisition, development, and production of crude oil, condensate, natural gas, and associated natural gas liquids, predominantly in Alberta.

Kiwetinohk was founded in 2018. The Company entered into a Business Combination Agreement in 2021 with Distinction Energy Corp., creating a larger, integrated energy company. Kiwetinohk's shares were first offered to public investors in 2022.

Kiwetinohk produces natural gas, natural gas liquids, oil and condensate and has disclosed its intention to divest its portfolio of Alberta-based pre-construction power generation projects that include solar, natural-gas fired power and carbon capture and storage (CCS) facilities.

The Company's capital investment program is solely focused on the maintenance and growth of its upstream assets. Non-upstream activities are immaterial to the overall business.

Upstream Business

The upstream business focuses on liquids-rich unconventional resources, primarily the Duvernay and Montney formations, located approximately 45km west of the town of Fox Creek, Alberta.

Principal assets are comprised of liquids-rich Duvernay and Montney resource development in the Simonette, Tony Creek and Placid areas, where the company holds material working interests and operatorship.

Q2 2025 production was 33,217 barrels of oil equivalent ("**boe**") per day ("**boe/d**"), with a mix of 32% oil/condensate, 13% natural gas liquids ("**NGL**"), and 55% natural gas. In 2024, production was 27,657 boe/d (31% oil/condensate, 15% NGLs, and 54% natural gas).

Year-end 2024 proved plus probable reserves were 246.4 million barrels of oil equivalent ("**MMboe**"), with 115 Duvernay and 31 Montney drilling locations in Simonette / Tony Creek and 28 Montney drilling locations in Placid assigned in the reserves report.

Simonette / Tony Creek

Development primarily targets the liquids-rich Duvernay, with some Montney production. 2024 average production was 20,966 boe/d (47% liquids).

Placid

The asset targets the Montney, with average 2024 production of 5,892 boe/d (41% liquids).

Midstream, Marketing and Transportation Arrangements

Owned infrastructure and contracted midstream, marketing, and transportation arrangements provide sufficient capacity for the Company's current production and anticipated growth.

Owned Infrastructure⁽¹⁾

In Simonette / Tony Creek, Kiwetinohk has a 100% interest in two operated natural gas plants (128.0 million cubic feet per day ("MMcf/d") capacity), with NGL processing (3,650 barrels per day ("bbl/d"), excluding condensate), and condensate stabilization (14,350 bbl/d).

The company also holds 100% interest in two operated Placid facilities (90.0 MMcf/d gas, 5,000 bbl/d condensate) and a 39.3% non-operated interest in the Bigstone Gas Plant (80.0 MMcf/d gas, 2,400 bbl/d NGL).

(1) All processing capacities expressed on a gross basis before working interest.

Alliance Pipeline

Firm commitments are in place through October 2032 to transport up to 120 MMcf/d of natural gas from Simonette / Tony Creek and Placid to Chicago. The pipeline connects Alberta production to U.S. Midwest markets.

NGTL System

Contracts include 20.1 MMcf/d for Placid (expires March 2026) and 9.2 MMcf/d for Simonette / Tony Creek (expires July 2031), plus smaller volumes for other assets.

Pembina Peace Pipeline

Direct connections serve both Simonette gas plants. This pipeline moves condensate and NGLs to Alberta hubs for sale or fractionation. Existing agreements cover current production with flexibility for future increases.

Other Midstream Contracts

A dedicated condensate pipeline links Placid to Fox Creek, without take-or-pay obligations. Multiple confidential agreements are also in place for liquids and gas transportation, and NGL fractionation at Fort Saskatchewan.

Power Business

As of the date of this Valuation, the Company's power assets have largely been divested, with any adjustments to the capitalization of the Company since June 30, 2025 being accounted for in the Valuation. The remaining power assets are expected to be divested prior to the completion of the Transaction, the outcome of which would not have a material impact on the Valuation and the Fairness Opinion.

Summary of the Company's Outstanding Securities and Financial Instruments

Peters & Co. was provided with the following balances of the outstanding Shares and securities of the company as at June 30, 2025:

- Common Shares: 43,879,190 Shares outstanding
- Stock Options: 2,860,269 stock options outstanding
- Performance Warrants: 6,583,395 performance warrants outstanding
- Deferred Share Units: 176,131 units outstanding
- Restricted Share Units: 438,434 units outstanding
- Performance Share Units: 652,736 units outstanding inclusive of the multiplier

HISTORICAL FINANCIAL INFORMATION OF THE COMPANY

The following tables summarize the Company's production data, income and cash flow data and balance sheet data for the fiscal years ended December 31, 2023, December 31, 2024 and six-month period ended June 30, 2025.

Production Data

		Six months Ended June 30,	Year Ended December 31,	
		2025	2024	2023
Oil & Condensate	bbl/d	10,546	8,396	7,183
NGLs	bbl/d	4,458	3,936	2,769
Natural Gas	Mcf/d	107,472	87,260	75,810
Total⁽¹⁾	boe/d	32,916	26,875	22,587

Note: Mcf/d = thousand cubic feet per day.

(1) Natural gas converted to boe at industry convention ratio of 6:1.

Income and Cash Flow Data

		Six months Ended June 30,	Year Ended December 31,	
		2025	2024	2023
Net Income (Loss)	\$000s	\$114,219	\$1,065	\$111,896
Cash Flow from Operations	\$000s	\$190,156	\$263,203	\$240,760
Adjusted Funds from Operations	\$000s	\$204,260	\$272,115	\$241,311
Capital Expenditures ⁽¹⁾	\$000s	\$137,604	\$336,747	\$306,985
Income (Loss) per Share (F.D.)	\$000s	\$2.55	\$0.02	\$2.52

(1) Excludes capital expenditures relating to acquisitions and divestitures.

Balance Sheet Data

		Six months Ended June 30	Year Ended December 31,	
		2025	2024	2023
Cash	\$000s	-	-	\$5,054
Total Current Assets	\$000s	\$80,583	\$68,323	\$87,951
Total Current Liabilities	\$000s	\$78,707	\$112,085	\$69,678
Long-Term Debt ⁽¹⁾	\$000s	\$204,573	\$251,002	\$195,000
Total Liabilities	\$000s	\$432,032	\$500,537	\$375,413
Total Equity	\$000s	\$831,996	\$715,038	\$710,202

(1) Face value of long-term debt outstanding.

TRADING INFORMATION

The Shares trade on the Toronto Stock Exchange (the “TSX”) under the symbol “KEC”. The following are the monthly price ranges and volumes traded or quoted on the TSX since January 2024:

	TSX		
	Closing Prices		Volume
	High	Low	
2024			
January.....	\$11.52	\$10.81	114,316
February.....	\$11.20	\$10.85	65,340
March.....	\$11.85	\$10.65	434,642
April.....	\$12.96	\$12.21	65,585
May.....	\$13.17	\$12.30	141,853
June.....	\$13.48	\$12.51	103,960
July.....	\$13.70	\$13.21	81,129
August.....	\$14.73	\$12.76	90,023
September.....	\$14.33	\$13.60	141,128
October.....	\$15.25	\$13.98	402,892
November.....	\$15.51	\$15.05	81,555
December.....	\$16.35	\$15.54	113,021
2025			
January.....	\$17.48	\$16.70	105,830
February.....	\$17.30	\$16.35	98,458
March.....	\$16.94	\$14.80	220,518
April.....	\$17.00	\$14.18	1,247,290
May.....	\$17.69	\$14.83	109,775
June.....	\$21.10	\$17.55	269,570
July.....	\$23.39	\$21.25	331,839
August.....	\$23.94	\$22.97	183,129
September.....	\$24.54	\$23.16	255,855
October 1 to October 23.....	\$23.10	\$22.00	224,314

Source: TSX trading data as per FactSet.

THE PUBLIC MARKET FOR THE SHARES

Issued and Outstanding Shares

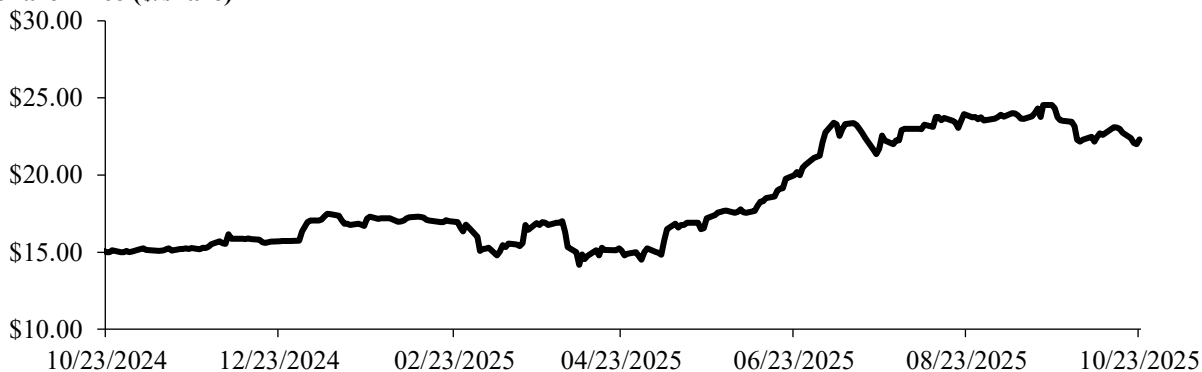
As at the date hereof, 43.9 million Shares are outstanding. We understand that an aggregate of 29.2 million (67%) Shares are beneficially owned by the Company’s management, members of the Board and the Rollover Shareholders, with the balance of 14.7 million Shares (33%) owned by third parties.

Trading Volumes

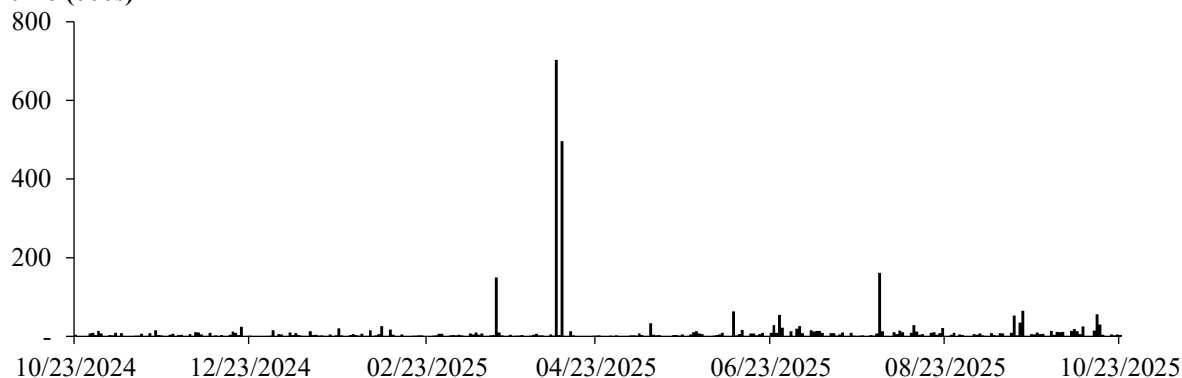
Over the last 12 months (252 trading days), the average daily trading volume and aggregate daily trading value of the Shares was 13,011 shares and \$0.2MM, respectively. In this same period, the Shares traded in the range of \$14.18 to \$24.54 per Share, with the 52-week low of \$14.18 occurring on April 8, 2025 and the 52-week high of \$24.54 occurring on September 22, 2025.

The volume-weighted average price of the Shares for the 20 trading days as at October 23, 2025 was \$22.83 per share. The charts below depict the daily closing prices and daily volume for the trading of the Shares over the past 12 months.

Share Price (\$/share)



Volume (000s)



Source: TSX trading data of KEC as per FactSet.

DEFINITION OF FAIR MARKET VALUE

The Valuation is a “formal valuation” prepared in accordance with the Rule which, in the case of the Transaction, is required to contain Peters & Co.’s opinion as to a value or range of values representing the fair market value of the Shares.

Pursuant to the Rule, and for purposes of the Valuation, “**fair market value**” is defined as the monetary consideration that, in an open and unrestricted market, a prudent and informed buyer would pay to a prudent and informed seller, each acting at arm’s length with the other and under no compulsion to act.

In accordance with the Rule, Peters & Co. has made no downward adjustment to the fair market value of the Shares to reflect the trading liquidity of the Shares, the effect of the Transaction on the Shares, or the fact that the Shares held by Shareholders, other than the Rollover Shareholders, do not form part of a controlling interest. A valuation prepared on the foregoing basis is referred to as an *en bloc* valuation.

APPROACH TO VALUE

The Valuation is based on techniques and assumptions that Peters & Co. considers appropriate in the circumstances for the purpose of arriving at a range of fair market values of the Shares.

VALUATION METHODOLOGIES

In preparing the Valuation, Peters & Co. primarily considered three methodologies in estimating the range of values of the Shares:

1. Net asset value (“NAV”) approach;
2. Comparable precedent transactions (“**Precedent Transactions**”) approach; and
3. Comparable public companies trading metrics (“**Comparable Trading Metrics**”) approach.

NAV Approach

The NAV approach employed by Peters & Co. involved, among other things, attributing value to the projected unlevered after-tax free cash flows of the Company's proved reserves ("1P") and proved plus probable reserves ("2P"), net of G&A expense, based on the Mechanical Update under Strip Pricing Assumptions ("Unlevered FCFs"), discounted to June 30, 2025 utilizing a range of discount rates ("DCF").

Precedent Transactions Approach

The Precedent Transactions approach employed by Peters & Co. involved the review of available public information with respect to purchase and sale transactions involving relevant companies and assets in the oil and natural gas sector in Canada and for which there was sufficient public information to derive transaction metrics implied by the consideration paid in connection with those transactions. Such metrics considered by Peters & Co. were the ratios of transaction enterprise value ("**Transaction Value**" or "**TV**") to: (i) current production in boe/d ("**TV / Production**"); (ii) last-twelve-months ("**LTM**") net operating income ("**TV / LTM NOI**"); and (iii) the estimated 2P boe reserves ("**TV / 2P Reserves**").

Comparable Trading Metrics Approach

The Comparable Trading Metrics approach employed by Peters & Co. involved the review of the trading multiples of selected relevant publicly traded Canadian companies in the oil and natural gas sector. Such multiples considered by Peters & Co. were the ratios of enterprise value ("**Enterprise Value**" or "**EV**") to: (i) forward year (2026) consensus estimates for production in boe/d ("**TV / 2026E Production**"); (ii) forward year (2026) consensus estimates for earnings before interest, taxes, depreciation and amortization ("**EBITDA**") ("**EV / 2026E EBITDA**"); and (iii) the estimated 2P boe reserves ("**EV / 2P Reserves**"). It is important to note that the Comparable Trading Metrics approach is based on public trading multiples that generally reflect minority discount values rather than *en bloc* values.

VALUATION OF THE SHARES

NAV Approach

The NAV approach requires that certain assumptions be made regarding, among other things, future free cash flows, discount rates, and terminal values. The possibility that some of the assumptions will prove to be inaccurate is one factor involved in the determination of the discount rates to be used in establishing a range of values.

General and Administrative Expenses

Peters & Co. included general and administrative expenses (“G&A”) for the Company for the remainder of 2025 through to the end of 2029 as provided by management on a dollar per boe basis, with 2030 onward being estimated by Peters & Co. and calculated based on the greater of (i) the amount of G&A implied by the five-year management forecast average dollar per boe less synergies (further described herein); (ii) \$1.00 per boe produced in each year; and (iii) \$500,000 per year. G&A expenses were inflated at the same rate that was used in the Strip Price Assumptions for the Mechanical Update.

The estimated G&A of the Company was incorporated into the DCF analysis for the forecast period.

Distinctive Material Benefit to a Purchaser of 100% of the Shares

Peters & Co. reviewed and considered whether any distinctive material benefits are anticipated to accrue to the Purchaser as a consequence of the completion of the Transaction or any other purchaser of 100% of the outstanding Shares. We considered material value that might be derived as a result of: (i) savings from the elimination of costs borne by the Company in connection with its status as a publicly listed entity, and savings related to certain other corporate costs, including but not limited to, IT systems, software services, third party services, back office and support staff and compliance, and (ii) the realization of potential operational synergies that, in each case, may be available to the Purchaser or other potential purchasers of the Company.

Based upon discussions with management of the Company, Peters & Co. understood and concluded that the amount of synergies that could be realized by a potential purchaser of the Company would include the elimination of public company costs and savings related to certain other corporate costs (the “**Corporate Costs**”). These cost savings are estimated by management to be approximately \$5.5 million per year (uninflated) starting in 2026.

Based upon additional discussions with management of the Company, and management’s understanding of the Purchaser, there are potential operational synergies that could be realized by the Purchaser as a result of the Transaction. However, the extent to which such synergies may be achieved (if at all) and their timing is highly uncertain. Moreover, in Peters & Co.’s professional judgment, precedent transaction multiples, which form the basis of the Precedent Transactions Approach, inherently reflect a change of control premium and, as such, effectively incorporate the expectation of operational synergies. Accordingly, operational synergies that could be realized by the Purchaser were considered in our analysis under the Precedent Transactions Approach but ultimately not included in the NAV Approach.

Implication of Synergies for the Valuation and Fairness Opinion

For the purposes of this Valuation, Peters & Co. has reflected 50% of the potential after-tax savings attributable to the Corporate Costs in the estimated G&A expenses required to operate and develop the assets in our DCF analysis, as outlined below:

1P Reserves Mechanical Update		2026	2027	2028	2029	2030
Before-Tax Public Company Cost Savings	\$MM	\$2.8	\$2.8	\$2.9	\$3.0	\$3.0
Cash Taxes	<i>\$MM</i>	-	(\$0.1)	(\$0.3)	(\$0.3)	(\$0.3)
After-Tax Public Company Cost Savings	\$MM	\$2.8	\$2.7	\$2.6	\$2.7	\$2.7

2P Reserves Mechanical Update		2026	2027	2028	2029	2030
Before-Tax Public Company Cost Savings	\$MM	\$2.8	\$2.8	\$2.9	\$3.0	\$3.0
Cash Taxes	<i>\$MM</i>	-	(\$0.3)	(\$0.3)	(\$0.4)	(\$0.4)
After-Tax Public Company Cost Savings	\$MM	\$2.8	\$2.5	\$2.5	\$2.6	\$2.7

Discount Rates

The projected Unlevered FCFs were discounted using an estimated after-tax weighted average cost of capital (“WACC”). The discount rates applicable to the Company were derived from Company’s estimated after-tax cost of equity and debt, weighted according to an assumed optimal capital structure. With respect to optimal capital structure, it has been assumed that net debt would comprise 15% of the total capitalization of the Company. This assumption was based upon a review of the capital structure of certain companies considered relevant for purposes of this assessment and the risks specific to the Company and the oil and natural gas industry generally.

To arrive at an average pre-tax cost of debt for the Company, Peters & Co. assumed the median yield-to-maturity of publicly traded notes of intermediate and junior exploration and production company peers. The after-tax cost of debt of the Company was calculated using the Company’s marginal tax rate.

In order to determine the appropriate cost of equity, Peters & Co. utilized the capital asset pricing model (“CAPM”) methodology. Pursuant to the CAPM approach, cost of equity was calculated with reference to the risk-free rate of return, the Company’s risk of equity relative to the market (the “beta”), an equity market risk premium and a size premium. Peters & Co. derived the Company’s beta from a set of unlevered betas of certain public Canadian oil and natural gas companies that Peters & Co. considered relevant for the purposes of this analysis. The unlevered beta was then re-levered using the assumed optimal capital structure for the Company.

The assumptions Peters & Co. used in estimating the Company's WACC, and the resulting range of discount rates, are outlined in the table below:

	Low	High
Cost of Debt		
Risk Free Rate (20-Year Canadian Government Bond Yield)	3.48%	3.48%
Cost of Debt	8.00%	8.00%
Cost of Equity		
Risk Free Rate (20-Year Canadian Government Bond Yield)	3.48%	3.48%
Equity Risk Premium ⁽¹⁾	5.75%	5.75%
Size Premium ⁽²⁾	0.88%	0.88%
Unlevered Beta	1.00	1.35
Levered Beta	1.12	1.51
Tax Rate	23.00%	23.00%
After Tax Cost of Equity	10.77%	13.02%
WACC		
Optimal Capital Structure (% Debt)	15.00%	15.00%
WACC	10.08%	11.99%
Selected WACC Range	10.00%	12.00%

(1) Source: Canadian Historical Long-Horizon equity risk premium from Kroll as of December 31, 2024.

(2) Source: CRSP Deciles Size Study 8th decile, effective December 31, 2024.

For the purposes of the NAV approach, we selected a discount range of 10% to 12% for our DCF analysis.

Commodity Price Assumptions

The following table sets out the Strip Price Assumptions utilized in calculating the Company's cash flows.

		H2 2025	2026	2027	2028+
West Texas Intermediate ("WTI")	US\$/bbl	\$61.83	\$57.79	\$59.05	Inflated at 2% / year
Edmonton Par	C\$/bbl	\$80.83	\$75.02	\$75.40	Inflated at 2% / year
NYMEX Henry Hub ("HHUB")	US\$/mcf	\$3.13	\$3.88	\$3.94	Inflated at 2% / year
HHUB-AECO Differential	US\$/mcf	\$2.11	\$1.66	\$1.57	Inflated at 2% / year
AECO	C\$/mcf	\$1.42	\$3.08	\$3.25	Inflated at 2% / year
Foreign Exchange	USD / CAD	0.7201	0.7201	0.7268	

1P and 2P Reserve Value

Peters & Co. requested an updated reserves report from the Company to be prepared as at June 30, 2025. Accordingly, McDaniel provided the Mechanical Update which included the following adjustments to the original McDaniel Report:

- (i) an effective date of June 30, 2025;
- (ii) cash flows based on Strip Price Assumptions;
- (iii) reserve classification change of H1 2025 development from proved undeveloped to proved developed producing for six wells;
- (iv) the addition into proved developed producing reserves of two new non-operated 2025 Montney drills that the Company has an interest in;
- (v) reserve classification change of ten H1 2030 future undeveloped locations from probable undeveloped into proved undeveloped reserves to have five full years of development in the proved reserve category;
- (vi) the exclusion of reserves and future development capital associated with development locations where the net present value is negative based on Strip Price Assumptions;
- (vii) a reduction of 2025 production volumes based on the forecasted amount produced during the six-month period ended June 30, 2025;
- (viii) contractual changes related to Alliance pipeline tolls as of November 2025 and fractionation and transportation costs for NGLs in Placid; and
- (ix) updated future well development capital for Placid.

Except as set out above, Peters & Co. understands that McDaniel did not conduct a review of the technology, production performance, status, resource categorization, future development timing or additions, capital or operating costs since the preparation of the original McDaniel Report.

It is the opinion of Peters & Co. that a potential buyer would evaluate the reserves on an after-tax basis. We have considered the Company's income tax pools as at June 30, 2025 to ascribe a value to the reserves on an after-tax basis, which is consistent with discounting projected Unlevered FCFs using an estimated after-tax WACC.

Peters & Co. reviewed the Management Forecast and the relevant assumptions underlying it, including commodity price, differential and exchange rate assumptions, anticipated costs, capital expenditures and resultant production levels, but did not rely on the Management Forecast for the purposes of the Valuation and Fairness Opinion.

Financial Assets and Liabilities

In determining net debt, Peters & Co. utilized the Company's working capital and debt balances as of June 30, 2025, including required adjustments provided by the Company relating to the sale of certain of the Company's power assets. Our analysis accounted for the exercise of cash-settled and equity-settled dilutive securities.

NAV Approach Summary

The following is a summary of the value per Share of the Company implied by Peters & Co.'s DCF analysis:

Summary of DCF Analysis ⁽¹⁾					
		1P Development Case		2P Development Case	
		WACC		WACC	
		12%	10%	12%	10%
Total After Tax Net Present Value ⁽²⁾	<i>\$MM</i>	\$958	\$1,065	\$1,583	\$1,801
Less: Net Debt ⁽³⁾	<i>\$MM</i>	(\$187)	(\$187)	(\$187)	(\$187)
Less: Cash-Settled Dilutives	<i>\$MM</i>	(\$21)	(\$24)	(\$37)	(\$42)
Less: Present Value of Hedging Gain / (Loss)	<i>\$MM</i>	\$13	\$13	\$13	\$13
Implied Equity Value	<i>\$MM</i>	\$762	\$867	\$1,372	\$1,586
Basic Shares Outstanding	<i>MM</i>	44	44	44	44
Fully Diluted Shares Outstanding ⁽⁴⁾	<i>MM</i>	45	45	48	48
Implied Equity Value per Share	<i>\$/share</i>	\$16.94	\$19.08	\$28.82	\$32.82

(1) Assumes all cash flows are discounted to June 30, 2025.

(2) Net present value net of G&A and taxes.

(3) As at June 30, 2025, calculated as the sum of debt, lease liabilities and working capital deficit.

(4) Equity-settled dilutives calculated using the Treasury Stock Method.

Cash-settled dilutives were calculated by multiplying the number of outstanding dilutives by the implied equity value per Share and form part of the adjustments in calculating implied equity value.

Equity-settled dilutives were calculated using the Treasury Stock Method whereby the number of outstanding in-the-money dilutives (with exercise price below the implied equity value per Share) were exercised and that these exercise proceeds were then used to buy back all or some of the granted shares at the same implied equity value per Share. The resulting newly issued shares were added to the outstanding Shares of the Company.

NAV Approach Sensitivity

Sensitizing key economic variables in the DCF analysis was carried out and the impact thereof was considered and reviewed in our professional judgement. Although the sensitivity analysis was not used in the Valuation, it provided an estimate of the impact on the NAV per Share for changes in variables such as commodity prices, operating expenses, capital expenditures and WACC.

Precedent Transactions Approach

Peters & Co. reviewed publicly available information with respect to nine precedent transactions in the oil and natural gas sector in Canada. These transactions were chosen by Peters & Co. based on Peters & Co.'s experience and professional judgment, taking into account, among other factors, the business and financial characteristics of the target companies and assets as well as the availability of publicly disclosed financial metrics with respect to the transactions. It should be noted that reserves from the McDaniel Report were utilized in this analysis for comparability to reserves-based precedent transaction multiples (TV / 2P Reserves). Peters & Co. applied the precedent transactions methodology to calculate an enterprise value for the Company and then adjusted for the value impact of net debt to determine the resulting implied value per Share. The precedent transactions that were identified and reviewed by Peters & Co. are summarized below:

Date	Target	Acquiror	Transaction Value	TV /		
				Production	LTM NOI ⁽⁹⁾	2P Reserves
			\$MM	\$/boe/d	x	\$/boe
14-May-25	Strathcona ⁽¹⁾	CNRL	\$850	\$26,563	5.9x ⁽¹⁰⁾	\$4.47
14-May-25	Strathcona ⁽²⁾	ARC Resources	\$1,695	\$42,375		
14-May-25	Strathcona ⁽²⁾	Tourmaline	\$292	\$36,438		
10-Mar-25	Veren ⁽³⁾	Whitecap	\$9,231	\$48,076	3.6x	\$8.14
14-Nov-24	Paramount ⁽⁴⁾	Ovintiv	\$3,325	\$49,186	5.5x	\$6.36
12-Aug-24	Crew ⁽⁵⁾	Tourmaline	\$1,334	\$44,479	6.4x	\$2.82
06-Nov-23	Hammerhead ⁽⁶⁾	Crescent Point	\$2,550	\$65,217	4.8x	\$8.25
01-Aug-23	Pipestone ⁽⁷⁾	Strathcona	\$1,054	\$31,799	3.0x	\$4.58
28-Mar-23	Spartan Delta ⁽⁸⁾	Crescent Point	\$1,700	\$44,737	n/a	\$5.78 ⁽¹¹⁾

Source: Public disclosure.

- (1) Per Strathcona press release dated May 14, 2025. Buyer disclosure as per CNRL second quarter results press release dated August 7, 2025. LTM NOI as per Strathcona press release dated May 14, 2025.
- (2) Per Strathcona press release dated May 14, 2025. LTM NOI as per Strathcona press release dated May 14, 2025.
- (3) Per Whitecap / Veren press release dated March 10, 2025 and joint combination presentation. Transaction value and capitalization per joint circular dated March 28, 2025. Reserves attributes per Veren 2024 YE AIF. Production per joint transaction combination presentation.
- (4) Ovintiv / Paramount based on November 14, 2024 Paramount press release. NOI multiple based on Q3/24 net operating income annualized.
- (5) Tourmaline / Crew based on August 12, 2024 press release and Tourmaline August 2024 Corporate Presentation. LTM NOI multiple calculated based on Crew quarterly financial statements. Reserves attributes per Crew 2023 AIF.
- (6) Crescent Point / Hammerhead based on November 6, 2023 press release. LTM NOI multiple calculated based on prior Hammerhead quarterly financial statements. Production per Hammerhead September 2023 presentation, represents Q2/23 average production.
- (7) Strathcona / Pipestone based on August 1, 2023 press release and Pipestone Q2/23 financials. LTM NOI multiple calculated based on prior Pipestone quarterly financial statements. Production per Q2/23 MD&A.
- (8) Crescent Point / Spartan Delta based on March 28, 2023 press releases.
- (9) Represents last four publicly disclosed quarters sales revenue less royalties, transportation, and operating expenses, unless otherwise noted.
- (10) LTM NOI reflects total transaction value of Strathcona's Montney asset package sales (\$2.84 billion) divided by 2024 Montney assets field operating income. Per Strathcona press release dated May 14, 2025.
- (11) Reserve values based on Spartan Delta press release dated March 28, 2023.

Precedent Transactions Approach Summary

While none of the selected precedent transactions reviewed were considered directly comparable to the Transaction, Peters & Co. relied upon its professional judgment in selecting appropriate multiple ranges for the Company. Transaction metrics based on current or historical attributes for transactions that were focused on significant near-term growth had a lesser influence on the selected multiple ranges.

The following is a summary of the value per Share of the Company implied by Peters & Co.'s Precedent Transactions analysis:

	Attribute	Selected Multiple Range		Implied EV Range (\$MM)	Implied Value per Fully Diluted Share (\$/sh.) ⁽³⁾		
		Low	High	Low	High	Low	High
Current Prod. (Q2/25) ⁽¹⁾	33,217 boe/d	\$35,000/boe/d	\$45,000/boe/d	\$1,163	\$1,495	\$20.74	\$26.97
LTM NOI (Q2/25) ⁽¹⁾	\$373MM	3.5x	5.0x	\$1,307	\$1,867	\$23.49	\$33.79
2P Reserves ⁽²⁾	246 MMboe	\$5.00	\$7.00	\$1,232	\$1,725	\$22.08	\$31.18

(1) As per Kiwetinohk financial statements.

(2) As per McDaniel YE 2024 reserves report.

(3) Calculated using Treasury Stock Method.

Comparable Trading Metrics Approach

Peters & Co. reviewed certain financial information of five publicly traded companies that it considered relevant, based on Peters & Co.'s experience and professional judgment and taking into account factors that, for purposes of the analysis, may be considered similar to those of the Company. It should be noted that reserves from the McDaniel Report were utilized in this analysis for comparability to reserves-based comparable trading metrics (EV / 2P Reserves). Peters & Co. applied the comparable trading metrics methodology to calculate an enterprise value for the Company and then adjusted for the value impact of net debt to determine the resulting implied value per Share. The comparable trading metrics that were identified and reviewed by Peters & Co. are summarized below:

	Capitalization			Operational		Valuation		
	Share Price	Market Cap. ⁽¹⁾	Enterprise Value ⁽²⁾	2026E Production	2026E % Gas	EV / 2026E Production	EV / 2026E EBITDA	EV / 2P Reserves
Comparables	\$/sh.	\$MM	\$MM	boe/d	%	\$/boe/d	x	\$/boe
NuVista	\$16.26	\$3,225	\$3,622	100,139	61%	\$36,173	4.4x	\$4.65
Paramount	\$22.81	\$3,363	\$2,285	50,900	47%	\$44,890	5.0x	\$9.42
Kelt	\$6.33	\$1,288	\$1,468	50,300	60%	\$29,182	3.5x	\$3.37
Spartan Delta	\$5.82	\$1,213	\$1,356	47,000	57%	\$28,849	4.1x	\$4.87
Logan	\$0.79	\$502	\$637	17,000	60%	\$37,448	3.7x	\$6.01

Source: FactSet consensus estimates as at October 23, 2025.

(1) Fully diluted shares calculated using the treasury stock method, adjusted for subsequent A&D / financings.

(2) Market capitalization utilizing share prices as at October 23, 2025 plus net debt as at June 30, 2025.

Comparable Trading Metrics Approach Summary

In Peters & Co.'s view, none of the selected public companies are identical to the Company and these entities may have characteristics that are materially different from those of the Company which should be considered. Accordingly, Peters & Co. relied upon its professional judgment in selecting appropriate metric ranges for the Company. The selected trading metric ranges were determined on the basis of the trading values of public companies and therefore do not reflect the value of a controlling interest.

The following is a summary of the value per Share of the Company implied by Peters & Co.'s Comparable Trading Metrics analysis:

	Attribute	Selected Multiple Range		Implied Enterprise Value Range (\$MM)		Implied Value per Fully Diluted Share (\$/sh.) ⁽³⁾	
				Low	High	Low	High
		Low	High	Low	High	Low	High
2026E Production⁽¹⁾							
1P Reserves	33,215 boe/d	\$30,000/boe/d	\$35,000/boe/d	\$996	\$1,163	\$17.47	\$20.74
2P Reserves	36,927 boe/d	\$30,000/boe/d	\$35,000/boe/d	\$1,108	\$1,292	\$19.68	\$23.22
2026E EBITDA⁽¹⁾							
1P Reserves	\$407MM	3.5x	4.0x	\$1,423	\$1,626	\$25.66	\$29.39
2P Reserves	\$457MM	3.5x	4.0x	\$1,600	\$1,829	\$28.90	\$33.09
2P Reserves Volume⁽²⁾	246 MMboe	\$3.50	\$6.00	\$862	\$1,478	\$14.74	\$26.67

(1) Based on the Mechanical Update, adjusted for G&A and synergies as described in the NAV Approach section.

(2) As per the McDaniel Report.

(3) Calculated using Treasury Stock Method.

VALUATION SUMMARY

The following is a summary of the range of the implied value per Share resulting from the NAV analysis, precedent transactions analysis and comparable trading metrics analysis and the selected fair market value range of each Share:

	Summary Implied Value per Share Ranges	
	Low	High
Discounted Cash Flow Analysis 1P Reserves	\$16.94	\$19.08
Discounted Cash Flow Analysis 2P Reserves	\$28.82	\$32.82
Precedent Transactions Analysis Current Production (Q2/25)	\$20.74	\$26.97
Precedent Transactions Analysis LTM NOI (Q2/25)	\$23.49	\$33.79
Precedent Transactions Analysis 2P Reserves	\$22.08	\$31.18
Comparable Trading Analysis 1P Reserves: 2026E Production	\$17.47	\$20.74
Comparable Trading Analysis 2P Reserves: 2026E Production	\$19.68	\$23.22
Comparable Trading Analysis 1P Reserves: 2026E EBITDA	\$25.66	\$29.39
Comparable Trading Analysis 2P Reserves: 2026E EBITDA	\$28.90	\$33.09
Comparable Trading Analysis 2P Reserves Volume	\$14.74	\$26.67
Selected Fair Market Value Range	\$22.00	\$27.00

In arriving at its opinion as to the fair market value of the Shares, Peters & Co. made qualitative judgments based upon its experience in rendering such opinions and on circumstances prevailing as to the significance and relevance of each valuation methodology.

VALUATION CONCLUSION

Based upon and subject to the foregoing, Peters & Co. is of the opinion that, as of October 27, 2025, the fair market value of the Shares is in the range of \$22.00 to \$27.00 per Share.

FAIRNESS OPINION

Fairness Opinion Considerations

In considering the fairness, from a financial point of view, of the Consideration to be received by the Shareholders (other than the Rollover Shareholders) pursuant to the Arrangement, Peters & Co. principally considered and relied upon, among other things, the following:

1. a comparison of the Consideration to the fair market value of the Shares as determined in the Valuation; and
2. such other information, investigations and analysis as Peters & Co., in the exercise of its professional judgment, considered necessary or appropriate in the circumstances.

Fairness Opinion Conclusion

Based upon and subject to the foregoing, and such other matters considered relevant, Peters & Co. is of the opinion that, as at the date hereof, the Consideration to be received by the Shareholders (other than the Rollover Shareholders) pursuant to the Transaction is fair, from a financial point of view, to the Shareholders (other than the Rollover Shareholders).

Yours truly,

signed "*Peters & Co. Limited*"

PETERS & CO. LIMITED

APPENDIX D
NBF FAIRNESS OPINION

October 27, 2025

Kiwetinothk Energy Corp.
1700 - 250 2nd Street SW
Calgary, AB T2P 0C1

To the Board of Directors of Kiwetinothk Energy Corp. (the “**Board**”):

National Bank Financial Inc. (“**NBF**”) understands that pursuant to an arrangement agreement dated October 27, 2025 (the “**Arrangement Agreement**”) between Kiwetinothk Energy Corp. (“**KEC**”, “**Kiwetinothk**” or the “**Company**”) and Cygnet Energy Ltd. (“**Cygnet**” or the “**Purchaser**”), such parties have agreed, among other things and upon the terms and conditions set out in the Arrangement Agreement, that the Purchaser will acquire all of the issued and outstanding common shares of Kiwetinothk (the “**KEC Shares**”) by way of a plan of arrangement under the *Canada Business Corporations Act* (the “**Arrangement**”). Under the terms of the Arrangement, each holder of KEC Shares (each a “**KEC Shareholder**” and collectively, the “**KEC Shareholders**”), excluding the KEC Shares (the “**Rollover Shares**”) held by ARC Equity Management (Fund 8) Ltd. (as the general partner of ARC Equity Management (Fund 8) Limited Partnership, 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) (collectively, the “**Rollover Shareholders**”), shall be entitled to receive cash consideration of \$24.75 per KEC Share (the “**Consideration**”). Under the terms of the Arrangement, the Rollover Shareholders shall be entitled to receive shares of the Purchaser as consideration for the Rollover Shares pursuant to a share exchange agreement between the Purchaser and the Rollover Shareholders.

NBF understands that, concurrent with the execution and delivery of the Arrangement Agreement, the Purchaser has entered into support agreements (the “**Support Agreements**”) with each of the directors and executive officers of Kiwetinothk, the Rollover Shareholders and Luminus Energy IE Designated Activity Company (collectively, the “**Kiwetinothk Supporting Shareholders**”), whereby the Kiwetinothk Supporting Shareholders have agreed to vote the KEC Shares beneficially owned, controlled or directed by them, representing approximately 79% of the outstanding KEC Shares, in favour of, among other things, the Arrangement, subject to the terms and conditions of the Support Agreements.

The terms and conditions of the Arrangement are more fully set forth in the Arrangement Agreement. NBF further understands that the terms and conditions of, and additional information with respect to, the Arrangement will be more fully described in a management information circular (the “**Circular**”) and, together with other public information prepared and disclosed by the Company in connection with or with respect to the Arrangement, the “**Disclosure Documents**”) to be prepared by Kiwetinothk and mailed to the KEC Shareholders in connection with a special meeting of shareholders called by Kiwetinothk to seek shareholder approval of the Arrangement.

ENGAGEMENT OF NATIONAL BANK FINANCIAL INC.

NBF was first contacted by the Company in respect of the Arrangement in February, 2025 and was formally engaged by the Company pursuant to an engagement agreement dated March 14, 2025 (the “**Engagement Agreement**”). Pursuant to the Engagement Agreement, NBF agreed to provide a fairness opinion as to the fairness or inadequacy of the Consideration, from a financial point of view,

to the KEC Shareholders, other than the Rollover Shareholders in respect of the Rollover Shares (the “**Fairness Opinion**”). NBF has not been asked to prepare, and has not prepared, a formal valuation of Kiwetinohk, or any of their respective securities or assets, and this Fairness Opinion should not be construed as such.

The terms of the Engagement Agreement provide that NBF will receive a fee for advisory services (contingent upon the completion of the Arrangement) and a fixed fee for delivering the Fairness Opinion (regardless of its conclusion) to the Board. Additionally, Kiwetinohk has agreed to indemnify NBF in respect of certain liabilities that might arise out of NBF’s engagement and to pay for certain of its expenses.

On October 27, 2025, at the request of the Board, NBF orally delivered the opinion set forth herein to the Board, based upon and subject to the scope of review, assumptions and limitations and other matters described herein. This Fairness Opinion provides the same opinion, in writing, as that given orally by NBF to the Board on October 27, 2025.

NBF understands that the Fairness Opinion (and a summary thereof) may be included in the Circular and, subject to the terms of the Engagement Agreement, NBF consents to the inclusion thereof in a form acceptable to NBF.

RELATIONSHIP WITH INTERESTED PARTIES

None of NBF, its affiliates or associates is an insider, associate or affiliate of Kiwetinohk, the Purchaser or any of their respective associates or affiliates (as such terms are defined in the *Securities Act* (Ontario)) (collectively, the “**Interested Parties**” and each, an “**Interested Party**”) or a related party (as defined in Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions*) of the Interested Parties. NBF acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have had and may in the future have positions in the securities of any Interested Party and, from time to time, may have executed or may execute transactions on behalf of such companies or clients for which it received or may receive compensation. As an investment dealer, NBF conducts research on securities and has, in the past, in the ordinary course of its business, provided research reports and investment advice to its clients on investment matters, certain of the Interested Parties and may, in the ordinary course of business, provide research reports and investment advice to its clients with respect to the Arrangement.

NBF’s controlling shareholder, National Bank of Canada (the “**Bank**”), a Canadian chartered bank, is a lender to Kiwetinohk and the Purchaser. To the extent that the Bank is required to consent to the Arrangement, NBF has no role in the Bank’s determination.

Other than as set forth above, there are no understandings, agreements or commitments between NBF and any Interested Party with respect to any current or future business dealings. NBF may, in the future, as it has in the past, in the ordinary course of its business, provide financial advisory, credit or investment banking services to any of the Interested Parties.

CREDENTIALS OF NATIONAL BANK FINANCIAL INC.

NBF is a leading Canadian investment banking firm with operations in a broad range of investment banking activities, including corporate finance, mergers and acquisitions, equity and fixed income sales and trading and investment research. The Fairness Opinion expressed herein is the opinion of NBF and the form and content hereof have been reviewed and approved for release by a group of managing directors of NBF, each of whom is experienced in merger, acquisition, divestiture and fairness opinion matters.

This Fairness Opinion has been prepared in accordance with the Disclosure Standards for Formal Valuations and Fairness Opinions of the Canadian Investment Regulatory Organization (“CIRO”) but CIRO has not been involved in the preparation or review of this Fairness Opinion.

SCOPE OF REVIEW

In connection with rendering the Fairness Opinion, NBF has received and/or relied upon or carried out a review of, among other things, the following (without attempting to verify the accuracy or completeness thereof):

Transaction documents:

1. the Arrangement Agreement;
2. the Plan of Arrangement giving effect to the Arrangement;
3. the Disclosure letter dated October 27, 2025 from Kiwetinohk to Cygnet;
4. the Support Agreements;

Disclosure relating to Kiwetinohk:

5. audited financial statements, annual reports, management discussion and analysis, annual information forms and management information circulars of Kiwetinohk for the fiscal years ended December 31, 2022, 2023 and 2024;
6. interim financial statements and management discussion and analysis of Kiwetinohk for: (i) the three months ended March 31, 2023, 2024 and 2025; (ii) the three and six months ended June 30, 2023, 2024 and 2025; and (iii) the three and nine months ended September 30, 2022, 2023 and 2024;
7. the independent reserves report, dated March 4, 2025 and effective December 31, 2024, of McDaniel & Associates Consultants Ltd. (“McDaniel”), independent engineering consultants of Calgary, Alberta, regarding certain petroleum and natural gas reserves of Kiwetinohk’s and its subsidiaries’ oil and gas assets;
8. financial and operating information, including internal management forecasts and other such information, prepared by Kiwetinohk;
9. land, production, operation, facilities and infrastructure, transportation and marketing, and environmental summary documents;
10. due diligence materials provided by Kiwetinohk covering technical aspects of the Company’s assets;
11. discussions with senior officers of Kiwetinohk, regarding financial results, and budgets and business plans;
12. a letter of representation from senior officers of Kiwetinohk, addressed to us and dated October 27, 2025, as to matters of fact relevant to the Arrangement and as to the completeness and accuracy of the information upon which the Fairness Opinion is based (the “Kiwetinohk Representation Letter”);
13. such other financial, market, corporate and industry information, research reports, investigations, discussions and analysis, research and testing of assumptions as we considered necessary or appropriate in the circumstances;

Other disclosure:

14. public information relating to the business, operations, financial performance and stock trading history of the Company and other selected public companies considered by us to be relevant;
15. public information with respect to other transactions of a nature comparable to the Arrangement considered by us to be relevant; and
16. public information regarding the Canadian oil and gas industries.

NBF did not meet with the auditors of Kiwetinohk and has assumed the accuracy and fair presentation of the audited and unaudited financial statements of the Kiwetinohk, and, as applicable, the reports of the auditors thereon. NBF did not meet with McDaniel and has assumed the accuracy and fair presentation of the reserves reports of Kiwetinohk and its subsidiaries.

NBF has not, to its knowledge, been denied access to any information relevant to the Fairness Opinion.

ASSUMPTIONS AND LIMITATIONS

The Fairness Opinion is subject to the assumptions, limitations and qualifications herein before described and as set forth below.

NBF has relied, without independent verification, upon, and has assumed the completeness, accuracy and fair presentation of, all of the financial and other information, data, advice, opinions and representations obtained by it from public sources or provided to NBF by or on behalf of the Interested Parties and their respective advisors or otherwise, including, without limitation, in meetings and discussions referred to above under “Scope of Review” (collectively, the “**Information**”). The Fairness Opinion is conditional upon the completeness, accuracy and fair presentation of such Information. In accordance with the Engagement Agreement, but subject to the exercise of its professional judgment, NBF has not attempted to verify independently the completeness, accuracy or fair presentation of the Information. With respect to any operating and financial models, forecasts, projections and estimates provided to NBF and used in the analysis supporting the Fairness Opinion, NBF has noted that projecting future results of any entity is inherently subject to uncertainty and has assumed that such financial models, forecasts, projections and estimates have been reasonably prepared on the basis reflecting the best currently available estimates and judgments of management of the Interested Parties as to the matters covered thereby and, in rendering the Fairness Opinion, we express no view as to the reasonableness of such forecasts, projections, estimates or assumptions on which they are based. NBF has assumed that the Circular and all matters relating to the special meeting of shareholders to be called by Kiwetinohk to seek shareholder approval of the Arrangement comply with applicable laws.

Senior officers of Kiwetinohk represented to NBF in the Kiwetinohk Representation Letter, among other things, that:

- i. the Information provided orally by, or in the presence of, any officer or employee of the Company or in writing by the Company, any of its affiliates (as defined in National Instrument 62-104 *Take-Over Bids and Issuer Bids*) or any of their respective agents or advisors to NBF relating to the Company or the Arrangement for the purpose of preparing the Fairness Opinion (a) was, at the date the Information was provided to NBF, and is at the date hereof, complete, true and correct in all material respects, and did not and does not contain any untrue statement of a material fact in respect of the Company or omit to state a material fact, (b) did not and does not contain any untrue statement of a material fact, and (c) did not and does not omit to state any material fact necessary to make such Information, or any statement contained therein, not misleading in light of the circumstances in which it was provided to NBF;

- ii. since the dates on which the Information was provided to NBF, except as disclosed in writing to NBF, there has been no (a) material change or change in material facts, financial or otherwise, in or relating to the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company or any of its subsidiaries, (b) no material change in the Information, or (iii) other material change or change in material facts, in each case, that might reasonably be considered material to the Fairness Opinion
- iii. to the best of such senior officers' knowledge, information and belief after reasonable inquiry, no independent appraisals or valuations or material non-independent appraisals or valuations relating to the Company, any of its subsidiaries or any of their respective material assets or liabilities have been prepared within the two years preceding the date hereof that have not been provided to NBF;
- iv. since the dates on which the Information was provided to NBF, no material transaction has been entered into by the Company or any of its subsidiaries;
- v. such senior officers have no knowledge of any facts not contained in or referred to in the Information that would reasonably be expected to affect the Fairness Opinion, including the assumptions used, the scope of the review undertaken or the conclusions reached by NBF;
- vi. other than as disclosed in the Information, to the best of such senior officers' knowledge, information and belief after reasonable inquiry, neither the Company nor any of its subsidiaries have any material contingent liabilities and there are no actions, suits, proceedings or inquiries pending or threatened in writing against or affecting the Company or any of its subsidiaries at law or in equity or before or by any federal, provincial, territorial, municipal or other governmental department, commission, bureau, board agency or instrumentality that, individually or in the aggregate, may in any way materially adversely affect the Company, any of its subsidiaries or the Arrangement;
- vii. any portions of the Information provided to NBF (or filed on SEDAR+) which constitute forecasts, projections or estimates (a) were prepared using the assumptions identified therein, which, in the reasonable opinion of the Company, are (or were at the time of preparation and continue to be, except to the extent superseded by more current Information) reasonable in the circumstances, and (b) are not, in the reasonable belief of such senior officers, misleading in any material respect in light of the assumptions used therefor;
- viii. all financial material, documentation or other data concerning the Company, its subsidiaries and the Arrangement, excluding any projections or forecasts which are governed by Section (vii), provided to NBF (a) was prepared on a basis consistent in all material respects with the accounting policies applied in the audited consolidated financial statements of the Company dated as at December 31, 2024 and reflects the assumptions disclosed therein (which assumptions management of the Company believes were reasonable at the time of preparation and remain reasonable in all material respects), (b) does not contain any untrue statement of a material fact, and (c) does not omit to state any material fact necessary to make such financial material, documentation or other data, or any statement contained therein, not misleading in light of the circumstances in which it was provided to NBF
- ix. to the best of such senior officers' knowledge, information and belief after reasonable inquiry, no verbal or written offers for all or a material part of the properties and assets owned by, or the securities of, the Company or any of its subsidiaries have been received and no negotiations have occurred relating to any such an offer within the two years preceding the date hereof that have not been disclosed to NBF;

- x. there are no agreements, undertakings, commitments or understandings (oral or written, formal or informal) relating to the Arrangement that have not been disclosed to NBF;
- xi. the representations and warranties made by the Company and, to the best of such senior officers' knowledge, by the Purchaser in the Arrangement Agreement relating to the Arrangement are true and correct in all material respects
- xii. the contents of all Disclosure Documents prepared in connection with the Transaction are true and correct in all material respects, and do not contain any misrepresentation (as defined in the *Securities Act* (Ontario)), and such Disclosure Documents comply with all requirements under applicable laws.

With respect to all legal and tax matters relating to the Arrangement and the implementation thereof, we have relied upon, without independent verification, the assessment of Kiwetinohk's legal and tax counsel with respect to such matters. We do not express any opinion with respect to the tax consequences to Kiwetinohk or any KEC Shareholder that may arise as a result of the Arrangement and have assumed that no material negative tax consequences arise for Kiwetinohk as a result of the Arrangement. The Arrangement Agreement is subject to a number of conditions outside of the control of Kiwetinohk and the Purchaser and we have assumed all conditions precedent to the completion of the Arrangement can be satisfied in due course and all consents, permissions, exemptions or orders of relevant regulatory authorities will be obtained, without adverse conditions or qualifications. In rendering this Fairness Opinion, we express no view as to the likelihood that the conditions to the Arrangement will be satisfied or waived.

NBF has also assumed that all of the representations and warranties contained in the Arrangement Agreement are true and correct in all material respects as of the date hereof and that the Arrangement will be completed substantially in accordance with the terms set forth in the Arrangement Agreement and all applicable laws.

The Fairness Opinion is rendered on the basis of securities markets, economic, financial and general business conditions prevailing as at the date hereof and the condition and prospects, financial and otherwise of Kiwetinohk and its affiliates, as they were reflected in the Information. In our analyses and in preparing the Fairness Opinion, we made numerous assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of any party involved in the Arrangement. While NBF believes these assumptions to be reasonable with respect to Kiwetinohk in the industry in which it operates, some or all of these assumptions may prove to be incorrect.

The Fairness Opinion has been prepared and provided for the use of the Board and the Board only and may not be relied upon by any other person without the prior written consent of NBF. The Fairness Opinion is provided as of the date hereof and NBF disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Fairness Opinion that may come or be brought to the attention of NBF after the date hereof. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting the Fairness Opinion after the date hereof, NBF reserves the right to change, modify or withdraw the Fairness Opinion.

NBF expresses no opinion with respect to future trading prices of the securities of Kiwetinohk and the Fairness Opinion does not constitute an opinion as to whether the Consideration is fair to the Purchaser or a recommendation as to whether the KEC Shareholders should vote in favour of the Arrangement.

The Fairness Opinion is based upon a variety of factors. Accordingly, NBF believes that its analyses must be considered as a whole. Selecting portions of its analyses or the factors considered by NBF, without considering all factors and analyses together, could create a misleading view of the process underlying the Fairness Opinion. The preparation of the Fairness Opinion is a complex process and

is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

APPROACH TO FAIRNESS

In arriving at our opinion as to whether the Consideration to be received by the KEC Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares) is fair, from a financial point of view, to such holders, NBF considered a number of factors including, but not limited to:

- (i) a comparison of the Consideration to the results of a discounted cash flow analysis of the Company;
- (ii) a comparison of the financial multiples implied by the Consideration to selected financial multiples, to the extent publicly available, of selected precedent transactions;
- (iii) a comparison of the financial multiples implied by the Consideration to selected financial multiples of selected comparable companies whose securities are publicly traded; and
- (iv) other factors that NBF deemed necessary and appropriate in the circumstances.

CONCLUSION

Based upon and subject to the foregoing and such other matters as we considered relevant, it is our opinion, as of the date hereof, that the Consideration to be received by the KEC Shareholders (other than the Rollover Shareholders in respect of the Rollover Shares) is fair, from a financial point of view, to such holders.

Yours very truly,

A handwritten signature in cursive script that reads "National Bank Financial Inc.".

NATIONAL BANK FINANCIAL INC.

APPENDIX E
INTERIM ORDER

COURT FILE NUMBER: 2501-17508
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
MATTER IN THE MATTER OF SECTION 192 OF THE
CANADA BUSINESS CORPORATIONS ACT,
RSC 1985, c C-44, AS AMENDED



AND IN THE MATTER OF A PROPOSED
ARRANGEMENT INVOLVING KIWETINOHK
ENERGY CORP., CYGNET ENERGY LTD. AND
THE SHAREHOLDERS OF KIWETINOHK
ENERGY CORP.

APPLICANT KIWETINOHK ENERGY CORP.

DOCUMENT **INTERIM ORDER**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION
OF PARTY
FILING THIS
DOCUMENT

STIKEMAN ELLIOTT LLP
Barristers and Solicitors
Suite 4200, Bankers Hall West
888 3rd Street SW
Calgary, Alberta, T2P 5C5
Attention: Matti Lemmens
Telephone: (403) 266-9064
Facsimile: (403) 266-9034
Email: MLemmens@stikeman.com
File No.: 144291-1040

Date on which Order was pronounced: November 6, 2025

Name of Justice who made this Order: The Honourable Justice Neilson

Location of Hearing: Edmonton Law Courts, Edmonton, Alberta

UPON the Originating Application (the "**Originating Application**") of Kiwetinohk Energy Corp. ("**KEC**" or the "**Applicant**") for an Interim Order pursuant to section 192 of the *Canada Business Corporations Act*, RSC 1985, c C-44, as amended (the "**CBCA**");

AND UPON reading the Originating Application, the affidavit of Beth Reimer-Heck sworn November 4, 2025 (the "**Affidavit**"), and the documents referred to therein, and the affidavit of Kira Lyseng, sworn November 5, 2025;

AND UPON being advised that notice of the Originating Application has been given to the director appointed under section 192 of the CBCA (the "**Director**") as required by subsection 192(5) of the CBCA and that the Director does not consider it necessary to appear;

AND UPON being advised that it is the intention of the Applicant and Cygnet Energy Ltd. (the "**Purchaser**") to rely upon Section 3(a)(10) of the United States *Securities Act of 1933*, as amended (the "**U.S. Securities Act**"), as a basis for an exemption from the registration requirements of the U.S. Securities Act with respect to the issuance of the shares in the capital of the Purchaser to the Rollover Shareholders (as defined herein);

AND UPON hearing counsel for the Applicant;

FOR THE PURPOSES OF THIS ORDER:

- (a) the capitalized terms not defined in this Order (the "**Order**") shall have the meanings attributed to them in the draft management information circular of the Applicant (the "**Circular**"), which is attached as Exhibit "A" to the Affidavit; and
- (b) all references to "Arrangement" used herein mean the arrangement as set forth in the plan of arrangement attached as Schedule "A" to the arrangement agreement (the "**Arrangement Agreement**") dated October 27, 2025 between the Purchaser and KEC, which Arrangement Agreement is attached as Exhibit "A" to the Affidavit.

IT IS HEREBY ORDERED THAT:

General

1. The Applicant shall seek approval of the Arrangement as described in the Circular by the holders (the "**KEC Shareholders**") of common shares of KEC (the "**KEC Shares**"), in the manner set forth below.

The Meeting

2. The Applicant shall call and conduct a special meeting (the "**Meeting**") of KEC Shareholders to be held at Livingston Place, 222 – 3 Avenue S.W., South Tower, Plus 15 Level, Meeting Rooms A&B on or about December 16, 2025.

3. At the Meeting, the KEC Shareholders will consider and vote upon a resolution to approve the Arrangement substantially in the form attached as Appendix "A" to the Circular (the "**Arrangement Resolution**") and transact such other business as may properly be brought before the Meeting or any adjournment or postponement thereof, all as more particularly described in the Circular.
4. In accordance with the by-laws of the Applicant and this Order, a quorum at the Meeting shall be two persons present and holding or representing by proxy at least 25% of the KEC Shares entitled to vote at the Meeting.
5. If within 30 minutes from the time appointed for the Meeting, a quorum is not present, the Meeting shall stand adjourned to a date not less than two (2) and not more than 30 days later, as may be determined by the chair of the Meeting (the "**Chair**"). No notice of the adjourned Meeting shall be required and, if at such adjourned Meeting a quorum is not present, the KEC Shareholders present at the adjourned Meeting in person or represented by proxy shall constitute a quorum for all purposes.
6. Each KEC Share entitled to be voted at the Meeting will entitle the holder to one vote at the Meeting in respect of the Arrangement Resolution and any other matters to be considered at the Meeting. The votes cast by the Rollover Shareholders and certain other KEC Shareholders will be excluded for the purposes of obtaining majority of the minority approval in accordance with Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.
7. The record date for KEC Shareholders entitled to receive notice of and vote at the Meeting is November 10, 2025 (the "**Record Date**"). Only KEC Shareholders whose names have been entered on the applicable register of KEC Shares at the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting. The Record Date for KEC Shareholders entitled to receive notice of and to vote at the Meeting will not change in respect of or as a consequence of any adjournment or postponement of the Meeting.
8. The Chair of the Meeting shall be the Chair of the special committee of the KEC board of directors comprised of independent directors to consider the Arrangement (the "**Special Committee**"). If no such person is present within fifteen (15) minutes from the time fixed for holding the Meeting, or declines to be Chair of the Meeting, the Chair shall be another member of the Special Committee or such other member of the board of directors that is independent of the Rollover Shareholders.

Conduct of the Meeting

9. The Meeting shall be called, held and conducted in accordance with the applicable provisions of the CBCA, the articles and by-laws of the Applicant in effect at the relevant time, the Circular, the

rulings and directions of the Chair, this Order and any further Order of this Court. To the extent that there is any inconsistency or discrepancy between this Order and the CBCA or the articles or by-laws of the Applicant, the terms of this Order shall govern.

10. The only persons entitled to attend the Meeting shall be:
 - (a) KEC Shareholders as at the Record Date or their duly authorized proxy holders, and their respective advisors;
 - (b) the scrutineer and its representatives for that purpose;
 - (c) the Applicant's directors, officers, legal counsel, advisors and auditors;
 - (d) the Director;
 - (e) representatives of the Purchaser and their legal counsel, advisors and representatives; and
 - (f) such other persons who may be permitted to attend by the Chair.
11. The number of votes required to pass the Arrangement Resolution shall be:
 - (a) not less than 66 $\frac{2}{3}$ % of the votes cast by KEC Shareholders present in person or represented by proxy at the Meeting, in the manner set forth in the Circular; and
 - (b) a simple majority of the votes cast on the Arrangement Resolution by the KEC Shareholders present in person or represented by proxy at the Meeting after excluding the votes cast by the Rollover Shareholders and those persons whose votes are required to be excluded in determining a minority approval of a "business combination" in accordance with Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.
12. To be valid, a proxy must be deposited with KEC's transfer agent and registrar, Computershare Trust Company of Canada, in the manner and by the deadline described in the Circular.
13. Any proxy that is properly signed and dated but which does not include voting instructions shall be deemed to be voted in favour of the Arrangement Resolution.
14. The accidental omission to give notice of the Meeting or the non-receipt of the notice shall not constitute a breach of this Order nor shall it invalidate any resolution passed or proceedings taken at the Meeting.

15. The Applicant is authorized to adjourn or postpone the Meeting on one or more occasions (whether or not a quorum is present) and for such period or periods of time as the Applicant deems advisable, without the necessity of first convening the Meeting or first obtaining any vote of the KEC Shareholders in respect of the adjournment or postponement, provided that such adjournment or postponement is made in compliance with the Arrangement Agreement and this Order. Notice of such adjournment or postponement may be given by such method as the Applicant determines is appropriate in the circumstances. If the Meeting is adjourned or postponed in accordance with this Order (including paragraph 5 herein), the references to the Meeting in this Order shall be deemed to be the Meeting as adjourned or postponed, as the context allows. No adjournment or postponement of the Meeting shall have the effect of modifying the Record Date for persons entitled to receive notice of or vote at the Meeting.

Amendments to the Arrangement

16. The Applicant and the Purchaser are authorized to make such amendments, revisions or supplements to the Arrangement as they may together determine necessary or desirable, provided that such amendments, revisions or supplements are made in accordance with and in the manner contemplated by the Arrangement and Arrangement Agreement. The Arrangement so amended, revised or supplemented shall be deemed to be the Arrangement submitted to the Meeting and the subject of the Arrangement Resolution, without need to return to this Court to amend this Order.

Amendments to Meeting Materials

17. The Applicant is authorized to make such amendments, revisions or supplements ("**Additional Information**") to the Circular, form of proxy ("**Proxy**"), notice of the Meeting, form of letter of transmittal ("**Letter of Transmittal**") and notice of Originating Application ("**Notice of Originating Application**") as it may determine. The Applicant may disclose such Additional Information, including material changes, by the method and in the time most reasonably practicable in the circumstances as determined by the Applicant and without being required to deliver an amendment to the Circular to the KEC Shareholders, provided that if as a result of comments from the applicable securities regulatory authorities an amendment is required to the Circular, such amendment to the Circular shall be filed under the Applicant's SEDAR+ profile at www.sedarplus.ca. Without limiting the generality of the foregoing, if any material change or material fact arises between the date of this Order and the date of the Meeting, which change or fact, if known prior to mailing of the Circular, would have been required to be disclosed in the Circular, then:
- (a) the Applicant shall advise the KEC Shareholders of the material change or material fact by disseminating a news release (a "**News Release**") in accordance with applicable securities

laws and the policies of the Toronto Stock Exchange and filing such News Release on the Applicant's SEDAR+ profile;

- (b) provided that the News Release describes the applicable material change or material fact in reasonable detail, the Applicant shall not be required to deliver an amendment to the Circular to the KEC Shareholders or otherwise give notice to the KEC Shareholders of the material change or material fact other than dissemination and filing of the News Release as aforesaid; and
- (c) unless determined to be advisable by the Applicant in accordance with the Arrangement Agreement, the Applicant shall not be required to adjourn or otherwise postpone the Meeting as a result of the disclosure of any Additional Information, including any material change, as contemplated by this paragraph 17.

Dissent Rights

- 18. Registered KEC Shareholders (each, a "**Registered Shareholder**") are, subject to the provisions of this Order and the Arrangement, accorded the right to dissent under section 190 of the CBCA with respect to the Arrangement Resolution, as modified by this Order and the Arrangement, and the right to be paid an amount equal to the fair value of their KEC Shares by the Purchaser in respect of which such right to dissent was validly exercised and has not been withdrawn or deemed to have been withdrawn (the "**Dissent Right**").
- 19. In order for a dissenting Registered Shareholder (a "**Dissenting Shareholder**") to exercise such Dissent Right under section 190 of the CBCA:
 - (a) the Dissenting Shareholder's written objection to the Arrangement Resolution must be received by the Applicant, care of its solicitors, Stikeman Elliott LLP, no later than 5:00 p.m. (Calgary time) on December 9, 2025 or, in the event that the Meeting is adjourned or postponed, no later than 5:00 p.m. on the fifth Business Day immediately preceding the date the adjourned or postponed Meeting is reconvened or held,, as the case may be;
 - (b) a Dissenting Shareholder shall, no later than the date on which it delivers its objection as contemplated by paragraph 19(a) herein, send the certificates representing the KEC Shares in respect of which the Dissenting Shareholder dissents to the Applicant or its transfer agent;

- (c) a vote against the Arrangement Resolution, whether in person or by proxy, shall not constitute a written objection to the Arrangement Resolution as required under paragraph 19(a) herein;
 - (d) a Dissenting Shareholder shall not have voted their KEC Shares at the Meeting, either by proxy or in person, in favour of the Arrangement Resolution;
 - (e) a Dissenting Shareholder may dissent only with respect to all, and not less than all, of the KEC Shares held by such Dissenting Shareholder; and
 - (f) the exercise of such right to dissent must otherwise comply with the requirements of section 190 of the CBCA, as modified by this Order and the Arrangement.
20. Provided that the Arrangement is completed, the fair value of the consideration to which a Dissenting Shareholder is entitled under the Dissent Right (the "**Dissent Entitlement**") shall be determined as of the close of business on the last Business Day before the day on which the Arrangement Resolution is approved by the KEC Shareholders. The Dissent Right shall be dealt with as contemplated by the Arrangement and this Order.
21. Dissenting Shareholders who validly exercise their Dissent Right, as set out in paragraphs 18 and 19 herein, and who:
- (a) are determined to be entitled to be paid the fair value of their KEC Shares, shall be deemed to have transferred such KEC Shares as of the completion of the transfer under section 3.1(b) of the Arrangement (the "**Dissent Effective Time**"), without any further act or formality and free and clear of all Encumbrances to the Purchaser in exchange for the Dissent Entitlement; or
 - (b) are, for any reason (including, for clarity, any withdrawal or deemed withdrawal by any Dissenting Shareholder of their dissent) determined not to be entitled to be paid the fair value for their KEC Shares shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting KEC Shareholder (other than the Rollover Shareholders in respect of the Rollover Shares) and such KEC Shares will be deemed to be exchanged for the Consideration under the Arrangement,
- but in no event shall the Applicant, the Purchaser or any other person be required to recognize such Dissenting Shareholders as holders of KEC Shares after the Dissent Effective Time, and the names of such Dissenting Shareholders shall be removed from the register of KEC Shares as of such time.

22. Subject to further order of this Court, the rights available to KEC Shareholders under the CBCA and the Arrangement to dissent from the Arrangement Resolution shall constitute full and sufficient rights of dissent for such KEC Shareholders with respect to the Arrangement Resolution.
23. Notice to the KEC Shareholders of their Dissent Right with respect to the Arrangement Resolution and the right to receive, subject to the provisions of the CBCA, this Order and the Arrangement, the Dissent Entitlement shall be sufficiently given by including information with respect to these rights as set forth in the Circular which is to be sent or made available to KEC Shareholders in accordance with paragraph 24 or, if applicable, paragraph 25, of this Order.

Notice

24. The Circular, substantially in the form attached as Exhibit "A" to the Affidavit, with such amendments thereto as counsel to the Applicant or the Purchaser may determine necessary or desirable (provided such amendments are not inconsistent with the terms of this Order), and including the Notice of the Meeting, the Proxy, the Notice of Originating Application and this Order, together with any other communications or documents determined by the Applicant to be necessary or advisable, including the Letter of Transmittal (collectively, the **"Meeting Materials"**), shall be sent or made available, as applicable, to those KEC Shareholders who hold KEC Shares, as of the Record Date, the directors of the Applicant, the auditors of the Applicant, and the Director by one or more of the following methods:
 - (a) in the case of registered KEC Shareholders, by pre-paid first class or ordinary mail, by courier or by delivery in person to each such KEC Shareholder at his, her or its address, as shown on the books and records of the Applicant as of the Record Date, not later than 21 days prior to the date of the Meeting;
 - (b) in the case of non-registered KEC Shareholders, by providing sufficient copies of the applicable Meeting Materials to intermediaries (or their agents) in accordance with National Instrument 54-101 - *Communication With Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**");
 - (c) in the case of the directors and auditors of the Applicant, by email, pre-paid first class or ordinary mail, by courier or by delivery in person, addressed to the individual directors or firm of auditors, as applicable, not later than 21 days prior to the date of the Meeting; and
 - (d) in the case of the Director, by email or other electronic means, by courier or by delivery in person, addressed to the Director not later than 21 days prior to the date of the Meeting.

25. In the event of a postal strike, lockout or event (a "**Postal Service Disruption**") that prevents, delays or otherwise interrupts mailing or delivery of the Meeting Materials in accordance with paragraph 24(a) or the mailing or delivery of the Meeting Materials to non-registered KEC Shareholders in the ordinary course or in accordance with NI 54-101 by the intermediaries referenced in paragraph 24(b), the Applicant shall file on KEC's profile on SEDAR+ at www.sedarplus.ca and disseminate a press release or shall cause an advertisement to be placed in a major daily newspaper of national circulation stating: (a) details of the date, time and place of the Meeting, steps that may be taken by KEC Shareholders to deliver or transmit proxies by delivery, internet voting or telephone; (b) the Meeting Materials have been filed on KEC's profile on SEDAR+ at www.sedarplus.ca, and on the Applicant's website at <https://kiwetinohk.com/special-meeting>; (c) that KEC will deliver (or cause to be delivered), by electronic means (or, if requested and reasonably practicable, by courier), a copy of the Meeting Materials to each registered or non-registered KEC Shareholder who requests the Meeting Materials; and (d) how a registered or non-registered KEC Shareholder can direct a request referred to in (c) above (the "**Alternative Notice**").
26. The Alternative Notice shall be made on or before the date upon which the Meeting Materials would otherwise be sent to KEC Shareholders had a Postal Service Disruption not occurred. The Alternative Notice made in accordance with this Order shall be deemed good and sufficient service upon the KEC Shareholders of the Meeting Materials and shall be deemed to satisfy the requirements of sections 135, 149 and 150 of the CBCA.
27. Delivery of the Meeting Materials in the manner directed by this Order shall be deemed to be good and sufficient service upon the KEC Shareholders, the directors and auditors of the Applicant and the Director of every document contained in the Meeting Materials.

Final Application

28. Subject to further order of this Court, and provided that the conditions precedent in the Arrangement Agreement have been satisfied or waived, including that KEC Shareholders have approved the Arrangement in the manner directed by this Court and the directors of the Applicant and the directors of the Purchaser have not revoked their approval, the Applicant may proceed with an application for a final Order of the Court approving the Arrangement (the "**Final Order**") on December 17, 2025 at 3:00 p.m. (Calgary time) or so soon thereafter as counsel may be heard. Subject to the Final Order and the issuance of the proof of filing of the Articles of Arrangement, the Applicant, all KEC Shareholders and all other persons affected thereby will be bound by the Arrangement in accordance with its terms.

29. Any KEC Shareholder or other interested party (each an "**Interested Party**") desiring to appear and make submissions at the application for the Final Order is required to file with this Court and serve upon the Applicant, by service on the Applicant's counsel so that it is received on or before 12:00 p.m. (Calgary time) on December 10, 2025, a notice of intention to appear (the "**Notice of Intention to Appear**") including the Interested Party's address for service (or alternatively, a facsimile number for service by facsimile or an email address for service by electronic mail), indicating whether such Interested Party intends to support or oppose the application or make submissions at the application, together with a summary of the position such Interested Party intends to advocate before the Court, and any evidence or materials which are to be presented to the Court. Service of this Notice of Intention to Appear on the Applicant shall be effected by service upon the solicitors for the Applicant, Stikeman Elliott LLP, by e-mail, registered mail or courier as follows:

Stikeman Elliott LLP
Suite 4200, Bankers Hall West, 888 3rd Street SW
Calgary, AB T2P 5C5 Canada

Attention: Matti Lemmens
Email: MLemmens@stikeman.com

30. In the event that the application for the Final Order is adjourned, only those parties appearing before this Court for the Final Order, and those Interested Parties serving a Notice of Intention to Appear in accordance with paragraph 28 herein, shall have notice of the adjourned date.

Leave to Vary Interim Order

31. The Applicant is entitled at any time to seek leave to vary this Order upon such terms and the giving of such notice as this Court may direct.

Court Filed Documents

32. A signed copy of this Order shall be sufficient to provide with the Circular and other Meeting Materials, as directed herein, even if it does not yet bear a filing stamp from the Court of King's Bench of Alberta.
33. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction to give effect to this Order and to assist this Court in carrying out the terms of this Order.

(Signed) "*Justice James T. Neilson*"

Justice of the Court of King's Bench of Alberta

APPENDIX F
SECTION 190 OF THE *CANADA BUSINESS CORPORATIONS ACT*

CANADA BUSINESS CORPORATIONS ACT - S. 190

Right to dissent

190 (1) Subject to sections 191 and 241, a holder of shares of any class of a corporation may dissent if the corporation is subject to an order under paragraph 192(4)(d) that affects the holder or if the corporation resolves to

- (a)** amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares of that class;
- (b)** amend its articles under section 173 to add, change or remove any restriction on the business or businesses that the corporation may carry on;
- (c)** amalgamate otherwise than under section 184;
- (d)** be continued under section 188;
- (e)** sell, lease or exchange all or substantially all its property under subsection 189(3); or
- (f)** carry out a going-private transaction or a squeeze-out transaction.

Further right

(2) A holder of shares of any class or series of shares entitled to vote under section 176 may dissent if the corporation resolves to amend its articles in a manner described in that section.

If one class of shares

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares.

Payment for shares

(3) In addition to any other right the shareholder may have, but subject to subsection (26), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents or an order made under subsection 192(4) becomes effective, to be paid by the corporation the fair value of the shares in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted or the order was made.

No partial dissent

(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

Objection

(5) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting and of their right to dissent.

Notice of resolution

(6) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (5) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn their objection.

Demand for payment

(7) A dissenting shareholder shall, within twenty days after receiving a notice under subsection (6) or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing

- (a)** the shareholder's name and address;
- (b)** the number and class of shares in respect of which the shareholder dissents; and
- (c)** a demand for payment of the fair value of such shares.

Share certificate

(8) A dissenting shareholder shall, within thirty days after sending a notice under subsection (7), send the certificates representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent.

Forfeiture

(9) A dissenting shareholder who fails to comply with subsection (8) has no right to make a claim under this section.

Endorsing certificate

(10) A corporation or its transfer agent shall endorse on any share certificate received under subsection (8) a notice that the holder is a dissenting shareholder under this section and shall forthwith return the share certificates to the dissenting shareholder.

Suspension of rights

(11) On sending a notice under subsection (7), a dissenting shareholder ceases to have any rights as a shareholder other than to be paid the fair value of their shares as determined under this section except where

- (a)** the shareholder withdraws that notice before the corporation makes an offer under subsection (12),
- (b)** the corporation fails to make an offer in accordance with subsection (12) and the shareholder withdraws the notice, or
- (c)** the directors revoke a resolution to amend the articles under subsection 173(2) or 174(5), terminate an amalgamation agreement under subsection 183(6) or an application for continuance under subsection 188(6), or abandon a sale, lease or exchange under subsection 189(9),

in which case the shareholder's rights are reinstated as of the date the notice was sent.

Offer to pay

(12) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (7), send to each dissenting shareholder who has sent such notice

- (a)** a written offer to pay for their shares in an amount considered by the directors of the corporation to be the fair value, accompanied by a statement showing how the fair value was determined; or
- (b)** if subsection (26) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

Same terms

(13) Every offer made under subsection (12) for shares of the same class or series shall be on the same terms.

Payment

(14) Subject to subsection (26), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (12) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.

Corporation may apply to court

(15) Where a corporation fails to make an offer under subsection (12), or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as a court may allow, apply to a court to fix a fair value for the shares of any dissenting shareholder.

Shareholder application to court

(16) If a corporation fails to apply to a court under subsection (15), a dissenting shareholder may apply to a court for the same purpose within a further period of twenty days or within such further period as a court may allow.

Venue

(17) An application under subsection (15) or (16) shall be made to a court having jurisdiction in the place where the corporation has its registered office or in the province where the dissenting shareholder resides if the corporation carries on business in that province.

No security for costs

(18) A dissenting shareholder is not required to give security for costs in an application made under subsection (15) or (16).

Parties

(19) On an application to a court under subsection (15) or (16),

(a) all dissenting shareholders whose shares have not been purchased by the corporation shall be joined as parties and are bound by the decision of the court; and

(b) the corporation shall notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to appear and be heard in person or by counsel.

Powers of court

(20) On an application to a court under subsection (15) or (16), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall then fix a fair value for the shares of all dissenting shareholders.

Appraisers

(21) A court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.

Final order

(22) The final order of a court shall be rendered against the corporation in favour of each dissenting shareholder and for the amount of the shares as fixed by the court.

Interest

(23) A court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.

Notice that subsection (26) applies

(24) If subsection (26) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (22), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

Effect where subsection (26) applies

(25) If subsection (26) applies, a dissenting shareholder, by written notice delivered to the corporation within thirty days after receiving a notice under subsection (24), may

- (a)** withdraw their notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to their full rights as a shareholder; or
- (b)** retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

Limitation

(26) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that

- (a)** the corporation is or would after the payment be unable to pay its liabilities as they become due; or
- (b)** the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.