

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following management's discussion and analysis (the "MD&A") as provided by the management team ("Management") of Lycos Energy Inc. ("Lycos" or the "Company") is dated November 10, 2026, and should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2026 and 2025 and the notes thereto (the "Interim Financial Statements") and the audited financial statements as at and for the years ended December 31, 2025 and 2024, and the notes thereto (the "Annual Financial Statements"). The Company's financial statements are prepared in accordance with Canadian generally accepted accounting principles which require publicly accountable enterprises to prepare their financial statements in accordance with International Financial Reporting Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All dollar amounts are referenced in Canadian dollars unless otherwise stated. Additional information relating to Lycos, including the Company's Annual Information Form for the year ended December 31, 2025, is available on the Company's website at www.lycosenergy.com and under the Company's profile on SEDAR+ at www.sedarplus.ca. This MD&A should also be read in conjunction with Lycos' disclosure under "Forward-Looking Information and Statements" below.

Description of the Business

Lycos is a Canadian resource company engaged in the exploration for and development of petroleum and natural gas production in western Canada. The Company is currently developing heavy oil assets, targeting the Mannville stack, in East Central, Alberta.

Strategic Transactions

The Company's results of operations for the three and nine months ended September 30, 2026 are not directly comparable to the corresponding periods in 2025 as a result of certain strategic transactions completed during 2025 and 2026, as described below. Readers should consider the effects of these transactions when evaluating the Company's production, revenue, operating costs, capital expenditures(1), and adjusted working capital (net debt)(1) on a period-over-period basis.

Lloydminster Disposition

On June 30, 2025, the Company closed the disposition of certain non-core assets and associated facilities located in Lloydminster, Saskatchewan to an arm's length purchaser for total consideration of $2.5 million, before closing adjustments (the "Lloydminster Disposition"). The disposed assets produced approximately 470 boe/d at the time of closing.

North Disposition

On October 15, 2025, the Company closed the disposition of certain assets located in the Lindbergh, Moose Lake, and Fishing Lake areas of Alberta (the "North Disposition") for total cash consideration of $60.0 million, before closing adjustments. The disposed assets produced approximately 940 bbl/d at the time of closing. The Company distributed $47.9 million of the net proceeds to shareholders as a return of capital of $0.90 per common share (the "Return of Capital").

Mahikan Business Combination

On March 30, 2026, the Company closed a business combination with Mahikan Oil Corporation ("Mahikan"), a privately held, arm's length heavy oil producer (the "Mahikan Business Combination"). Pursuant to the Mahikan Business Combination, the Company acquired all of the issued and outstanding common shares of Mahikan in exchange for 29,781,301 common shares of Lycos, representing an exchange ratio of 0.60 Lycos common shares for each Mahikan share held, and the assumption of Mahikan's outstanding indebtedness.

Concurrent with the closing of the Mahikan Business Combination, the Company completed a non-brokered private placement of common shares at a price of $1.20 per share for aggregate gross proceeds of $30.0 million (the "Offering").

Greater Provost Area

On August 6, 2026, the Company closed an acquisition of certain assets in the Greater Provost area of Alberta (the "Provost Acquisition") for cash consideration of $70.0 million, before closing adjustments. The assets add approximately 1,000 boe/d (91% heavy crude oil, 1% natural gas liquids and 8% natural gas) of production supported by waterflood operations. Concurrent with closing, the Company completed a bought-deal equity offering at $1.52 per share for gross proceeds of $34.5 million, including the exercise of the overallotment option in full (the "Bought-Deal Offering"). Net proceeds from the Bought-Deal Offering were used to fund the Provost Acquisition. Concurrently with the Provost Acquisition and Bought-Deal Offering, the Company expanded its existing credit facility to $55.0 million, with an uncommitted accordion feature to increase total capacity up to $75.0 million.

As the Mahikan Business Combination and the Provost Acquisition closed on March 30, 2026 and August 6, 2026, respectively, the results of operations of the Company for the three and nine months ended September 30, 2026 include the contribution of the acquired assets from their respective closing dates. The comparative 2025 periods include the contribution of the assets disposed of in the North Disposition, which closed on October 15, 2025, for the full three and nine months, and, for the nine-month period only, the assets disposed of in the Lloydminster Disposition up to its June 30, 2025 closing.

Q3 2026 Highlights

Highlights for the three months ended September 30, 2026, include:

- Production averaged 3,496 boe/d (97% crude oil), up 85% from 1,887 boe/d (96% crude oil) in Q2 2026 and up 18% from 2,958 boe/d (99% crude oil) in Q3 2025. The quarter includes the first full quarter of production from the Q2 2026 drilling program, plus partial-quarter contributions from wells drilled in Q3 2026 and from the Provost Acquisition.
- Production on the Company's Moonshine assets grew from approximately 900 bbl/d (100% crude oil) in July to over 1,900 bbl/d (100% crude oil) in September.
- Adjusted funds flow from operations[(1)] was $14.0 million, or $43.60/boe, up 92% from $7.3 million in Q2 2026 on higher production volumes, and up 47% from $9.6 million in Q3 2025 on higher production volumes and realized prices.
- Drilled and rig-released 9.0 gross (9.0 net) wells at an average drill, complete and tie-in cost of $1.8 million per well, up from $1.5 million in Q2 2026, reflecting higher multi-lateral drilling as well as evaluation of new zones and step-out drilling. At Moonshine, the Company drilled six wells, including three evaluating additional stacked horizons in the Lloydminster, Waseca and General Petroleum ("GP") formations. In its legacy areas, the Company drilled three wells, including two Sparky multi-laterals in Wildmere and a Colony step-out at Derwent.
- Operating expenses decreased to $19.67/boe from $23.67/boe in Q2 2026, reflecting higher production volumes and the return to normal field operating conditions following spring breakup.
- Closed the Provost Acquisition on August 6, 2026 for cash consideration of $70.0 million, before closing adjustments, adding approximately 1,000 boe/d (91% heavy crude oil, 1% natural gas liquids and 8% natural gas) of waterflood-supported production, funded by a $34.5 million bought-deal offering and the Company's expanded $55.0 million credit facility.
- Exited the quarter with net debt[(1)] of $37.9 million, representing 0.7x annualized net debt to adjusted funds flow from operations ratio[(1)], reflecting the debt-funded portion of the Provost Acquisition and the Q3 2026 capital program.

(1) See the sections titled "Non-IFRS Measures, Non-IFRS Financial Ratios and Capital Management Measures"

Third Quarter Financial and Operational Highlights

	Three months ended September 30,			Nine months ended September 30,		
($ in thousands, except per share)	**2026**	2025	% change	**2026**	2025	% change
Total petroleum and natural gas sales, net of blending[1]	**30,711**	19,379	58%	**58,330**	69,366	(16)%
Cash flow from operating activities	**6,569**	10,370	(37)%	**30,054**	31,422	(4)%
Per share - basic	**$ 0.05**	$ 0.19	(74)%	**$ 0.32**	$ 0.59	(46)%
Per share - diluted	**$ 0.05**	$ 0.19	(74)%	**$ 0.31**	$ 0.59	(47)%
Adjusted funds flow from operations[1]	**14,026**	9,558	47%	**25,925**	31,698	(18)%
Per share - basic	**$ 0.11**	$ 0.18	(39)%	**$ 0.27**	$ 0.60	(55)%
Per share - diluted	**$ 0.11**	$ 0.18	(39)%	**$ 0.27**	$ 0.60	(55)%
Net income (loss)[3]	**1,810**	2,465	(27)%	**3,298**	(49,774)	(107)%
Per share - basic	**$ 0.01**	$ 0.05	(80)%	**$ 0.03**	$ (0.93)	(103)%
Per share - diluted	**$ 0.01**	$ 0.05	(80)%	**$ 0.03**	$ (0.93)	(103)%
Exploration & development expenditures[1]	**23,523**	1,413	1565%	**39,488**	29,686	33%
Property acquisitions (dispositions)[1]	**68,576**	-	100%	**68,576**	(5,066)	(1454)%
Adjusted working capital (net debt)[1]	**(37,931)**	(11,664)	225%	**(37,931)**	(11,664)	225%
Weighted average shares outstanding (thousands)						
Basic	**122,724**	53,238	131%	**95,396**	53,238	79%
Diluted	**124,004**	53,238	133%	**96,434**	53,238	81%
Average daily production:						
Crude oil (bbls/d)	**3,376**	2,915	16%	**2,261**	3,546	(36)%
Natural gas (mcf/d)	**723**	260	178%	**547**	639	(14)%
Total (boe/d)	**3,496**	2,958	18%	**2,352**	3,652	(36)%
Realized prices:						
Crude oil ($/bbl)[2]	**98.70**	72.24	37%	**94.33**	71.44	32%
Natural gas ($/mcf)	**0.80**	0.19	321%	**0.69**	1.15	(40)%
Total ($/boe)	**95.47**	71.21	34%	**90.83**	69.57	31%
Operating netback ($/boe)[1]						
Petroleum and natural gas sales[2]	**95.47**	71.21	34%	**90.83**	69.57	31%
Royalties	**(18.13)**	(11.65)	56%	**(15.70)**	(10.81)	45%
Operating expenses	**(19.67)**	(15.48)	27%	**(21.10)**	(19.49)	8%
Transportation expenses	**(7.43)**	(3.26)	128%	**(6.35)**	(2.38)	167%
Operating netback ($/boe)[1]	**50.24**	40.82	23%	**47.68**	36.89	29%
Realized gain (loss) on financial derivatives	**(2.56)**	(0.15)	1607%	**(2.35)**	(0.44)	434%
Operating netback, including financial derivatives ($/boe)[1]	**47.68**	40.67	17%	**45.33**	36.45	24%
Adjusted funds flow from operations ($/boe)[1]	**43.60**	35.12	24%	**40.37**	31.79	27%

(1) See Non-IFRS Measures, Non-IFRS Financial Ratios and Capital Management Measures.

(2) Realized prices are based on sales, net of blending expense.

(3) The nine months ended September 30, 2025 includes a non-cash loss on the Lloydminster Disposition of $41.2 million and a non-cash impairment loss of $23.2 million.

Results of Operations

Production

(6:1 boe conversion)	Three months ended September 30,			Nine months ended September 30,		
	2026	2025	% change	**2026**	2025	% change
Daily production:						
Crude oil (bbls/d)	**3,376**	2,915	16%	**2,261**	3,546	(36)%
Natural gas (mcf/d)	**723**	260	178%	**547**	639	(14)%
Total (boe/d)	**3,496**	2,958	18%	**2,352**	3,652	(36)%
% Crude oil	**97%**	99%	(2)%	**96%**	97%	(1)%

Production for the three and nine months ended September 30, 2026, averaged 3,496 boe/d (97% crude oil) and 2,352 boe/d (96% crude oil), an increase of 18% and a decrease of 36%, respectively, as compared against production of 2,958 boe/d (99% crude oil) and 3,652 boe/d (97% crude oil) in the comparable periods of 2025.

Production growth in the three months ended September 30, 2026 was driven by the Company's 2026 development program, including a full quarter of production from the 7.0 gross (7.0 net) Moonshine wells rig-released in Q2 2026 and partial-quarter volumes from the 9.0 gross (9.0 net) wells rig-released during Q3 2026, as well as production from the Provost Acquisition assets following closing on August 6, 2026. Of the nine Q3 wells, seven were on production by quarter-end, including two brought on in late September 2026, and the remaining two were brought on production in early October 2026; these four wells will primarily contribute to fourth-quarter volumes.

The decrease in the nine months ended September 30, 2026 primarily reflects the Lloydminster and North dispositions, which together produced approximately 470 boe/d and 940 bbl/d, respectively, at the time of closing, and natural declines, partially offset by production from the Mahikan Business Combination, the Provost Acquisition and the 2026 drilling program.

Natural gas production is not a significant component of the Company's production.

Petroleum and Natural Gas Sales

($ in thousands)	Three months ended September 30,			Nine months ended September 30,		
	2026	2025	% change	**2026**	2025	% change
Crude oil	**30,657**	19,374	58%	**58,227**	72,449	(20)%
Less: Blending expense	**-**	-	0%	**-**	3,285	(100)%
Crude oil, net of blending	**30,657**	19,374	58%	**58,227**	69,164	(16)%
Natural gas	**54**	5	980%	**103**	202	(49)%
Total petroleum and natural gas sales, net of blending	**30,711**	19,379	58%	**58,330**	69,366	(16)%

Total petroleum and natural gas sales, net of blending, for the three months ended September 30, 2026 were $30.7 million as compared to $19.4 million in the comparable period of 2025. The 58% increase was the result of a 16% increase in crude oil production volumes, combined with a 37% increase in the realized crude oil price over the comparable period of 2025. The Company's realized crude oil price increased in line with the increase in benchmark WCS pricing, combined with marketing initiatives to optimize sales points and increase realized pricing.

Total petroleum and natural gas sales, net of blending, for the nine months ended September 30, 2026 were $58.3 million as compared to $69.4 million in the comparable period of 2025. The 16% decrease was the result of a 36% decrease in crude oil production volumes, offset by a 32% increase in the realized crude oil price over the comparable period of 2025. The Company's realized crude oil price increased in line with the increase in benchmark WCS pricing, combined with marketing initiatives to optimize sales points and increase realized pricing.

Blending expense for the nine months ended September 30, 2026 decreased from the comparable period due to a change in contractual terms, whereby the Company did not act as shipper on the Manito pipeline from March 2025 onward. Therefore, blending costs reduce crude oil sales from March 2025 onward.

Benchmark and Realized Prices

	Three months ended September 30,			Nine months ended September 30,		
	2026	2025	% change	**2026**	2025	% change
Averaged realized prices:						
Crude oil ($/bbl)[1][3]	**98.70**	72.24	37%	**94.33**	71.44	32%
Natural gas ($/mcf)[1]	**0.80**	0.19	321%	**0.69**	1.15	(40)%
Barrels of oil equivalent ($/boe)[2][3]	**95.47**	71.21	34%	**90.83**	69.57	31%
Benchmark prices:						
WTI ($US/bbl)	**85.79**	64.93	32%	**83.50**	66.70	25%
WCS differential to WTI (US$/bbl)	**(13.89)**	(10.39)	34%	**(14.24)**	(11.11)	28%
WCS ($Cdn/bbl)	**100.56**	75.10	34%	**95.92**	77.79	23%
Condensate at Edmonton ($Cdn/bbl)	**115.13**	86.75	33%	**114.92**	91.51	26%
Exchange rate ($Cdn/$US)	**1.40**	1.38	1%	**1.38**	1.41	(2)%

(1) "Crude oil" refers to heavy crude oil and natural gas liquids combined. "Natural gas" refers to conventional gas combined.

(2) Disclosure of production on a per boe basis in this MD&A consists of the constituent product types and their respective quantities disclosed in the "Product Type Information" section of this MD&A. Also refer to the "BOE Presentation" section of this MD&A.

(3) Realized prices are based on sales, net of blending expense.

The Company takes all its working interest production "in kind" which is marketed and sold through various credit-worthy commodity purchasers. Lycos' crude oil is marketed under short-term (30 day) or fixed price contracts with crude oil marketers and through major North American crude oil purchasers. All the Company's natural gas is currently sold as spot gas through significant North American natural gas marketers.

Commodity prices are affected by both domestic and international factors that are beyond the control of the Company. Prices received for crude oil are determined by the quality of the crude oil compared to the benchmark price for WCS crude oil expressed in Canadian dollars, which is determined by the price for WTI, the exchange rate between the Canadian dollar and the US dollar, the heavy oil differential between WTI and WCS denominated in US dollars, and field level price adjustments for quality of crude oil and diluent costs to blend oil to meet pipeline specifications.

For the three and nine months ended September 30, 2026, benchmark WTI prices increased 32% and 25%, respectively, from the comparable periods of 2025. The increase reflected supply disruptions and heightened market uncertainty following the outbreak of war in Iran and the closure of the Strait of Hormuz in early 2026, and global supply concerns continued to support prices through the third quarter. WCS differentials widened over the same periods, primarily due to increased heavy crude oil supply competing for US Gulf Coast refining capacity following the easing of US sanctions on Venezuelan crude oil and releases from the US Strategic Petroleum Reserve. Despite the wider differentials, benchmark WCS prices increased for both the three and nine months ended September 30, 2026.

The Company's realized crude oil price, net of blending, increased 37% to $98.70/bbl for the three months ended September 30, 2026 and 32% to $94.33/bbl for the nine months ended September 30, 2026, compared with $72.24/bbl and $71.44/bbl in the comparable periods of 2025. The increase was primarily due to higher benchmark WCS prices and the Company's marketing initiatives, including on-site treating facilities that improve control over blending costs and sales points.

Relative to the comparable periods of 2025, realized pricing for the three months ended September 30, 2026 benefited from a modestly weaker Canadian dollar, while realized pricing for the nine months ended September 30, 2026 was partially offset by a stronger Canadian dollar.

Risk Management

Financial Derivatives

($ in thousands)	Three months ended September 30,			Nine months ended September 30,		
	2026	2025	% change	**2026**	2025	% change
Realized loss	**(824)**	(40)	1960%	**(1,512)**	(436)	247%
Unrealized loss	**(2,645)**	(20)	13125%	**(2,554)**	(67)	3712%
Financial derivative loss	**(3,469)**	(60)	5682%	**(4,066)**	(503)	708%
Realized loss per boe ($)	**(2.56)**	(0.15)	1607%	**(2.35)**	(0.44)	434%

The Company incurred a realized loss of $0.8 million and $1.5 million for the three and nine months ended September 30, 2026, respectively, as compared to a realized loss of $40 thousand and $0.4 million for the comparable periods of 2025. The realized losses in the periods were the result of the fixed prices of the Company's financial derivative commodity contracts being lower than the settlement prices in the respective periods.

The Company recognized an unrealized loss of $2.6 million for both the three and nine months ended September 30, 2026, as compared to an unrealized loss of $20 thousand and $67 thousand in the comparable periods of 2025. The unrealized loss is a result of the non-cash change in the mark-to-market values over the periods on the Company's outstanding financial derivative contracts.

Financial Derivative Commodity Contracts

Lycos maintains an ongoing risk management program to reduce the volatility of revenues to fund operations and capital expenditures.

As at September 30, 2026, the Company had the following financial derivative commodity contracts outstanding:

Type	Type	Remaining Term	Volume	Put Price	Call Price	Swap Price
WTI	Swap	Oct - Dec 2026	500 bbl/d	-	-	CAD $107.05
WTI	Collar	Oct - Dec 2026	250 bbl/d	CAD $80.00	CAD $175.50	-
WTI	Swap	Oct - Dec 2026	250 bbl/d	-	-	CAD $108.75
WCS	Swap	Oct - Dec 2026	500 bbl/d	-	-	CAD $91.40
WCS	Swap	Oct - Dec 2026	250 bbl/d	-	-	CAD $85.40
WTI	Swap	Jan - Mar 2027	250 bbl/d	-	-	CAD $102.55
WTI	Collar	Jan - Mar 2027	250 bbl/d	CAD $105.00	CAD $130.00	-
WCS	Swap	Jan - Jun 2027	250 bbl/d	-	-	CAD $80.05
WTI	Collar	Jan - Jun 2027	250 bbl/d	CAD $100.00	CAD $124.00	-

Subsequent to September 30, 2026, the Company entered into the following financial derivative commodity contracts:

Type	Type	Term	Volume	Put Price	Call Price	Swap Price
WTI	Collar	Jan - Mar 2027	250 bbl/d	CAD $115.00	CAD $141.65	-
WCS	Swap	Jan - Jun 2027	250 bbl/d	-	-	CAD $93.50
WTI	Collar	Apr - Jun 2027	250 bbl/d	CAD $105.00	CAD $120.00	-
WTI	Collar	Apr - Jun 2027	250 bbl/d	CAD $110.00	CAD $131.90	-

Royalties

($ in thousands)	Three months ended September 30,			Nine months ended September 30,		
	2026	2025	% change	**2026**	2025	% change
Royalty expenses	**5,833**	3,170	84%	**10,083**	10,782	(6)%
Royalty rate[(1)]	**19.0%**	16.4%	16%	**17.3%**	15.5%	12%
Per boe ($)	**18.13**	11.65	56%	**15.70**	10.81	45%

(1) See Non-IFRS Measures, Non-IFRS Financial Ratios and Capital Management Measures

Royalties are paid to provincial governments, freehold mineral rights owners and royalty contract owners. Royalties are calculated based on revenue less allowed costs of transportation and processing and are generally expressed as a percentage of revenue. Royalty rates can vary due to several factors including commodity prices, mix of production subject to each type of royalty, commodity produced, royalty contract terms, and royalty incentive schemes. Under the Alberta Modernized Royalty Framework, the Company will pay a flat royalty of 5% on a well's production until the well's total revenue exceeds the Drilling and Completion Cost Allowance (C*), then royalty rates increase on a sliding scale up to 40% depending on commodity reference pricing.

Royalties for the three months ended September 30, 2026 were $5.8 million or a 19.0% royalty rate, compared with $3.2 million or a 16.4% royalty rate in the comparable period of 2025. The increase in royalties on an absolute dollar basis was due to higher petroleum and natural gas sales and an increase in the royalty rate. The increase in the royalty rate was primarily due to higher Alberta heavy oil par prices and accelerated recovery of C* on new drills, both due to stronger commodity prices, combined with a higher average royalty rate on the assets acquired in the Provost Acquisition (royalty rate of approximately 30% in the period).

Royalties for the nine months ended September 30, 2026 were $10.1 million or a 17.3% royalty rate, compared with $10.8 million or a 15.5% royalty rate in the comparable period of 2025. The decrease in royalties on an absolute dollar basis was due to lower petroleum and natural gas sales, partially offset by a higher royalty rate. The increase in the royalty rate was due to the same factors noted for the three-month period.

Operating Expenses

($ in thousands)	Three months ended September 30,			Nine months ended September 30,		
	2026	2025	% change	**2026**	2025	% change
Operating expenses	**6,329**	4,213	50%	**13,550**	19,445	(30)%
Per boe ($)	**19.67**	15.48	27%	**21.10**	19.49	8%

For the three and nine months ended September 30, 2026, operating expenses were $6.3 million and $13.6 million, respectively, compared to $4.2 million and $19.4 million in the comparable periods of 2025. The increase for the three months was primarily due to higher operating expenses per boe and higher production volumes, while the decrease for the nine months was primarily due to lower production volumes.

Operating expenses per boe increased to $19.67 and $21.10, respectively, from $15.48 and $19.49 in the comparable periods, primarily due to higher sand management costs and higher fuel costs from propane consumption in the Moonshine area. Given the results from its Moonshine drilling program, the Company is now evaluating initiatives to reduce these costs, such as site electrification and fuel gas installation. These increases were partially offset by the lower operating costs on the assets acquired in the Provost Acquisition, which averaged $5.55 per boe in the period, and lower emulsion hauling costs, as on-site treating now allows clean oil to be shipped, shifting these costs to transportation expense.

Transportation Expenses

($ in thousands)	Three months ended September 30,			Nine months ended September 30,		
	2026	2025	% change	**2026**	2025	% change
Transportation expenses	**2,389**	888	169%	**4,080**	2,370	72%
Per boe ($)	**7.43**	3.26	128%	**6.35**	2.38	167%

Transportation expenses include the cost of transporting natural gas and the cost to truck clean crude oil from the field to sales points and may fluctuate based on product mix and the proximity to delivery points. For the three and nine months ended September 30, 2026, total transportation expenses increased to $2.4 million and $4.1 million, respectively, from $0.9 million and $2.4 million in the same periods of 2025, primarily due to the ramp-up of the Company's Moonshine assets, where production grew from approximately 900 bbl/d in July to over 1,900 bbl/d in September. Transportation expenses also increased as a result of the Company's shift to on-site treating, under which the Company now trucks clean oil directly to third-party purchasers. While this increases transportation expenses, it provides control over sales points and contributed to the improvement in the Company's realized crude oil price.

On a per boe basis, transportation expenses increased to $7.43 and $6.35 for the three and nine months ended September 30, 2026, respectively, from $3.26 and $2.38 in the comparable periods of 2025. The increase was due to higher per-barrel hauling costs in the Moonshine area, which averaged $11.51/bbl in the quarter compared to $5.02/bbl for the Company's legacy assets. These higher costs reflect local operating conditions, including the use of area-designated trucking services at rates above those available elsewhere in the Company's operations, and the current absence of on-site sales infrastructure, which requires clean oil to be trucked over longer distances to multiple third-party facilities with available capacity. The Company also incurred higher fuel surcharges due to rising diesel prices in the periods.

Operating Netback

($ in thousands)	Three months ended September 30,			Nine months ended September 30,		
	2026	2025	% change	**2026**	2025	% change
Total petroleum and natural gas sales, net of blending[1]	**30,711**	19,379	58%	**58,330**	69,366	(16)%
Royalties	**(5,833)**	(3,170)	84%	**(10,083)**	(10,782)	(6)%
Operating expenses	**(6,329)**	(4,213)	50%	**(13,550)**	(19,445)	(30)%
Transportation expenses	**(2,389)**	(888)	169%	**(4,080)**	(2,370)	72%
Operating netback[1]	**16,160**	11,108	45%	**30,617**	36,769	(17)%
Realized gain (loss) on financial derivatives	**(824)**	(40)	1960%	**(1,512)**	(436)	247%
Operating netback[1], including financial derivatives	**15,336**	11,068	39%	**29,105**	36,333	(20)%

($/boe)	Three months ended September 30,			Nine months ended September 30,		
	2026	2025	% change	**2026**	2025	% change
Total petroleum and natural gas sales, net of blending[1][2]	**95.47**	71.21	34%	**90.83**	69.57	31%
Royalties	**(18.13)**	(11.65)	56%	**(15.70)**	(10.81)	45%
Operating expenses	**(19.67)**	(15.48)	27%	**(21.10)**	(19.49)	8%
Transportation expenses	**(7.43)**	(3.26)	128%	**(6.35)**	(2.38)	167%
Operating netback[1]	**50.24**	40.82	23%	**47.68**	36.89	29%
Realized gain (loss) on financial derivatives	**(2.56)**	(0.15)	1607%	**(2.35)**	(0.44)	434%
Operating netback[1], including financial derivatives	**47.68**	40.67	17%	**45.33**	36.45	24%

(1) See Non-IFRS Measures, Non-IFRS Financial Ratios and Capital Management Measures
(2) Realized prices are based on sales, net of blending expense

Operating netback for the three months ended September 30, 2026 increased 45% to $16.2 million from $11.1 million in the comparable period of 2025, primarily as a result of higher realized pricing and production volumes, partially offset by higher royalties, operating expenses and transportation expenses.

Operating netback for the nine months ended September 30, 2026 decreased 17% to $30.6 million from $36.8 million in the comparable period of 2025, primarily as a result of lower production volumes following the 2025 dispositions, together with higher transportation costs, partially offset by higher realized pricing, lower royalties and operating expenses.

On a per boe basis, operating netback increased to $50.24/boe and $47.68/boe for the three and nine months ended September 30, 2026 from $40.82/boe and $36.89/boe in the comparable periods of 2025, as improved realized pricing was offset by higher per boe royalties, operating expenses and transportation costs.

General and Administrative ("G&A") Expenses

($ in thousands)	Three months ended September 30,			Nine months ended September 30,		
	2026	2025	% change	**2026**	2025	% change
G&A expenses	**1,671**	1,605	4%	**4,388**	5,373	(18)%
Capitalized G&A and overhead recoveries	**(605)**	(472)	28%	**(1,522)**	(1,686)	(10)%
Net G&A expenses	**1,066**	1,133	(6)%	**2,866**	3,687	(22)%
Per boe ($)	**3.31**	4.16	(20)%	**4.46**	3.70	21%

For the three months ended September 30, 2026, the Company's net G&A expenses decreased 6% to $1.1 million, primarily due to higher capitalized G&A and overhead recoveries associated with the increased capital program. For the nine months ended September 30, 2026, net G&A expenses decreased 22% to $2.9 million compared to the same period of 2025, primarily due to personnel reductions following the Lloydminster and North dispositions, partially offset by lower capitalized G&A and overhead recoveries.

On a per boe basis, G&A expenses decreased 20% to $3.31 for the three months ended September 30, 2026 due to higher production volumes, and increased 21% to $4.46 for the nine months ended September 30, 2026, as the reduction in G&A expenses was proportionally less than the decline in production volumes.

Stock-based compensation

Stock Options

The Company has a stock option plan in place pursuant to which the Company may grant options to eligible participants to acquire a maximum number of common shares of the Company ("Common Shares") equal to 10% of the total issued and outstanding Common Shares of the Company. The stock options expire five years from the date of grant and vest as to one-third on each of the first, second and third anniversary of the grant date. Stock-based compensation is recorded over a three-year vesting period using graded amortization resulting in a higher proportion of expense being recognized earlier in the vesting term.

On April 22, 2026, the Company granted a total of 3.3 million stock options pursuant to the Company's stock option plan at a price of $2.20 per common share. The total fair value of each option granted during the periods was estimated on the date of grant using the Black-Scholes pricing model with weighted average assumptions (Refer to Note 10 of the Interim Financial Statements).

The following table summarizes the changes in the outstanding stock options for the periods:

	September 30, 2026		December 31, 2025	
	Number of Options	**Weighted average exercise price**	Number of Options	Weighted average exercise price
Options outstanding, beginning of period	**3,090,425**	**$ 4.07**	3,885,725	$ 4.02
Forfeited	**(728,125)**	**$ 4.10**	(795,300)	$ 3.84
Cancelled[(1)]	**(2,362,300)**	**$ 4.06**	-	$ -
Issued	**3,320,000**	**$ 2.20**	-	$ -
Options outstanding, end of period	**3,320,000**	**$ 2.20**	3,090,425	$ 4.07

(1) An aggregate 2,362,300 of the Company's stock options were cancelled in the period ended March 31, 2026, which were voluntarily surrendered by the holders for no consideration. The remaining unamortized expense was immediately recognized in the Consolidated Statements of Income (Loss) and Comprehensive Income (Loss).

Share Incentive Awards

The Company has a share award incentive plan, pursuant to which, the Company may grant restricted share awards ("RSAs") and performance share awards ("PSAs") to directors, officers, employees and consultants of the Company. The share awards, being RSAs or PSAs as applicable, granted under the share award incentive plan are intended to be settled through the issuance of new common shares upon vesting for no additional consideration. The share award incentive plan, together with the Company's current stock option plan, constitutes a "rolling up to 10%" plan for purposes of TSX Venture Exchange policies.

As at September 30, 2026, no PSA's have been issued.

Restricted Share Awards

On May 26, 2026, the Company's Board of Directors approved the grant of 2,145,000 RSAs. Each RSA entitles the holder to receive one common share of the Company upon vesting, with one-third vesting on each of the first, second and third anniversaries of the date of grant. Stock-based compensation is recorded over a three-year vesting period using graded amortization resulting in a higher proportion of expense being recognized earlier in the vesting term.

The following table summarizes the changes in the outstanding share awards for the periods:

	Number of RSAs
Balance, December 31, 2024	-
Balance, December 31, 2025	-
Granted	2,145,000
Forfeited	(16,500)
Balance, September 30, 2026	**2,128,500**

Stock-based compensation expense

($ in thousands)	Three months ended September 30,			Nine months ended September 30,		
	2026	2025	% change	**2026**	2025	% change
Stock options	**476**	252	89%	**1,100**	1,091	1%
Share incentive awards	**623**	-	100%	**866**	-	100%
Gross stock-based compensation	**1,099**	252	336%	**1,966**	1,091	80%
Capitalized stock-based compensation	**(436)**	(99)	340%	**(787)**	(416)	89%
Stock-based compensation	**663**	153	333%	**1,179**	675	75%
Per boe ($)	**2.06**	0.56	268%	**1.84**	0.68	171%

During the three and nine months ended September 30, 2026, the Company recorded gross stock-based compensation expense of $1.1 million and $2.0 million, respectively, as compared to $0.3 million and $1.1 million in the comparable periods of 2025. The increase reflects the expense associated with the RSAs granted on May 26, 2026 and the stock options granted on April 22, 2026.

The Company capitalizes stock-based compensation expense related to petroleum and natural gas exploration and development activities. For the three and nine months ended September 30, 2026, Lycos recorded capitalized stock-based compensation expense of $0.4 million and $0.8 million, respectively, as compared to $0.1 million and $0.4 million in the comparable periods of 2025, consistent with the increased capital program.

The stock-based compensation expense recognized in the nine months ended September 30, 2026 includes $0.2 million for the cancellation of 2.4 million stock options that were voluntarily surrendered by the holders.

Depletion and Depreciation ("D&D")

($ in thousands)	Three months ended September 30,			Nine months ended September 30,		
	2026	2025	% change	**2026**	2025	% change
Depletion and depreciation	**8,045**	6,755	19%	**15,602**	23,066	(32)%
Per boe ($)	**25.01**	24.82	1%	**24.30**	23.13	5%

D&D per boe will fluctuate from one period to the next depending on the amount and type of capital expenditures, the recognition or reversal of impairments, the amount of reserves and future development costs added and production volumes. Depletion of oil and gas assets is calculated using the unit-of-production method based on total proved and probable petroleum and natural gas reserves, including future development costs.

D&D expense for the three and nine months ended September 30, 2026, was $8.0 million and $15.6 million respectively, as compared to $6.8 million and $23.1 million for the comparable periods of 2025. The increase for the three months ended September 30, 2026 reflects higher production volumes and the increased depletable base resulting from the Mahikan Business Combination, the Provost Acquisition and the 2026 capital program.

The decrease for the nine months ended September 30, 2026 reflects lower production volumes and a reduced depletable base following the Q2 2025 impairment and the Lloydminster and North dispositions, partially offset by the Mahikan Business Combination, the Provost Acquisition and the 2026 capital program.

On a per boe basis, D&D expense increased to $25.01 and $24.30 for the three and nine months ended September 30, 2026, from $24.82 and $23.13 in the comparable periods of 2025, primarily reflecting the Mahikan Business Combination and the Provost Acquisition completed during the year. The acquired assets were recorded at fair value and included future development costs and drilling inventory, resulting in a higher initial D&D rate per boe than the Company's historical average. As the Company executes its development plans and converts these opportunities into producing reserves through future drilling activities, management expects the D&D rate per boe to decrease over time.

Impairment

Exploration and Evaluation Assets

The Company concluded there were no indicators of impairment as at September 30, 2026.

Property, Plant & Equipment

The Company concluded there were no indicators of impairment or impairment reversal as at September 30, 2026.

Acquisitions & Dispositions

Mahikan Business Combination

On March 30, 2026, the Company completed the previously announced Mahikan Business Combination. Immediately prior to the acquisition date, Mahikan held a 92.39% ownership interest in Kihew Resources Inc. ("Kihew"), resulting in the Company indirectly acquiring control of Kihew as part of the transaction.

The results of Mahikan and Kihew have been included in the Company's consolidated financial statements commencing March 30, 2026. The transaction has been accounted for as a business combination in accordance with IFRS 3, Business Combinations. The identifiable assets acquired and liabilities assumed, including those attributable to Kihew, were recognized at their estimated acquisition date fair values. Refer to Note 4 of the Interim Financial Statements for additional information regarding the acquisition, including the preliminary purchase price allocation, fair value assumptions, and recognition of the non-controlling interest associated with Kihew.

The remaining 7.61% ownership interest in Kihew not owned by Mahikan was recognized in the Interim Financial Statements as a non-controlling interest until June 26, 2026, when Mahikan acquired that interest for a nominal amount. As at September 30, 2026, Kihew is a wholly owned subsidiary of Mahikan and the non-controlling interest has been derecognized from the Interim Financial Statements.

Provost Acquisition

On August 6, 2026, the Company closed the Provost Acquisition for cash consideration of $70.0 million, before closing adjustments. The acquired assets are located in the Greater Provost area of Alberta and added approximately 1,000 boe/d of production (91% heavy crude oil, 1% natural gas liquids and 8% natural gas) supported by waterflood operations. Capital expenditures for the three and nine months ended September 30, 2026 include $68.6 million of property acquisitions related to the Provost Acquisition.

The Provost Acquisition has been accounted for as an asset acquisition in accordance with IFRS 3, and the results of the acquired assets have been included in the Company's consolidated financial statements commencing August 6, 2026. Refer to Note 4 of the Interim Financial Statements for additional information regarding the acquisition.

Transaction Costs

($ in thousands)	Three months ended September 30,			Nine months ended September 30,		
	2026	2025	% change	**2026**	2025	% change
Transaction costs	**-**	16	(100)%	**2,079**	1,088	91%
Per boe ($)	**-**	0.26	(100)%	**3.24**	1.09	197%

Transaction costs were $nil and $2.1 million for the three and nine months ended September 30, 2026, respectively, as compared to $16 thousand and $1.1 million in the same periods of 2025. Transaction costs for the nine months ended September 30, 2026 primarily relate to the Mahikan Business Combination and other deal flow in the period. Costs directly attributable to the Provost Acquisition were capitalized to the cost of the acquired assets. Transaction costs for the nine months ended September 30, 2025, primarily the strategic review process and legal fees associated with transaction execution and deal flow. The strategic process was concluded on May 29, 2025.

Finance Expense

($ in thousands)	Three months ended September 30,			Nine months ended September 30,		
	2026	2025	% change	**2026**	2025	% change
Accretion of decommissioning liabilities	**153**	142	8%	**433**	599	(28)%
Interest expense	**289**	378	(24)%	**462**	959	(52)%
Interest on lease obligations	**18**	6	200%	**59**	24	146%
Finance expense	**460**	526	(13)%	**954**	1,582	(40)%
Per boe ($)	**1.43**	1.93	(26)%	**1.49**	1.59	(6)%

Finance expense for the three and nine months ended September 30, 2026, totaled $0.5 million and $1.0 million, respectively, as compared to $0.5 million and $1.6 million in the same periods of 2025.

The decrease for the three months ended September 30, 2026 reflects lower interest costs from lower average bank indebtedness and interest rates. This was partially offset by higher interest on lease obligations from lease additions, and higher accretion on decommissioning liabilities added through the Mahikan Business Combination, the Provost Acquisition and the 2026 capital program.

The decrease for the nine months ended September 30, 2026 reflects lower interest costs due to lower average bank indebtedness and interest rates in the period, and lower accretion on decommissioning liabilities following the Lloydminster and North dispositions, partially offset by higher interest on lease obligations resulting from the lease additions in the period.

Taxes

The following table outlines the Company's estimated consolidated tax pools as at September 30, 2026:

($ in thousands)	**September 30, 2026**	**December 31, 2025**	Annual Deductibility
Undepreciated capital cost[(1)]	**19,676**	**221**	Primarily 25% declining balance
Canadian exploration expense - successored[(1)]	**80**	**-**	100%
Canadian development expense	**52,472**	**38,507**	30% declining balance
Canadian development expense - successored[(1)]	**7,900**	**3,259**	30% declining balance
Canadian oil and gas property expense	**49,850**	**-**	10% declining balance
Canadian oil and gas property expense - successored[(1)]	**20,340**	**10,363**	10% declining balance
Non-capital loss carry forward[(1)]	**77,526**	**53,924**	100%
Share & debt issue costs	**5,387**	**2,952**	20% straight line
Total	**233,231**	**109,226**	

(1) The September 30, 2026 estimated consolidated tax pools include $2.3 million undepreciated capital cost, $6.0 million Canadian development expense, $11.3 million Canadian oil and gas property expense and $15.6 million non-capital losses acquired in the Mahikan Business Combination (note 4 of the Interim Financial Statements). The acquired tax pools are based on Management's best estimates based on information available at the time of preparing this MD&A. The reader is cautioned that future revisions to these estimates over the measurement period (one year from the closing date of the acquisition) could result in a change from the amounts reported herein.

($ in thousands)	Three months ended September 30,			Nine months ended September 30,		
	2026	2025	% change	**2026**	2025	% change
Deferred income tax expense (recovery)	**692**	-	100%	**721**	(8,444)	(109)%

For both the three and nine months ended September 30, 2026, the Company recorded deferred income tax expense of $0.7 million, as compared to $nil and a recovery of $8.4 million, respectively, in the comparable periods of 2025. The deferred income tax expense recognized in both the three and nine months ended September 30, 2026 relates primarily to the net income before income taxes recognized in the periods.

The deferred income tax recovery in the nine months ended September 30, 2025 relates to the net loss before income taxes recognized in the period, including the loss on the Lloydminster Disposition and the impairment loss.

Cash flow from Operating Activities, Adjusted Funds Flow and Net Income (Loss)

($ in thousands, except per share)	Three months ended September 30,			Nine months ended September 30,		
	2026	2025	% change	**2026**	2025	% change
Cash flow from operating activities	**6,569**	10,370	(37)%	**30,054**	31,422	(4)%
Adjusted funds flow from operations[(1)]	**14,026**	9,558	47%	**25,925**	31,698	(18)%
Net income (loss)	**1,810**	2,465	(27)%	**3,298**	(49,774)	(107)%
Per share - basic	**$ 0.01**	$ 0.05	(80)%	**$ 0.03**	$ (0.93)	(103)%
Per share - diluted	**$ 0.01**	$ 0.05	(80)%	**$ 0.03**	$ (0.93)	(103)%

(1) See Non-IFRS Measures, Non-IFRS Financial Ratios and Capital Management Measures

The Company recorded net income of $1.8 million ($0.01 per basic and diluted share) and $3.3 million ($0.03 per basic and diluted share), respectively, for the three and nine months ended September 30, 2026, compared to net income of $2.5 million ($0.05 per basic and diluted share) and a net loss of $49.8 million (($0.93) per basic and diluted share) in the comparable periods of 2025.

The decrease in net income for the three months ended September 30, 2026 as compared to the same period of 2025 is primarily the result of higher D&D expense, deferred income tax expense, stock-based compensation expense and an unrealized loss on financial derivatives, partially offset by higher adjusted funds flow from operations.

The net income recorded in the nine months ended September 30, 2026 as compared to the net loss recorded in the same period of 2025 is primarily the result of the $41.2 million loss on the Lloydminster Disposition and a non-cash impairment loss of $23.2 million recorded in the comparable period, partially offset by lower adjusted funds flow from operations.

Cash flow from operating activities for the three and nine months ended September 30, 2026, decreased by 37% and 4%, respectively, as compared to the same periods of 2025. The decrease in cash flow from operating activities was consistent with the movements in adjusted funds flow from operations (discussed below), adjusted by the changes in non-cash working capital for the periods.

For the three months ended September 30, 2026, adjusted funds flow from operations increased 47% as compared to the same period of 2025, primarily due to higher petroleum and natural gas sales, net of blending, partially offset by higher royalties, operating expenses, transportation costs and realized financial derivative losses.

For the nine months ended September 30, 2026, adjusted funds flow from operations decreased 18% as compared to the same period of 2025, primarily due to a decrease in petroleum and natural gas sales, net of blending and higher transportation costs and realized financial derivative losses, offset by lower royalties, operating expenses and G&A expenses recorded in the current period.

Capital Expenditures

($ in thousands)	Three months ended September 30,			Nine months ended September 30,		
	2026	2025	% change	**2026**	2025	% change
Land and geological and geophysical	**482**	305	58%	**1,253**	1,265	(1)%
Drilling and completions	**16,653**	231	7109%	**26,234**	21,964	19%
Equipping and facilities	**5,884**	401	1367%	**10,655**	4,748	124%
Other	**504**	476	6%	**1,346**	1,709	(21)%
Exploration and development[(1)]	**23,523**	1,413	1565%	**39,488**	29,686	33%
Property acquisitions (dispositions)[(1)]	**68,576**	-	100%	**68,576**	(5,066)	(1454)%
Capital expenditures [(1)]	**92,099**	1,413	6418%	**108,064**	24,620	339%

(1) See Non-IFRS Measures, Non-IFRS Financial Ratios and Capital Management Measures

Exploration and development expenditures for the three and nine months ended September 30, 2026, were $23.5 million and $39.5 million, respectively, as compared to $1.4 million and $29.7 million in the comparable periods of 2025. In the three months ended September 30, 2026, the Company incurred $0.5 million on lease acquisitions and seismic, $16.7 million on drilling and completions (including $3.4 million in pre-drill costs on wells in progress and inventory purchased for future drilling and $0.7 million of recompletions and workovers), $5.9 million on equipping and facilities and $0.5 million related to other costs. During the nine months ended September 30, 2026, the Company incurred $1.3 million on lease acquisitions and seismic, $26.2 million on drilling and completions, $10.7 million on equipping and facilities, and $1.3 million related to other capital costs. In addition, the Company incurred $68.6 million on property acquisitions related to the Provost Acquisition that closed on August 6, 2026.

The Company's Q3 2026 capital program included drilling and rig-releasing 9.0 gross (9.0 net) wells: at Moonshine, the Company drilled six wells, including three evaluating additional stacked horizons in the Lloydminster, Waseca and GP formations. In its legacy areas, the Company drilled three wells, including two Sparky multi-laterals in Wildmere and a Colony step-out at Derwent.

The following table summarizes the Company's drilling results (based on rig-released wells):

	Three months ended September 30,				Nine months ended September 30,			
	2026		2025		**2026**		2025	
	Gross[(1)]	**Net[(1)]**	Gross	Net	**Gross[(1)]**	**Net[(1)]**	Gross	Net
Crude oil	**9.0**	**9.0**	-	-	**16.0**	**16.0**	9.0	8.9
Disposal	-	-	-	-	-	-	-	-
Total	**9.0**	**9.0**	-	-	**16.0**	**16.0**	9.0	8.9
Success rate	**100%**	**100%**	-	-	**100%**	**100%**	100%	100%

(1) Of the 9.0 gross (9.0 net) crude oil wells drilled during the three months ended September 30, 2026, 7.0 gross (7.0 net) were brought on production in Q3 2026 and 2.0 gross (2.0 net) were brought on production subsequent to September 30, 2026.

Share Capital

Common Shares

The Company's authorized share capital consists of an unlimited number of Common Shares and an unlimited number of preferred shares, issuable in series (of which nil preferred shares are outstanding).

The following table summarizes the Company's issued and outstanding Common Shares for the periods ended September 30, 2026 and December 31, 2025:

	September 30, 2026		December 31, 2025	
	Number of Shares	**Amount**	Number of Shares	Amount
Balance, beginning of period	**53,237,528**	**$ 176,728**	53,237,528	$ 224,642
Issued pursuant to acquisition	**29,781,301**	**49,732**	-	-
Issued on private placement	**25,000,000**	**30,000**	-	-
Issued on equity offering	**22,697,550**	**34,500**		
Share issue costs	**-**	**(3,730)**	-	-
Repurchase of NCI	**-**	**667**	-	-
Exercise of warrants	**1,136,383**	**1,523**	-	-
Reduction of stated capital	**-**	**-**	-	(47,914)
Balance, end of period	**131,852,762**	**$ 289,420**	53,237,528	$ 176,728

On March 30, 2026, the Company acquired all of the issued and outstanding common shares of Mahikan in exchange for 29,781,301 common shares of Lycos. Concurrent with closing, the Company completed a non-brokered private placement of 25,000,000 common shares at a price of $1.20 per share for gross proceeds of $30.0 million. The Company incurred gross share issue costs of $1.5 million.

On August 6, 2026, and concurrently with the Provost Acquisition, the Company closed the Bought-Deal Offering of 22,697,550 common shares at a price of $1.52 per share for gross proceeds of $34.5 million, including exercise of the over allotment in full. The Company incurred gross share issue costs of $2.2 million.

Warrants

The following table summarizes the Company's issued, outstanding, and exercisable warrants, each entitling the holder to acquire one common share at $1.34 per share until December 12, 2027, for the periods:

	September 30, 2026		December 31, 2025	
Outstanding and Exercisable	**Number of Warrants**	**Weighted average exercise price[1]**	Number of Warrants	Weighted average exercise price[1]
Balance, beginning of period	**5,549,869**	**$ 1.34**	5,549,869	$ 1.34
Exercised[2]	**(1,136,383)**	**$ 1.34**	-	$ -
Balance, end of period	**4,413,486**	**$ 1.34**	5,549,869	$ 1.34

(1) In conjunction with the Return of Capital completed on November 28, 2025, the original warrant exercise price of $2.24 was adjusted to reflect the $0.90 distribution paid to each common share with immediate effect.

(2) During the nine months ended September 30, 2026, 1,136,383 warrants were exercised for proceeds of $1.5 million.

Dilution

The Company uses the treasury stock method to determine the impact of dilutive securities in computing the diluted net income (loss) per share for the periods. The following table reconciles the weighted average shares outstanding used in the basic and diluted per share calculations:

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	**2026**	2025
WA shares outstanding - basic	**122,724,400**	53,237,528	**95,396,093**	53,237,528
Effect of dilutive warrants[1]	**1,006,272**	-	**850,151**	-
Effect of dilutive stock options[2]	**-**	-	**-**	-
Effect of dilutive share incentive awards[3]	**273,007**	-	**187,987**	-
WA shares outstanding - diluted	**124,003,679**	53,237,528	**96,434,231**	53,237,528

(1) The 4,413,486 warrants outstanding were dilutive for the three and nine months ended September 30, 2026, however the 5,549,869 warrants outstanding were excluded from the dilutive effect during the three and nine months ended September 30, 2025 as they were not dilutive based on the treasury stock method.

(2) The stock options outstanding from the date of grant were excluded from the dilutive effect during the three and nine months ended September 30, 2026 and 2025 as they were not dilutive based on the treasury stock method.

(3) The share awards outstanding from the date of grant were dilutive based on the treasury stock method for the three and nine months ended September 30, 2026.

Normal course issuer bid ("NCIB")

On October 27, 2026, the Company announced that the TSX Venture Exchange had accepted the renewal of its NCIB permitting Lycos to repurchase up to 10,661,989 Common Shares within a twelve-month period commencing on November 2, 2026. During the period ended September 30, 2026, the Company did not purchase any shares for cancellation.

Outstanding Securities

As at November 10, 2026, the Company had the following securities outstanding:

(in thousands)	**As at November 10, 2026**
Outstanding securities:	
Common shares	131,853
Stock options	3,320
Restricted share awards	2,129
Warrants	4,413

Liquidity and Capital Resources

As at September 30, 2026, the Company's capital structure is comprised of net debt[(1)] of $37.9 million and shareholders' equity of $209.2 million. Lycos' adjusted working capital (net debt) fluctuated from adjusted working capital of $9 thousand at December 31, 2025 to net debt of $37.9 million at September 30, 2026, primarily due to the Provost Acquisition and exploration and development expenditures, partially offset by the net proceeds of the private placement that closed on March 30, 2026 and the Bought-Deal Offering that closed on August 6, 2026, and adjusted funds flow from operations generated in the period.

On March 30, 2026, the Company completed the Mahikan Business Combination and the Offering for gross proceeds of approximately $30.0 million, of which $12.9 million was used to repay acquired debt upon close of the business combination. The business combination materially enhances the Company's scale and inventory depth through the addition of significant undeveloped land and drilling opportunities.

On August 6, 2026, the Company closed the Provost Acquisition along with a concurrent $34.5 million Bought-Deal Offering and an expansion of the existing credit facility to $55.0 million, with an uncommitted accordion feature to increase total capacity up to $75.0 million.

The Company expects to have adequate liquidity to execute on its short-term and longer-term growth strategy, including its capital budget, through a combination of cash provided by operating activities and its credit facility. Lycos maintains the flexibility to adjust its capital spending to manage working capital requirements and may issue equity to fund future acquisitions and development activities as appropriate.

Credit Facility

As at September 30, 2026, the Company had an uncommitted demand revolving credit facility with the National Bank of Canada ("the Lender") for up to $75.0 million, of which $55.0 million is immediately available for general corporate purposes and an additional $20.0 million is available at the discretion of the Lender. A semi-annual borrowing base review is scheduled to occur on or before May 31 and November 30 of each year.

As at September 30, 2026, the Company had $20.6 million (December 31, 2025 - $2.4 million) drawn on the facility.

Interest rates vary depending on the ratio of Net Debt to Cash Flow (as defined in the lending agreement). At September 30, 2026, the Company had an interest rate of prime plus 1.25% per annum on the credit facility.

The credit facility is secured by a demand debenture in the amount of $100.0 million. Repayments of principal are not required until the Lender demands, provided that the borrowings do not exceed the authorized credit facility, and the Company is compliant with all covenants. As at September 30, 2026, the Company was compliant with all covenants.

Contractual Obligations and Commitments

Commitments exist under various agreements and operations in the normal course of the Company's business, none of which are expected to have a significant impact on the Company's financial statements or operations.

The Company has the following drilling commitments: drill one (1) well by March 1, 2027; one (1) well by July 13, 2027; and two (2) wells by March 3, 2028. In the event the Company fails to fulfill these drilling commitments, a penalty ranging from $0.1 million to $0.3 million is payable for each well not spud by the applicable commitment date.

Subsequent Event

Subsequent to September 30, 2026, the Company entered into and closed an agreement to dispose of certain assets in the Chigwell area of Alberta, subject to customary closing adjustments, for total cash consideration of $0.5 million. Lycos retains a 3.5% gross overriding royalty on all production from any wells drilled on the disposed lands.

Quarterly Results

The following table summarizes the Company's key quarterly financial and operating results for the past eight quarters.

		2026			2025			2024
($ in thousands, except share data)	**Q3**	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Financial								
Total petroleum and natural gas sales, net of blending[(1)]	**30,711**	16,770	10,849	10,250	19,379	23,146	26,842	30,196
Cash flow from operating activities	**6,569**	16,691	6,794	5,358	10,370	8,396	12,656	12,898
Adjusted funds flow from operations[(1)]	**14,026**	7,328	4,571	4,101	9,558	9,628	12,512	14,421
Net income (loss)	**1,810**	3,493	(2,005)	169	2,465	(54,612)	2,373	(13,442)
Per share - basic	**$ 0.01**	$ 0.03	$ (0.04)	$ -	$ 0.05	$ (1.03)	$ 0.04	$ (0.25)
Per share - diluted	**$ 0.01**	$ 0.03	$ (0.04)	$ -	$ 0.05	$ (1.03)	$ 0.04	$ (0.25)
Adjusted working capital (net debt)[(1)]	**(37,931)**	8,391	13,863	9	(11,664)	(19,277)	(25,285)	(17,661)
Exploration & development expenditures[(1)]	**23,523**	13,924	2,041	2,007	1,413	5,351	22,922	9,824
Property acquisitions (dispositions)[(1)]	**68,576**	-	-	(58,091)	-	(5,066)	-	(11,059)
Weighted average shares outstanding (thousands)								
Basic	**122,724**	108,861	53,846	53,238	53,238	53,238	53,238	53,238
Diluted	**124,004**	110,553	53,846	53,238	53,238	53,238	53,532	53,238
Shares outstanding, end of period (thousands)								
Basic	**131,853**	109,155	108,019	53,238	53,238	53,238	53,238	53,238
Diluted	**133,132**	110,847	108,019	53,238	53,238	53,238	53,532	53,238
Operational								
Average daily production								
Crude oil (bbls/d)	**3,376**	1,821	1,567	1,663	2,915	3,795	3,940	4,421
Natural gas (mcf/d)	**723**	399	517	394	260	869	793	893
Total (boe/d)	**3,496**	1,887	1,653	1,729	2,958	3,940	4,072	4,570

(1) See Non-IFRS Measures, Non-IFRS Financial Ratios and Capital Management Measures

In Q1 2025, the Company executed an exploration and development program focused on advancing its land base, incurring $22.9 million of capital expenditures to drill 7.9 net producing wells and spud 1.0 net well, which was rig released and brought on stream in Q2 2025. In Q2 2025, the Company completed drilling and brought on stream 1.0 net Moose Lake well. On May 29, 2025, the Company announced the termination of its previously announced strategic review process and the temporary suspension of its capital program in response to low and volatile commodity prices and global economic uncertainty. During Q2 2025, the Company completed the Lloydminster Disposition and Frog Lake disposition. In Q4 2025, the Company closed the Elnora Disposition and North Disposition, generating significant cash proceeds that were applied to reduce net debt and fund the previously announced Return of Capital.

In Q1 2026 Lycos completed the Mahikan Business Combination, acquiring 44.5 contiguous parcels of land in the Moonshine area of East Central, Alberta and concurrently raising $30.0 million of proceeds through the Offering. The business combination and financing positioned the Company for significant growth in 2026. In Q2 2026, the Company executed an exploration and development program focused on advancing its acquired land base, incurring $13.9 million of capital expenditures to drill 7.0 net producing wells, which were all rig released and brought on stream in the period. In Q3 2026, the Company continued to execute its development program, incurring $23.5 million of exploration and development expenditures to drill 9.0 net crude oil wells, and grew average production to 3,496 boe/d. On August 6, 2026, the Company closed the Provost Acquisition, adding approximately 1,000 boe/d of waterflood-supported production, together with the concurrent $34.5 million Bought-Deal Offering and the expansion of its credit facility. Concurrently, Lycos announced increasing its previously announced 2026 capital budget from $35 – 40 million to $50 – 55 million to reflect the Provost Acquisition and the Company's expanded development program.

Subsequent to September 30, 2026, Lycos announced increasing its previously announced 2026 capital budget from $50 – 55 million to $60 – 65 million. The $10 million of incremental capital is intended to set up the 2027 capital program, with spending directed to development capital, long-lead inventory purchases and lease preparation. The associated production additions are expected to come on stream primarily in 2027.

Off-Balance Sheet Arrangements

All off-balance sheet arrangements are in the normal course of business. Refer to the commitments in the section titled "Contractual Obligations and Commitments".

Non-IFRS Measures, Non-IFRS Financial Ratios and Capital Management Measures

This document contains the terms "operating netback", "total crude oil, and total petroleum and natural gas sales, net of blending" and "royalty rate" which are non-IFRS financial measures, or ratios if calculated on a per boe or percentage basis. The Company uses these measures to help evaluate Lycos' performance. These non-IFRS financial measures and ratios do not have any standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. This document also contains the capital management measures, or ratios, of "adjusted funds flow from operations", "adjusted working capital" and "capital expenditures". Management believes that the presentation of these non-IFRS, capital management and other financial measures provides useful information to shareholders and investors in understanding and evaluating the Company's ongoing operating performance.

Adjusted Funds Flow from Operations

Funds flow is calculated by taking cash flow from operating activities and adding back changes in non-cash working capital. Adjusted funds flow from operations is further calculated by adding back decommissioning expenditures and transaction costs. Management considers adjusted funds flow from operations to be a key measure to assess the performance of the Company's oil and gas properties and the Company's ability to fund future capital investment. Adjusted funds flow from operations is an indicator of operating performance as it varies in response to production levels and management of costs. Changes in non-cash working capital, decommissioning expenditures and transaction costs vary from period to period and Management believes that excluding the impact of these provides a useful measure of Lycos' ability to generate the funds necessary to manage the capital needs of the Company.

The Company reconciles adjusted funds flow from operations to cash flow from operating activities, which is the most directly comparable measure calculated in accordance with IFRS as follows:

($ in thousands)	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	**2026**	2025
Cash flow from operating activities	**6,569**	10,370	**30,054**	31,422
Change in non-cash working capital	**7,128**	(1,280)	**(6,631)**	(1,608)
Funds flow from operations	**13,697**	9,090	**23,423**	29,814
Decommissioning expenditures	**329**	452	**423**	796
Transaction costs	**-**	16	**2,079**	1,088
Adjusted funds flow from operations	**14,026**	9,558	**25,925**	31,698
Per boe ($)	**43.60**	35.12	**40.37**	31.79

Adjusted Working Capital (net debt)

Management considers adjusted working capital (net debt) to be a key measure to assess the Company's liquidity and capital management. The Company calculates adjusted working capital (net debt) as the total of the Company's current assets, less current liabilities, excluding derivative financial instruments, decommissioning obligations, and lease liabilities.

($ in thousands)	**September 30, 2026**	December 31, 2025
Working capital	**(42,009)**	(1,216)
Current portion of lease obligations	**524**	325
Current portion of decommissioning liabilities	**1,000**	900
Financial derivative liability	**2,554**	-
Adjusted working capital (net debt)	**(37,931)**	9

Net Debt to Adjusted Funds Flow from Operations

Net debt to adjusted funds flow from operations ratio is calculated as net debt divided by adjusted funds flow from operations for the applicable period. Lycos utilizes net debt to adjusted funds flow from operations to measure the Company's overall debt position and to measure the strength of the Company's balance sheet. Lycos monitors this capital management ratio and uses this as a key measure in making decisions regarding financing, capital expenditures and shareholder returns.

Royalty Rate

The Company's royalty rate is calculated as total royalties as a percentage of total petroleum and natural gas sales, net of blending.

Operating netback

Operating netback is total petroleum and natural gas sales, net of blending, less royalties, less operating expenses and transportation expenses, excluding the effects of financial derivatives. These metrics can also be calculated on a per boe basis, which results in them being considered a non-IFRS financial ratio. Management considers operating netback an important measure to evaluate Lycos' operational performance, as it demonstrates field level profitability relative to current commodity prices. Operating netback, including financial derivatives is defined as operating netback plus realized gains or losses on financial derivatives.

Capital Expenditures

Management uses the term "capital expenditures" as a measure of capital investment in exploration and development activity as compared to the Company's annual budgeted capital expenditures. The most directly comparable IFRS measure for total capital expenditures is cash flow used in investing activities. Capital expenditures represents capital expenditures – exploration and evaluation and capital expenditures – property, plant and equipment and expenditures on acquisitions and proceeds on dispositions.

A summary of the reconciliation of cash flow used in investing activities to capital expenditures is set forth below:

($ in thousands)	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	**2026**	2025
Exploration and evaluation	**-**	-	**674**	18,580
Property plant and equipment	**23,523**	1,413	**38,814**	11,106
Exploration & development expenditures	**23,523**	1,413	**39,488**	29,686
Property acquisitions (dispositions)	**68,576**	-	**68,576**	(5,066)
Capital expenditures	**92,099**	1,413	**108,064**	24,620
Change in non-cash working capital	**(16,076)**	1,629	**(10,721)**	7,945
Cash used in investing activities	**76,023**	3,042	**97,343**	32,565

Advisories

Unless otherwise indicated, all production information presented herein is presented on a gross basis, which is the Company's working interest prior to deduction of royalties and without including any royalty interests. Readers are cautioned that the MD&A should be read in conjunction with disclosures in the sections titled "Non-IFRS Measures, Non-IFRS Financial Ratios and Capital Management Measures".

Certain figures included in this MD&A have been rounded for ease of presentation. Percentage figures included in this MD&A have not in all cases been calculated on the basis of such rounded figures but on the basis of such amounts prior to rounding. For this reason, percentage amounts in this MD&A may vary slightly from those obtained by performing the same calculations using the figures in Lycos' Interim Financial Statements or in the associated text. Certain other amounts that appear in this MD&A may similarly not sum due to rounding.

BOE Presentation

The Company uses the following industry terms in the MD&A: "bbl" refers to barrels, "bbl/d" refers to barrels per day, "mbbl" refers to thousand barrels, "mcf" refers to thousand cubic feet, "mcf/d" refers to thousand cubic feet per day, "mmcf" refers to million cubic feet, "MMbtu" refers to one million British thermal units, "boe" refers to barrel of oil equivalent, "boe/d" refers to barrels of oil equivalent per day, and "mboe" refers to thousand barrels of oil equivalent. Disclosure provided herein in respect of a boe may be misleading, particularly if used in isolation. A boe conversion rate of six thousand cubic feet of natural gas to one barrel of oil equivalent has been used in the calculation of the boe amounts in the MD&A. The boe conversion rate is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. As the value ratio between natural gas and crude oil based on the current prices of natural gas and crude oil is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

Product Type Information

The Company has disclosed natural gas liquids ("NGLs") product type with crude oil due to the insignificant magnitude of NGLs. Throughout this MD&A, "crude oil" therefore refers to heavy crude oil and NGLs combined, as such terms are defined by National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*. Natural gas refers to conventional natural gas.

Supplementary Financial Measures

Per boe disclosures for petroleum and natural gas sales, royalties, operating expenses, transportation expenses, G&A expenses, financing expenses, and depletion, depreciation and amortization, impairment (reversal) are supplementary financial measures that are calculated by dividing each of these respective IFRS measures by the Company's total production volumes for the period.

Average realized prices for crude oil and natural gas are supplementary financial measures calculated by dividing each of these components of petroleum and natural gas sales by their respective production volumes for the period.

Royalties as a percentage of petroleum and natural gas sales is a supplementary financial measure calculated by dividing royalties by petroleum and natural gas sales.

Critical Accounting Estimates

The Interim Financial Statements and this MD&A have been prepared using the same critical accounting estimates as the Annual Financial Statements, which are available on the Company's website at www.lycosenergy.com and under the Company's profile on SEDAR+ at www.sedarplus.ca.

Forward Looking Information and Statements

This MD&A may include forward-looking statements or forward-looking information under applicable securities legislation. Such forward-looking statements or information are included for the purpose of providing information about Management's current expectations and plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other purposes. Forward-looking statements or information typically contain statements with words such as "anticipate", "believe", "can", "continue", "develop", "evaluate", "expect", "plan", "intend", "estimate", "maintains", "manage", "potential", "propose", "project", "target", "use", "budget", "forecast", "should", "will", "may" and similar expressions (or grammatical variations or negatives thereof) suggesting future outcomes or statements regarding an outlook. Forward-looking statements or forward-looking information in this MD&A include, but are not limited to, statements or information with respect to: (i) Lycos' business strategy and objectives, including renewed focus on optimizing and advancing development plans across its retained core properties; (ii) performance characteristics of Lycos' oil and natural gas properties, including anticipated production, capital expenditures, drilling plans, adjusted funds flow from operations and adjusted working capital; (iii) Lycos' expectation and plans regarding drilling and the completions of wells (including certain drilling commitments and the timing thereof); (iv) Lycos' expectations of royalty expenses as a percentage of revenue; (v) Lycos' crude oil pricing assumptions and Canadian to US dollar exchange rates; (vi) capital resources and liquidity, including the Company's expectations regarding sources of funding for future development capital expenditures (including the availability of the Company's credit facility); (vii) the Company's expectations in respect of G&A expenses; (viii) the Company's expectations in respect of commodity prices and WCS differentials; (ix) the Company's financial hedging program including the use of financial derivatives to manage fluctuations in commodity prices and the effects thereof; (x) ability of the Company to achieve drilling success consistent with Management's expectations; (xi) the timing and expected production of recently spud / drilled wells; (xii) Management's expectations regarding the Company's D&D rate per boe; (xiii) the Company's evaluation of initiatives to reduce operating costs, including site electrification and fuel gas installation; and (xiv) the Company's 2026 capital expenditure budget. In addition, the statements contained herein relating to "reserves" are by their nature forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions that the reserves or resources described can be profitably produced in the future. The recovery and reserves estimates provided herein are internal estimates only and there is no guarantee that the estimated reserves will be recovered. Therefore, actual results may differ materially from those anticipated in the forward-looking statements. Lycos disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Assumptions

Forward-looking statements or information are based on a number of factors and assumptions which have been used in developing such statements and information, but which may prove to be incorrect. Although the Company believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because the Company can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified in this MD&A, assumptions have been made regarding, among other things: expectations and assumptions concerning the business plan of the Company; the accuracy of geological and geophysical data and interpretation of that data; estimated decline rates; the ability of the Company to continue to meet its obligations under its credit facility; the impact of increasing competition; the general stability of the economic and political environment in which the Company operates; the timely receipt of any required regulatory approvals; the ability of the Company to obtain qualified staff, equipment and services in a timely and cost efficient manner; the ability of the Company to operate in a safe, efficient and effective manner; the ability of the Company to obtain financing on acceptable terms; field production rates and decline rates; the successful integration of the recently acquired assets into Lycos' operations; the ability to replace and expand oil and natural gas reserves through acquisition, development or exploration; the timing of and costs of pipeline, storage and facility construction and expansion and the ability of the Company to secure adequate transportation for products; future oil and natural gas prices; foreign currency exchange and interest rates; the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which the Company operates; the impact of inflation on costs and interest rates; the ability of the Company to successfully market its oil and natural gas products; the availability of capital (including that Lycos is well capitalized to execute on its capital program and strategy) and skilled personnel; drilling results; and prevailing commodity prices, price volatility, price differentials and the actual prices received for the Company's products. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which have been used.

Risks and uncertainties

Forward-looking statements or information are based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by the Company and described in the forward-looking statements or information. These risks and uncertainties which may cause actual results to differ materially from the forward-looking statements or information include, among other things: the ability of Management to execute its business plan; general economic and business conditions; the risk of instability affecting the jurisdictions in which the Company operates; risks associated with the oil and natural gas industry in general (e.g. operational risks in exploring for, developing and producing crude oil and natural gas; market demand and volatility; changes to market valuations; changes to supply and demand for oil and natural gas; uncertainty of reserves estimates; uncertainty of estimates and projections relating to production, costs and expenses, including increased operating and capital costs due to inflationary pressures); changes in industry regulations and legislation (including, but not limited to, tax laws, royalties, and environmental regulations); the imposition or expansion of tariffs imposed by domestic and foreign governments or the imposition of other restrictive trade measures, retaliatory or countermeasures implemented by such governments, including the introduction of regulatory barriers to trade and the potential material adverse effect on the Canadian, U.S. and global economies, and by extension the Canadian oil and natural gas industry and the demand and/or market price for the Company's products and/or otherwise adversely affects the Company; the possibility that government policies or laws may change; the possibility that governmental approvals may be delayed or withheld; changes in the political landscape both domestically and abroad; wars (including ongoing military actions in the Middle East and Russia's invasion of Ukraine); competition; the lack of availability of qualified personnel or management; the lack of availability of or access to services; the results of exploration and development drilling related activities; risks and uncertainties involving geology of oil and natural gas deposits; the ability of the Company to add production and reserves through acquisition, development and exploration activities; the Company's ability to enter into or renew leases; potential delays or changes in plans with respect to exploration or development projects or capital expenditures; the ability to access sufficient capital from internal and external sources; fluctuations and uncertainty with respect to foreign currency exchange rates, interest rates and commodity prices (including pursuant to determinations by the Organization of Petroleum Exporting Countries and other countries (collectively referred to as OPEC+) regarding production levels) and the risk of an extended period of low oil and natural gas prices; stock market and financial system volatility; risks inherent in the Company's marketing operations, including credit risk; uncertainty in amounts and timing of royalty payments; health, safety and environmental risks; risks with respect to unplanned third-party pipeline outages; adverse weather

or break-up conditions, including severe weather events and natural disasters such as fires, droughts, flooding and extreme hot or cold temperatures; the Company's ability to secure sufficient amounts of water; risks associated with existing and potential future law suits and regulatory actions against the Company; uncertainties as to the availability and cost of financing; financial risks affecting the value of the Company's investments; actions of OPEC and OPEC+ members; and the impact of oil differentials on the Company's financial position. Readers are cautioned that the foregoing list is not exhaustive of all possible risks and uncertainties.

These known and unknown risks and uncertainties may cause actual financial and operating results, performance, levels of activity and achievements to differ materially from those expressed in, or implied by, such forward-looking statements. Accordingly, there is no assurance that the expectations conveyed by the forward-looking statements will prove to be correct. All subsequent forward-looking statements, whether written by or orally attributable to the Company or persons acting on its behalf, are expressly qualified in their entirety by these cautionary statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements.

The Company's operations have been, and in the future may be, affected by political developments and by national, federal, provincial, state and local laws and regulations such as restrictions on production, the imposition of tariffs, embargoes or export restrictions on the Company's products (including the tariffs on a variety of goods recently announced by the US government and Canadian countermeasures subsequently announced, both of which are anticipated to continue to evolve).

To date in 2026, geopolitical tensions in the Middle East escalated following military conflict involving Iran and regional allies. The situation has raised concerns regarding potential disruptions to global crude oil supply and shipping routes through the Strait of Hormuz, which handles a significant portion of global oil trade. In response, oil markets have experienced increased volatility and WTI crude oil averaged US$85.79 per barrel in the third quarter of 2026. The duration of the war and its impacts on commodity prices, markets and other factors is uncertain. Lycos is closely monitoring this developing situation.

Additional risks and information on risk factors are included in the Company's Annual Information Form for the year ended December 31, 2025, which is available on the Company's website at www.lycosenergy.com and under the Company's profile on SEDAR+ at www.sedarplus.ca.

Corporate Information

Board of Directors

TOM COOLEN
Chair of the Board of Directors
Calgary, Alberta

BRUCE BEYNON
Director
Calgary, Alberta

CRAIG BRYKSA
Director
Calgary, Alberta

STEVE BUYTELS
Director
Calgary, Alberta

BRUCE HALL
Director
Calgary, Alberta

BRENDAN PATON
Director
Calgary, Alberta

DAVE BURTON
Director
Calgary, Alberta

Officers

DAVE BURTON, P.Eng., M.Eng.
President & CEO

LINDSAY GOOS, CPA-CA
Vice President Finance & CFO

KYLE BOON, P.Tech (Eng.)
Vice President, Production & Corporate Development

MIKE BUCHOLTZ, P. Eng.
Vice President, Engineering & Business Development

TAYLOR LAW, P.Geo.
Vice President, Exploration

SONY GILL
Corporate Secretary
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Auditors

KPMG LLP
Chartered Professional Accountants
Calgary, Alberta

Independent Reservoir Consultants

McDaniel & Associates Consultants Ltd
Calgary, Alberta

Stock Exchange

TSX Venture Exchange – Symbol: **LCX.V**