

CORPORATE PRESENTATION

TSXV: LCX

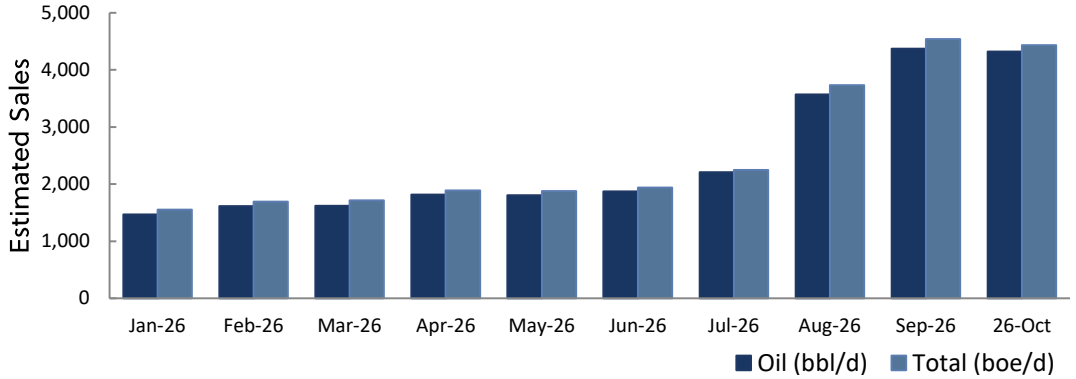
November 2026

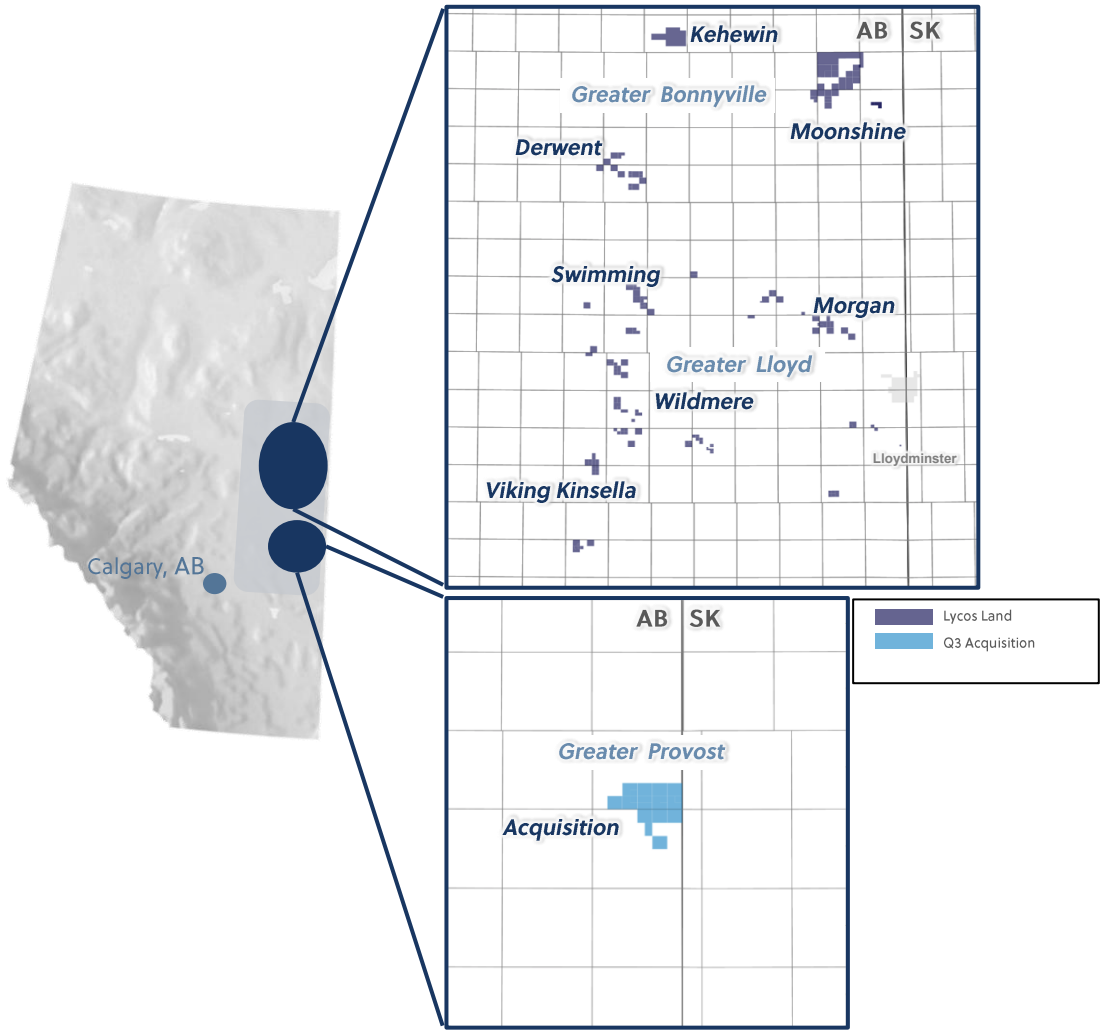
Corporate Snapshot

Lycos Energy is an exploration, development and production company led by a team of technically experienced professionals that leverage multi-lateral drilling and other unique reservoir exploitation methods to capitalize on large petroleum initially in place.

Corporate Highlights

Current Capitalization		
Share Price	*$/sh*	1.49
Shares O/S (Basic)[3]	*mm*	131.9
Shares O/S (F.D.)[3]	*mm*	141.7
Market Capitalization[6]	*$mm*	196.5
Net debt (Q3 2026)[4]	*$mm*	(37.9)
Credit Facility	*$mm*	75.0
Tax Pools[5]	*$mm*	233.2
Increased Forecast Exit Production Rate	*boe/d*	4,500 – 5,000
Increased Capital Budget	*$mm*	60 - 65





1) Reserves presented have been derived from two reports prepared by McDaniel & Associates Consultants Ltd. as at December 31, 2025, each with an effective date of December 31, 2025, being a report evaluating the reserves attributable to Lycos and a report evaluating the reserves attributable to the Altario assets (collectively, the "Reserve Report").
2) Pricing Assumptions: January 1, 2026– 3 Consultant Average price deck.
3) Basic shares outstanding are presented on a pro forma basis and give effect to the full allotment of common shares issued under the Company's recently completed offering Fully diluted shares includes 4.4 mm warrants (weighted avg. strike price $1.34/share), 3.3 million stock options (weighted avg. exercise price $2.20/share) and 2.1 million restricted share awards.
4) Unaudited Q3 2026 net debt.
5) Unaudited, estimated tax pools as at Q3 2026, presented on a combined basis for all entities, being Lycos, Mahikan and Kihew.
6) Market capitalization is calculated based on the closing share price of $1.49 per common share on November 9, 2026.

Lycos Business Plan

Strategic growth through organic discovery and development; risk reduction and consolidation

Organic Growth

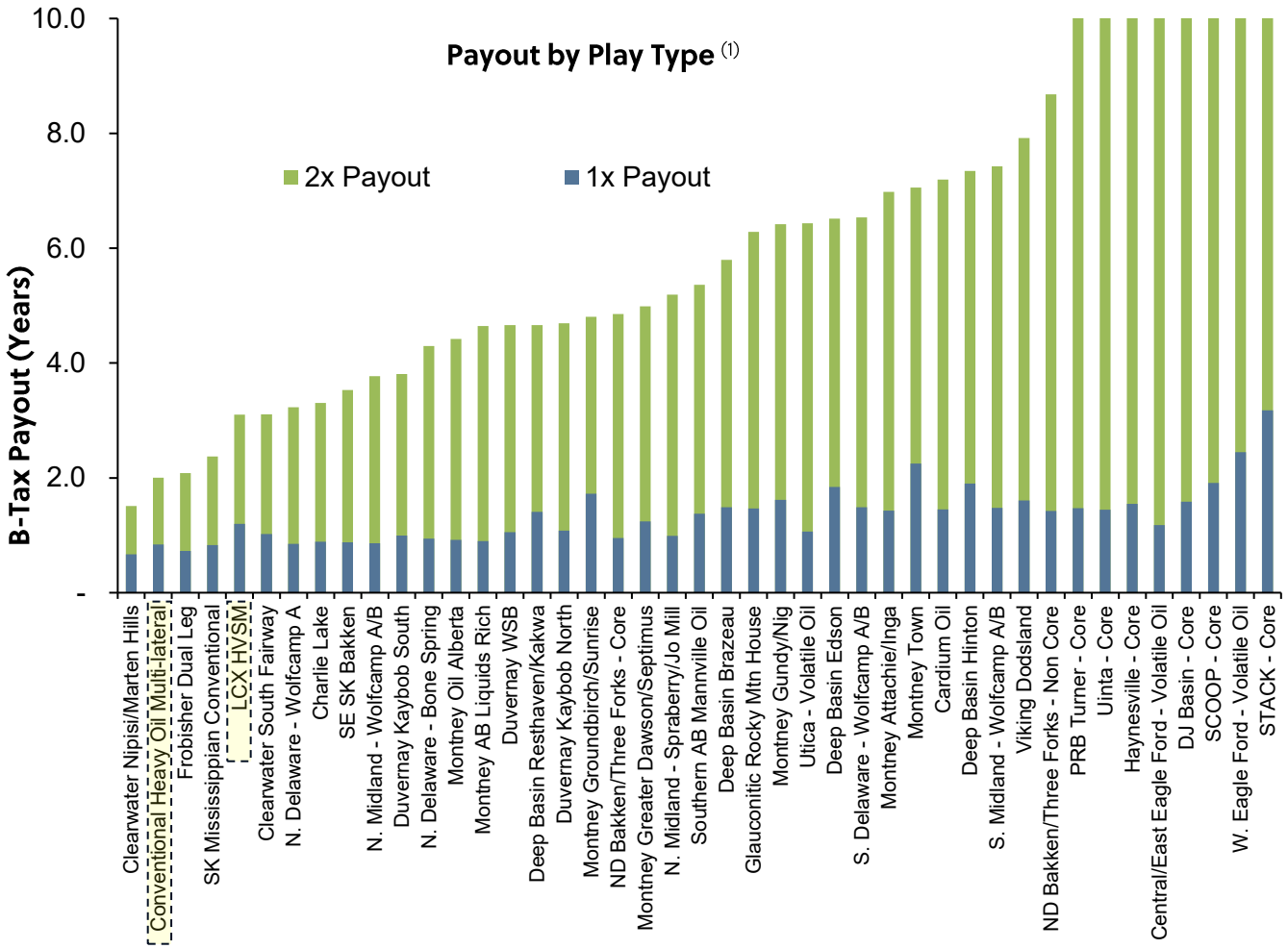
- Apply novel development techniques to large resource in place reservoirs
- Leverage multi-lateral drilling and geoscience expertise to unlock value in high Petroleum Initially In-Place ("PIIP") reservoirs and advance new Tier 1 development prospects within the existing portfolio
- Enhance reservoir deliverability and reduce production declines by implementing enhanced recovery programs for consistent, long-term recovery

M&A Strategy and Checklist

- Target underexploited opportunities with large PIIP which complement the existing suite of assets
- Pursue opportunities which strengthen Lycos' long-term production base and/or strategically add economic inventory to its portfolio
- Lycos has identified several targets which it will continue to evaluate

Prudent Capital Management

- Lycos will complete strategic transactions using both equity and cash consideration depending on the opportunity and its respective cost of debt and equity
- Cash may be used to drive incremental accretion however management remains focused on prudent management of its balance sheet and leverage ratios



(1) Source: Peters & Co, Limited

Sustainable Growth and Long-Term Value

High Quality, Opportunity-Rich Asset base

- Substantial Mannville heavy oil drilling inventory with 20+ years of drilling inventory using multi-lateral and HVSM well designs
- Waterflood supported stable base production

New Opportunity Generation

- Accelerate W4 consolidation through disciplined M&A. ☑
- Continue to acquire opportunities through land sales, freehold leasing, farm-in opportunities
- Significant cost and production optimization opportunities

Differentiated Development

- Implement innovative wellbore designs to redevelop existing pools ☑
- Extending reserve life through EOR implementation and optimization ☑
- Expected IRRs compete with top plays in the WCSB ☑

☑ Applicable to the Company's Q3 Acquisition[1]

Long-Term Resilience and Value Creation

- Long-term corporate goals are centered around growing production and free cash flow per share while building a resilient asset base

Production Growth
> 10,000 boe/d

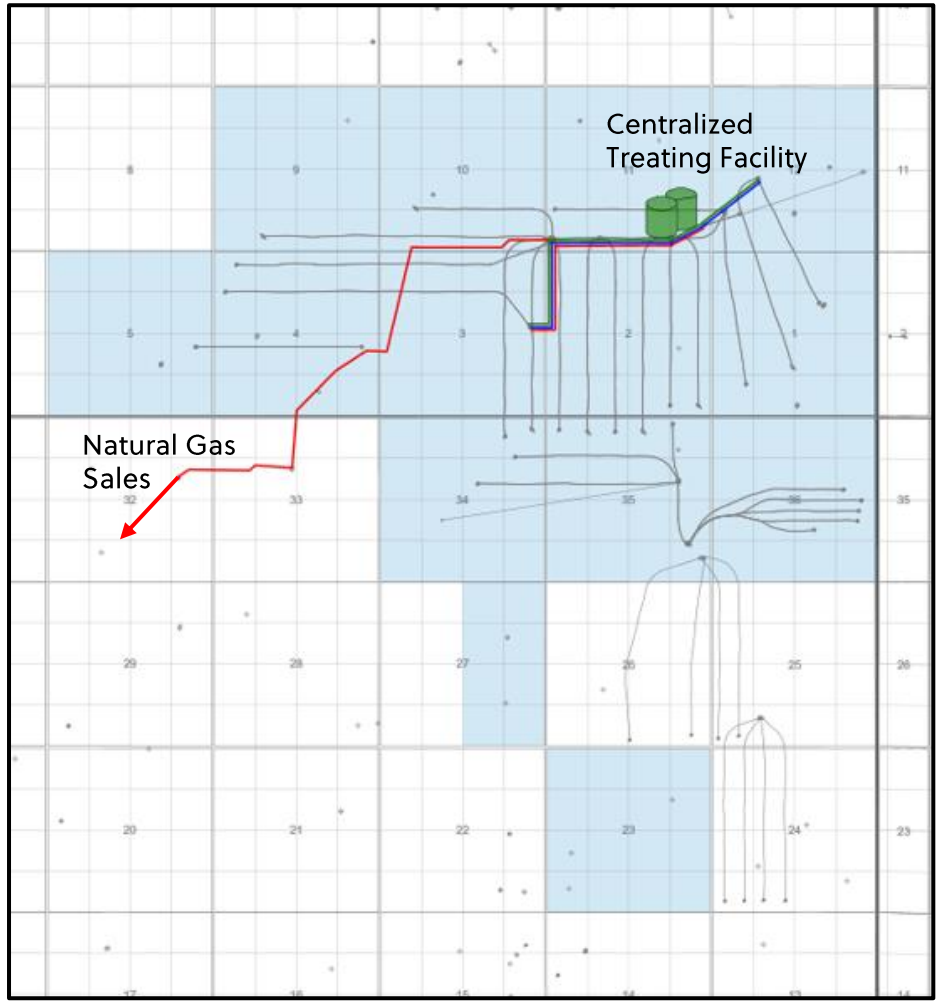
Leverage Target ☑
0.5 – 1.0 X debt to cash flow

Break-Even Target ☑
< $40 WCS CAD

(1) On August 6, 2026, the Company completed an acquisition of certain assets in the Greater Provost area of Alberta (the "Acquisition"). See the Company's press release dated July 20, 2026 which is available on the Company's SEDAR+ profile at www.sedarplus.ca for more information.

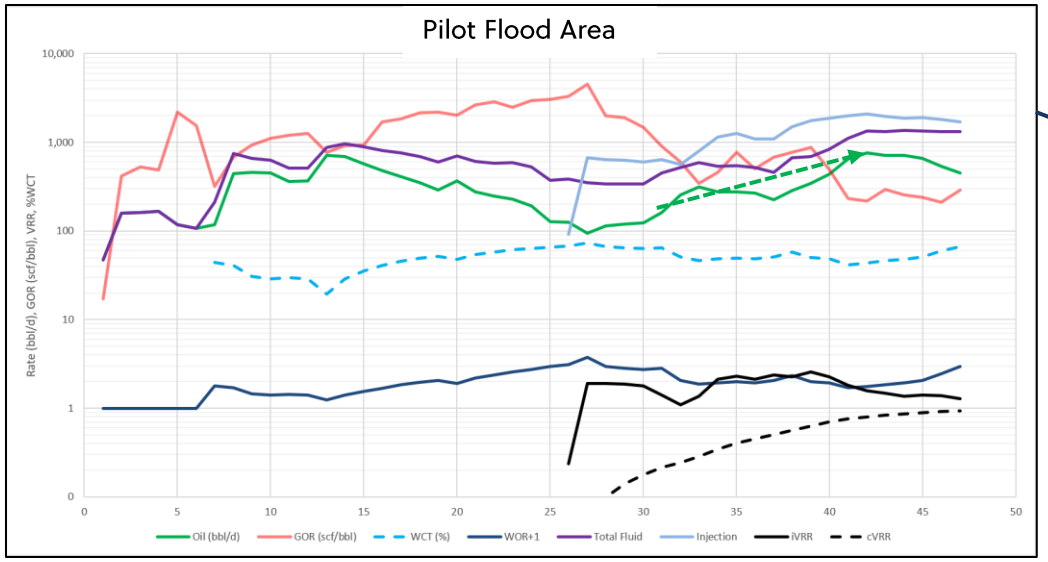
Greater Provost Acquisition [1]

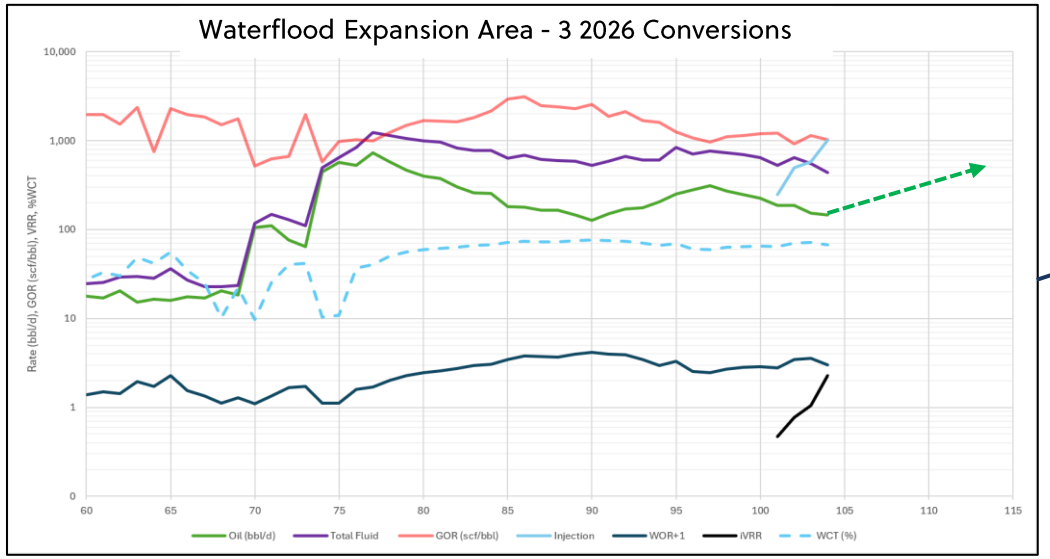
Stable, High Netback Production	▪ ~1,000 boe/d (92% Heavy Oil) of base production supported by proven, early stage waterflood operations with opportunity for optimization ▪ Robust production base with strong netbacks enhances free cash flow profile and supports growth to >1,500 boe/d (86% heavy crude oil, 1% natural gas liquids, 13% natural gas) in 2027E ▪ Development is supported by existing inventory and infrastructure in place with minimal capital requirements for expansions
Large-scale PIIP with Upside	▪ ~1 MMbbl produced to date with over ~50 MMbbl of PIIP (~2% current recovery factor) ▪ Analogous Sparky waterflood assets are expected to achieve recovery factors of 20 – 25%
Meaningful Accretion	▪ ~5% to 10% increase in exit 2026 production per share and commensurate increase in cash flow per share ▪ FCF per share is expected to increase even more meaningfully given the low maintenance capital requirements of the assets

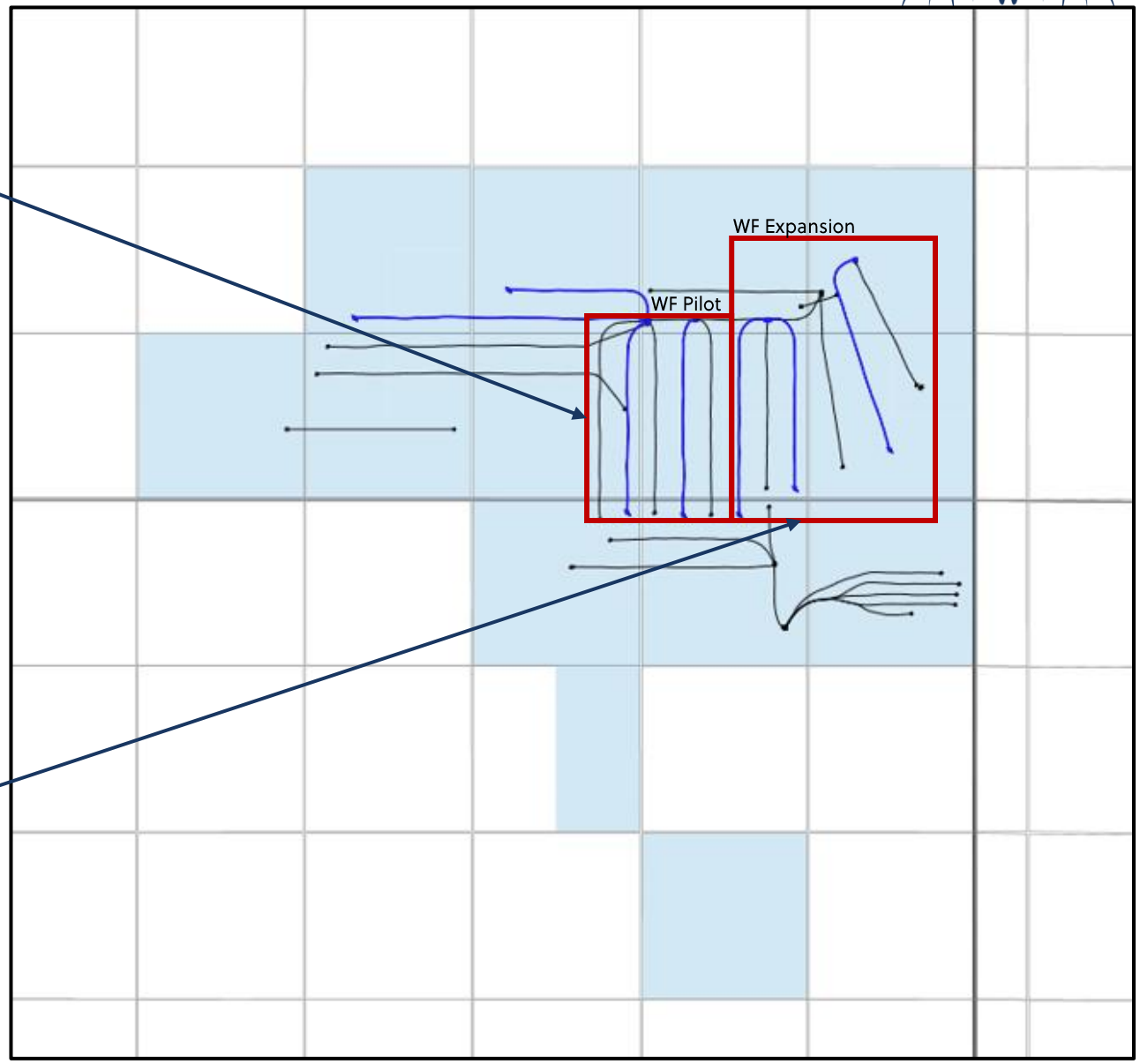


[1] *The Acquisition was completed on August 6, 2026. See the Company's press release dated July 20, 2026 which is available on the Company's SEDAR+ profile at www.sedarplus.ca for more information.*

Acquisition Waterflood

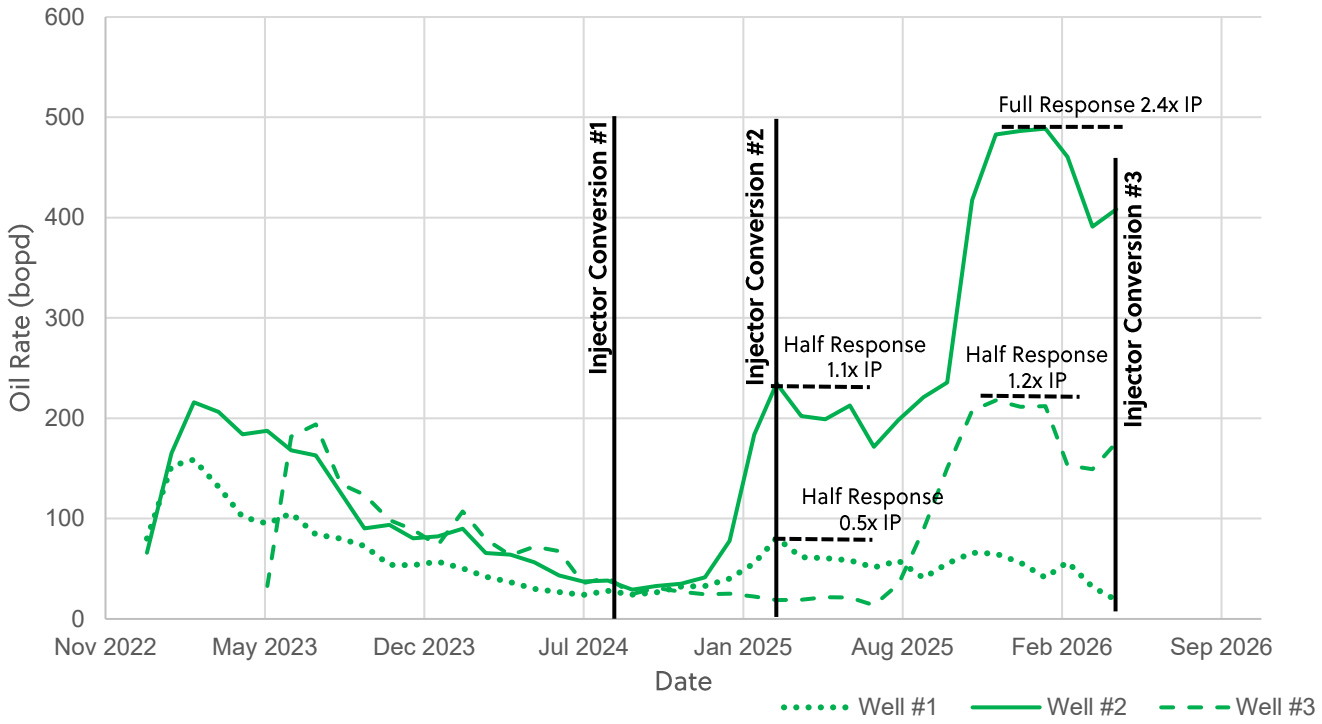


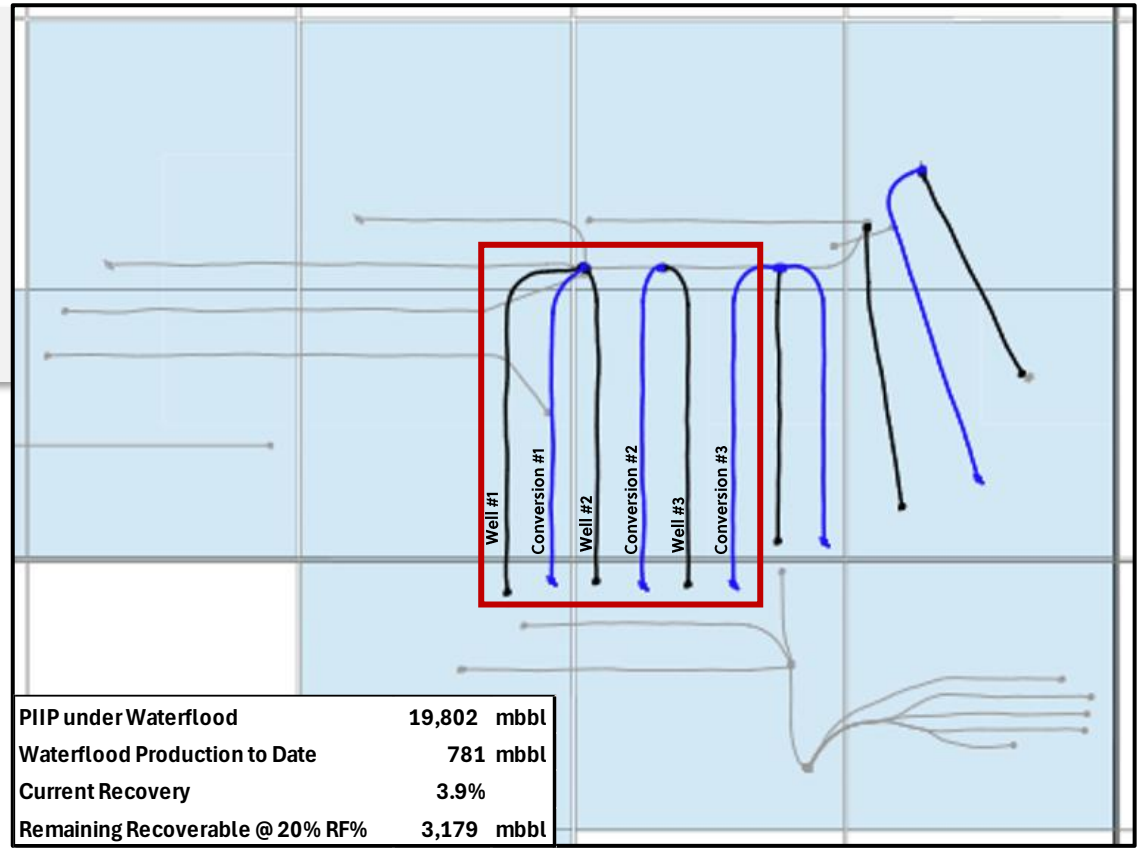




Acquisition initial waterflood response

- Injector conversion #1 half supported Well #1 and Well #2
  - 5-month oil response
- Injector conversion #2 fully supported Well #2 and half supported Well #3
  - 4-month response Well #2 | 3-month response Well #3
- Injector conversion #3 complete May 2026 fully supports Well #3
  - 2 additional conversions complete in H1 2026 – expecting response Q4

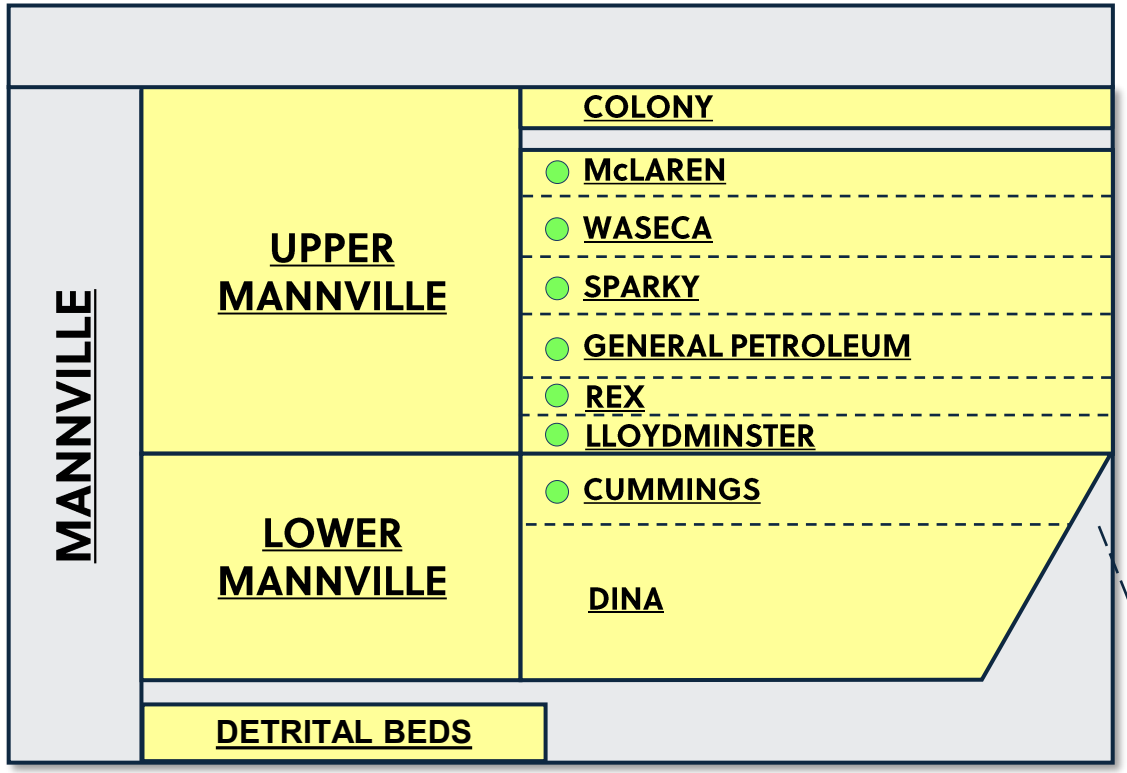


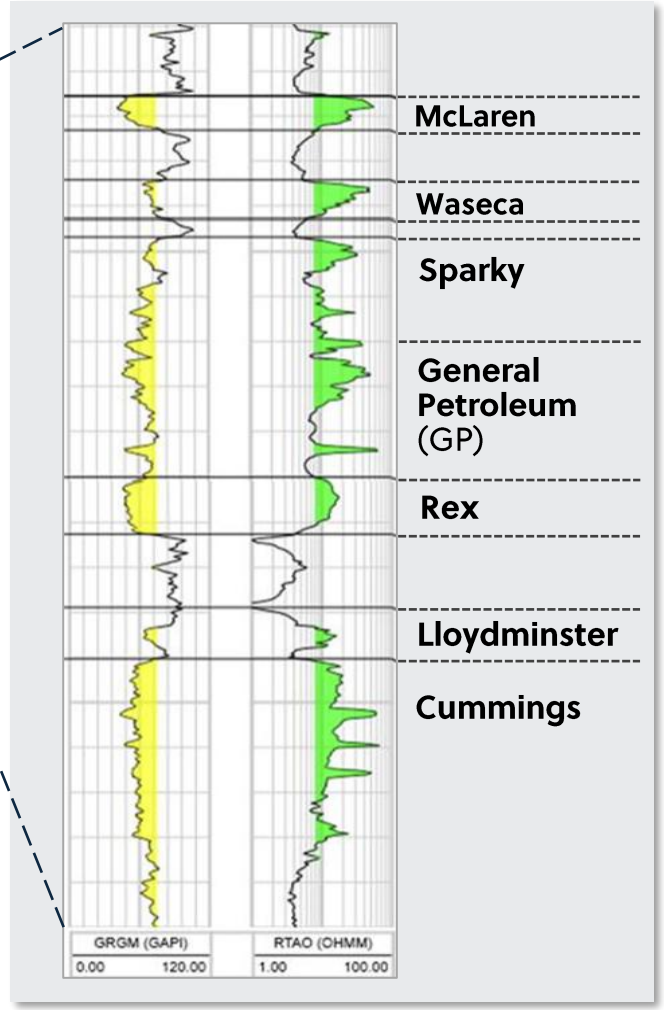


PIIP under Waterflood	19,802	mbbl
Waterflood Production to Date	781	mbbl
Current Recovery	3.9%	
Remaining Recoverable @ 20% RF%	3,179	mbbl

Lycos Drilling Targets

Lycos targets the 'Mannville Stack', a series of sandstone deposits found in Alberta & Saskatchewan





Net Locations	2026 Drill Target
13	☑
188	☑
117	☑
284	☑
32	
173	☑
807[1]	

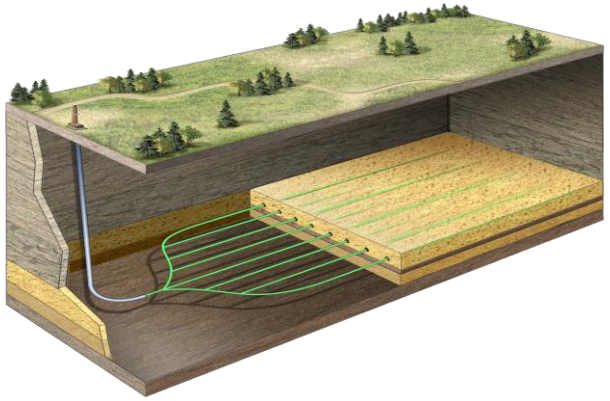
- In the greater Lloydminster Area, the Mannville consists of stacked continental to marginal-marine facies. Coarsening upwards shoreface sands are interspersed with fluvial channels and incised valley successions
- Lycos evaluating five (5) of the ten (10) oil bearing Mannville sands in 2026

1) Identified locations across all Lycos acreage

Capital Efficiency & Development

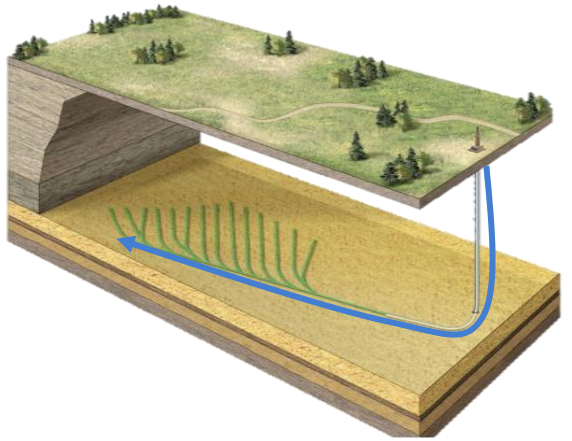
- Multi-zone access from a single surface location drives capital efficiency
- Pad development delivers ~12-15% capex savings and structurally lower operating costs

8-Leg Multi-Lateral



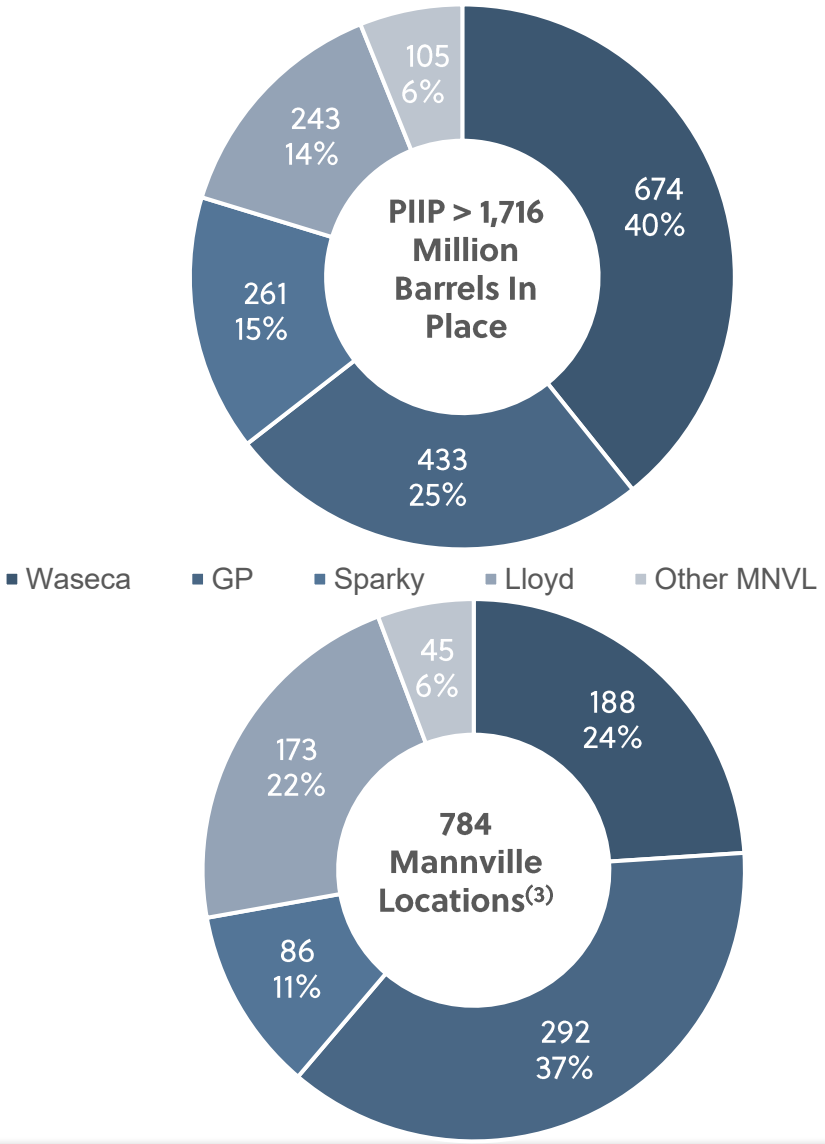
- ~ $1.6 - $2.2 mm DCET
- Maximizes reservoir contact
- Applicable in more consolidated reservoir

High Velocity Solids Management (HVSM)

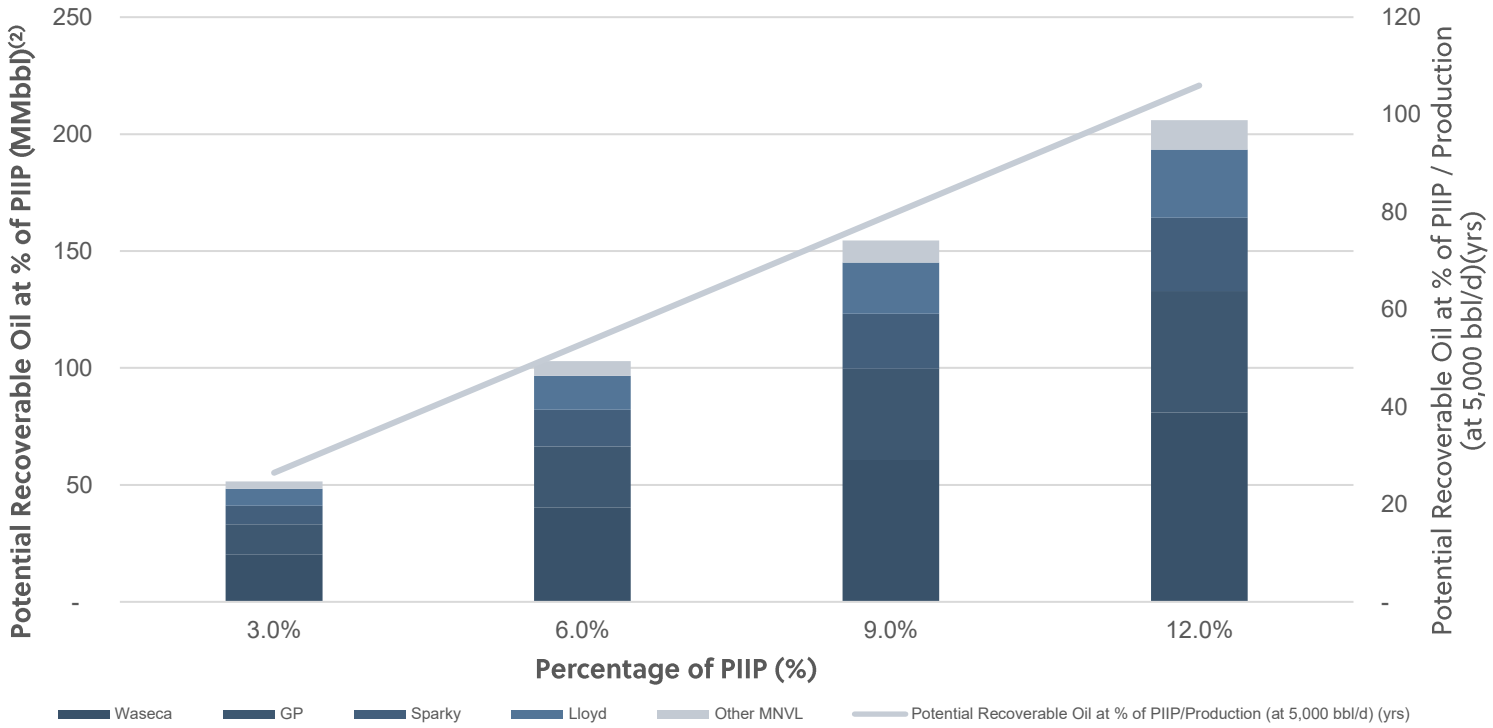


- ~ $1.4 - $1.7 mm DCET
- Enhances well productivity and well performance
- Applicable in unconsolidated heavy oil reservoirs

Moonshine Inventory and Resource in Place



Large inventory across multiple horizons within Mannville stack

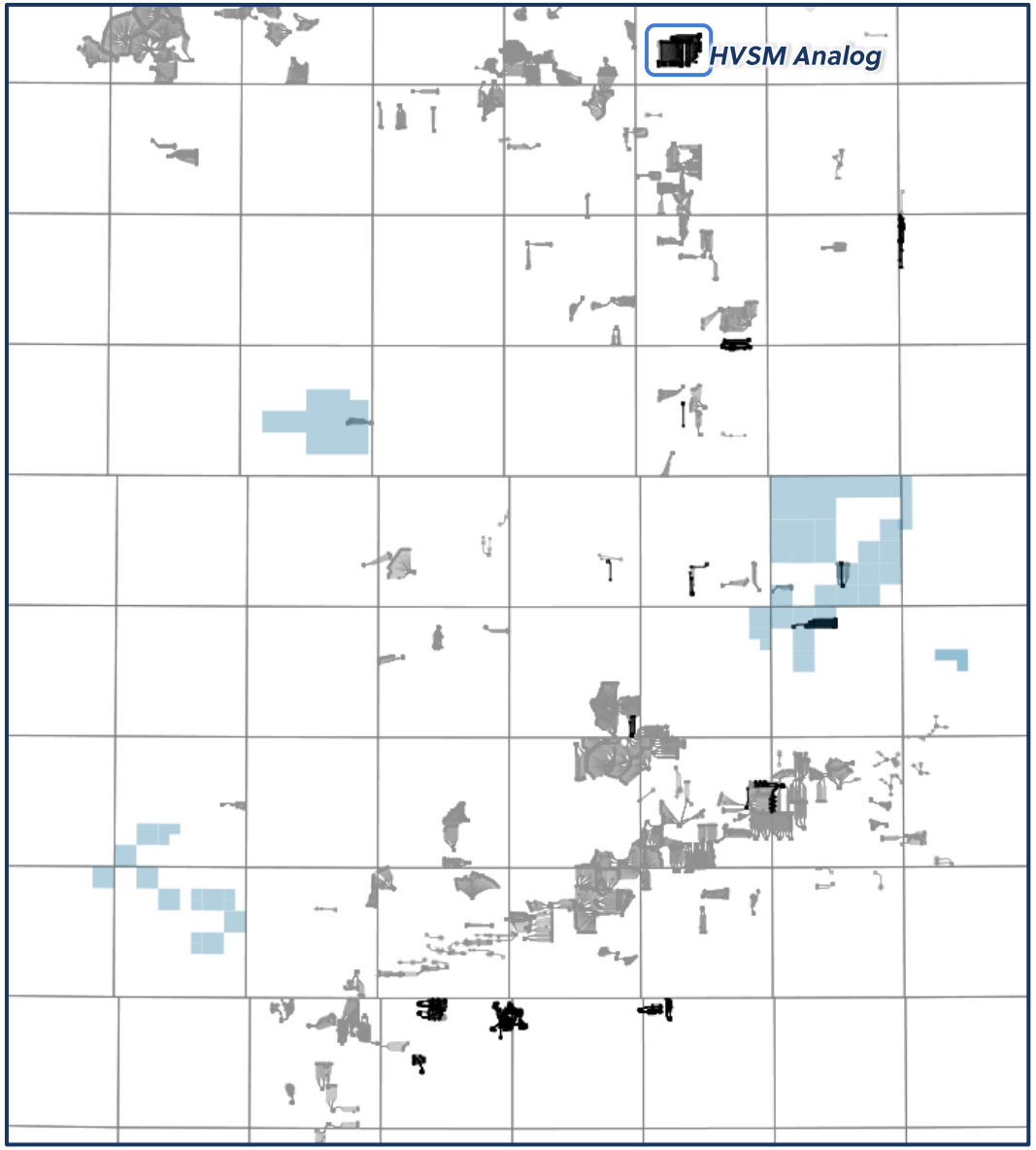


Zone	Unrisked Locations	BTPV10 per Well ($M)(1)	Status
Waseca	167	2,413	Onstream September 2026
Sparky	69	1,626	Onstream July 2026
GP	292	2,320	12 HVSM Wells on Stream
Lloydminster	173	1,533	Onstream September 2026

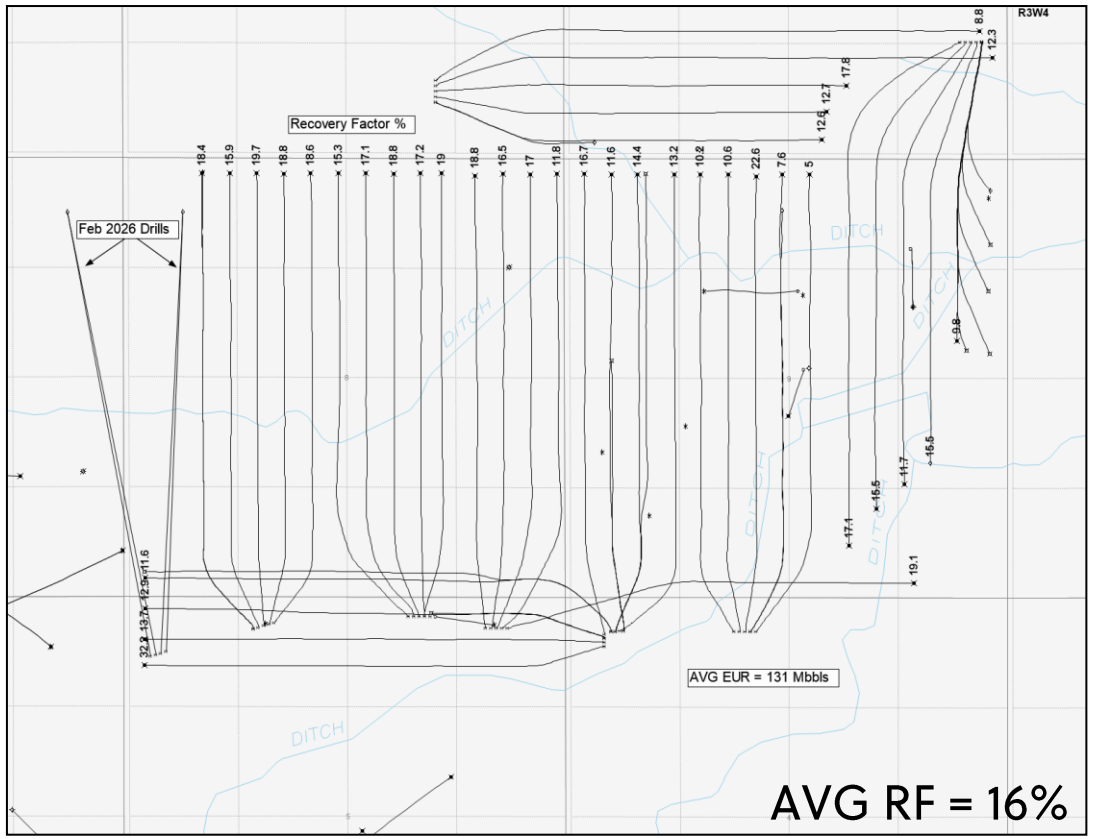
1) NPV-10%, BT NPV10 and Payout assumptions are based on pricing assumptions of; US$65/bbl WTI; (US$12) WCS differential; and 0.714 CAD/USD
2) Potential cumulative produced oil across Lycos Mannville Stack land
3) Identified locations across the Lycos Moonshine acreage

High Velocity Solids Management ("HVSM") Well Design

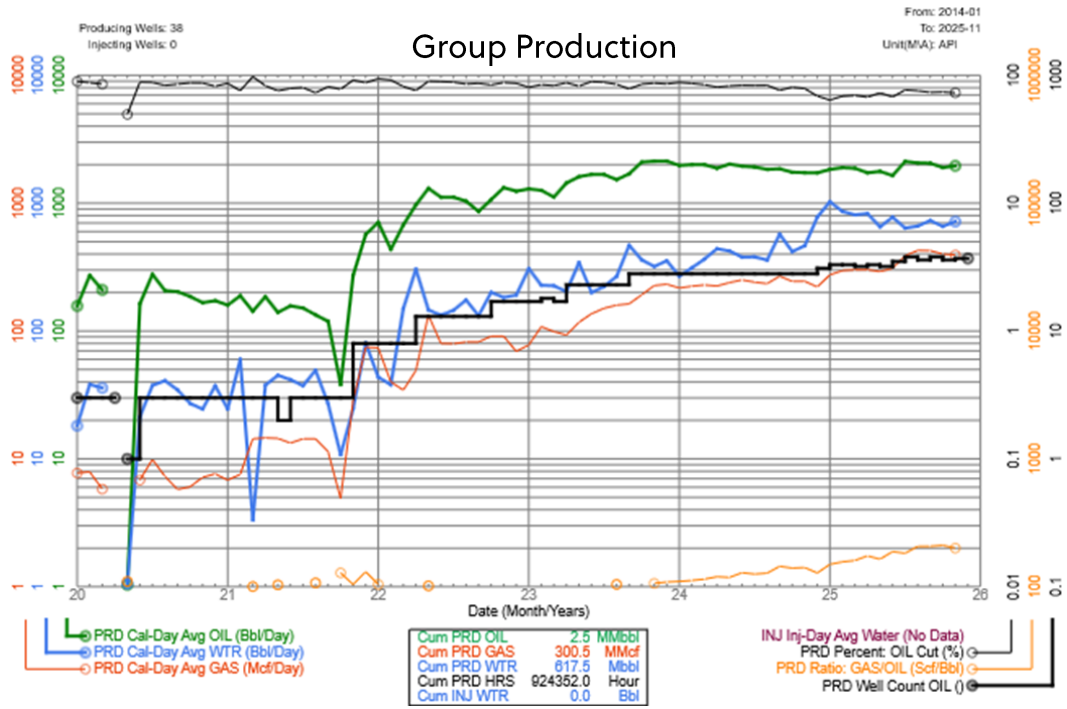
- One of the downsides in conventional OHML drilling in higher perm, high porosity and high viscosity zones is solids plugging
  - Sand grains are in a pseudo "floating" state in the matrix and will plug off the wellbore if not properly removed
  - Ability to carry these solids is dependent on velocity of flow, which is usually not sufficient in OHML wells to get solids past the heel of the well
- Offsetting results show circulating high velocity fluid to the toe of the well will ensure the wellbore is kept clean and free of occlusions
- Overall recovery factors based on examples of the longer producing HVSM wells are substantially better than OHML
  - Analog has estimated ultimate recovery of 16%
- Company drilled 20 HVSM wells March – November 2026

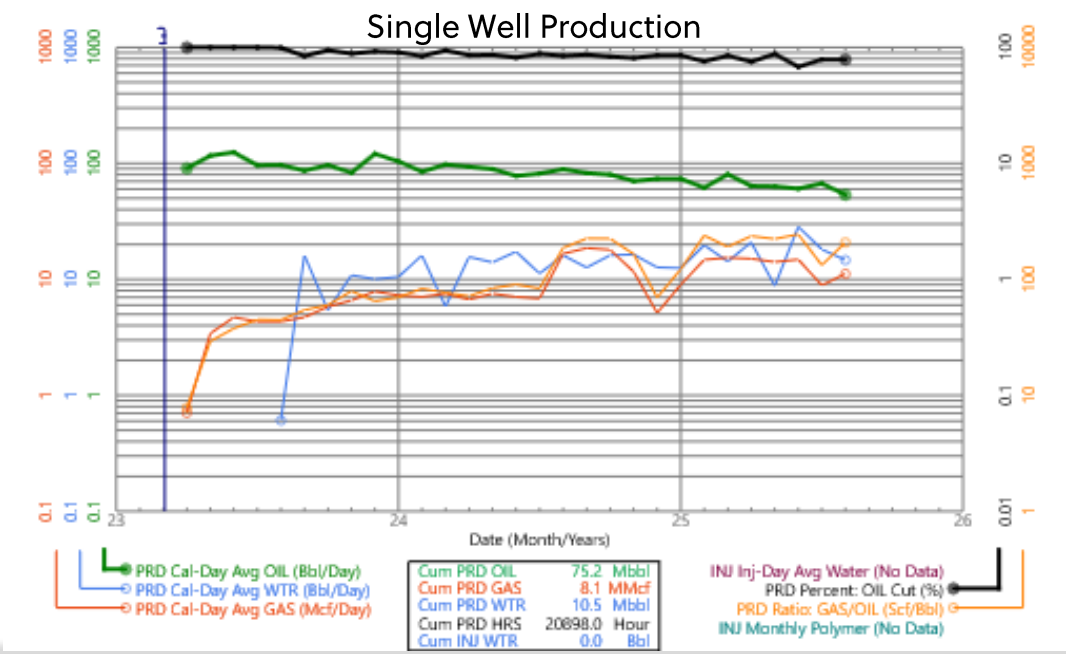


HVSM Case Study



- HVSM Development in unconsolidated reservoir analogous to LCX General Petroleum, Lloyd and Sparky formations
- Production from 2.5 sections has grown to 2,000 boe/d (100% heavy crude oil)





LCX 2026 Well Activity

Q1 2026

- HVSM #1 00/01-33-057-02W4 GP
- Type curve outperformance
  - HVSM #1 - IP30 140 bbl/d(1) | IP60 160 bbl/d (1) | IP90 195 bbl/d (1)

Q2 2026

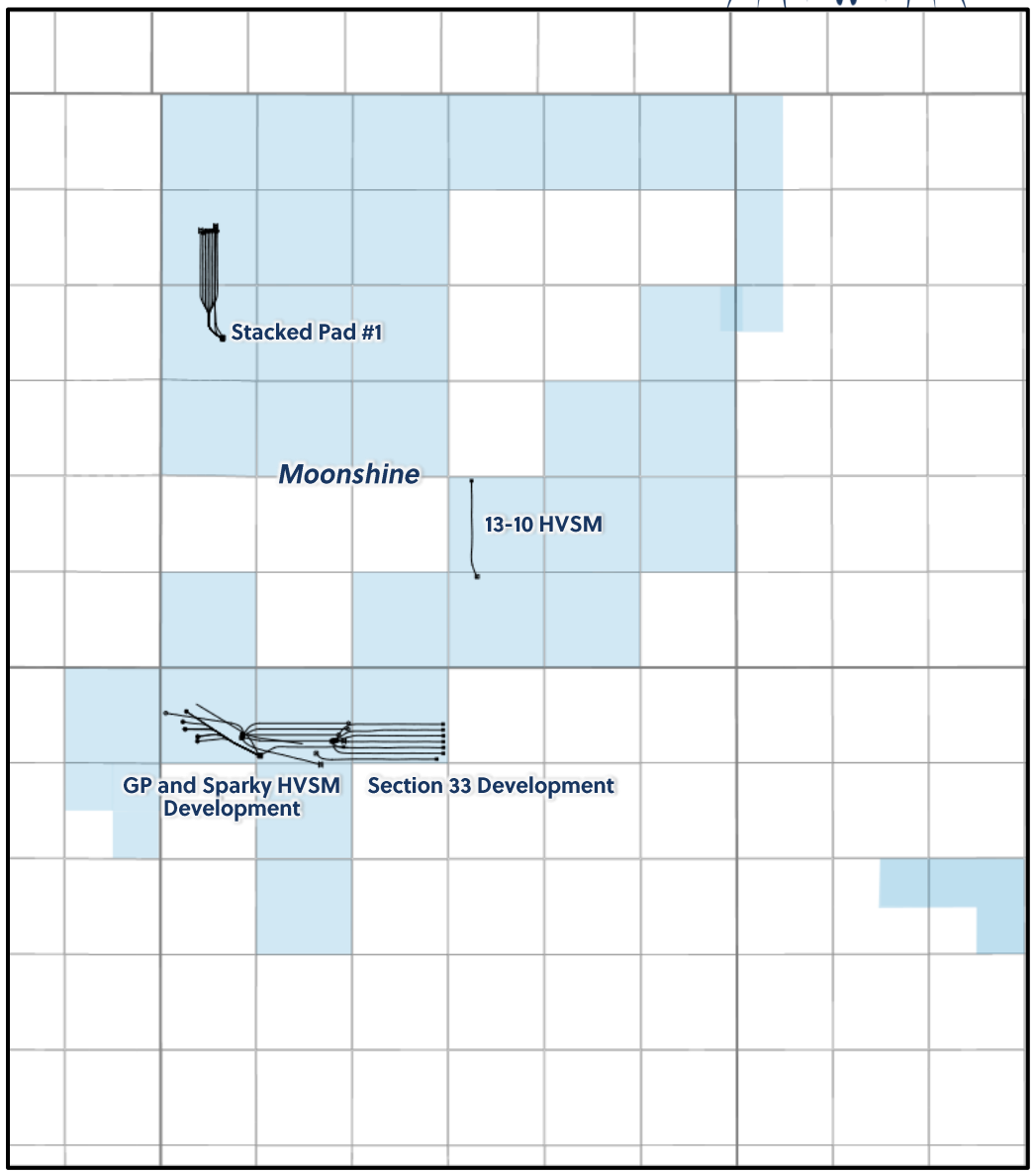
- 7 GP HVSM wells including 6 follow up pad HVSM wells
- Pad production exited October at greater than 1,000 bbl/d (1)

Q3 2026

- 4 GP (HVSM)
- 3 Sparky (2 OHML | 1 HVSM)
- 1 Colony (HVSM)
- 1 Lloydminster (HVSM)
- 1 Waseca

Q4 2026

- 5 GP (HVSM)
- 5 Sparky
- 1 Rex Hz



(1) 100% heavy crude oil

GP HVSM Development Cycle #1 Sec 33 Development

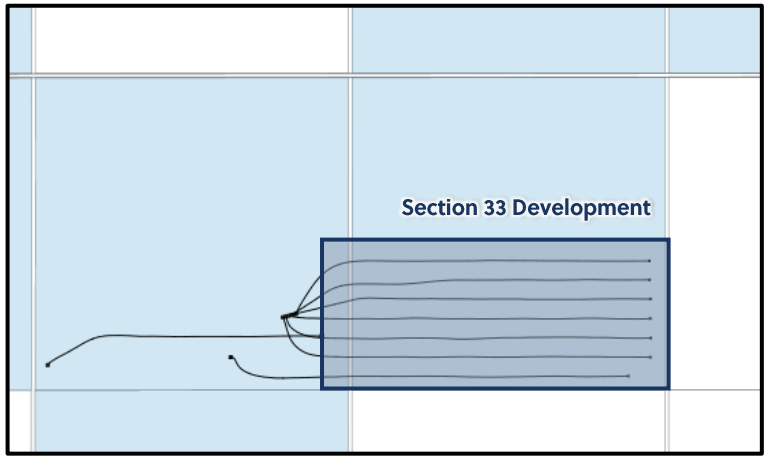
Section 33 Full Development Cycle

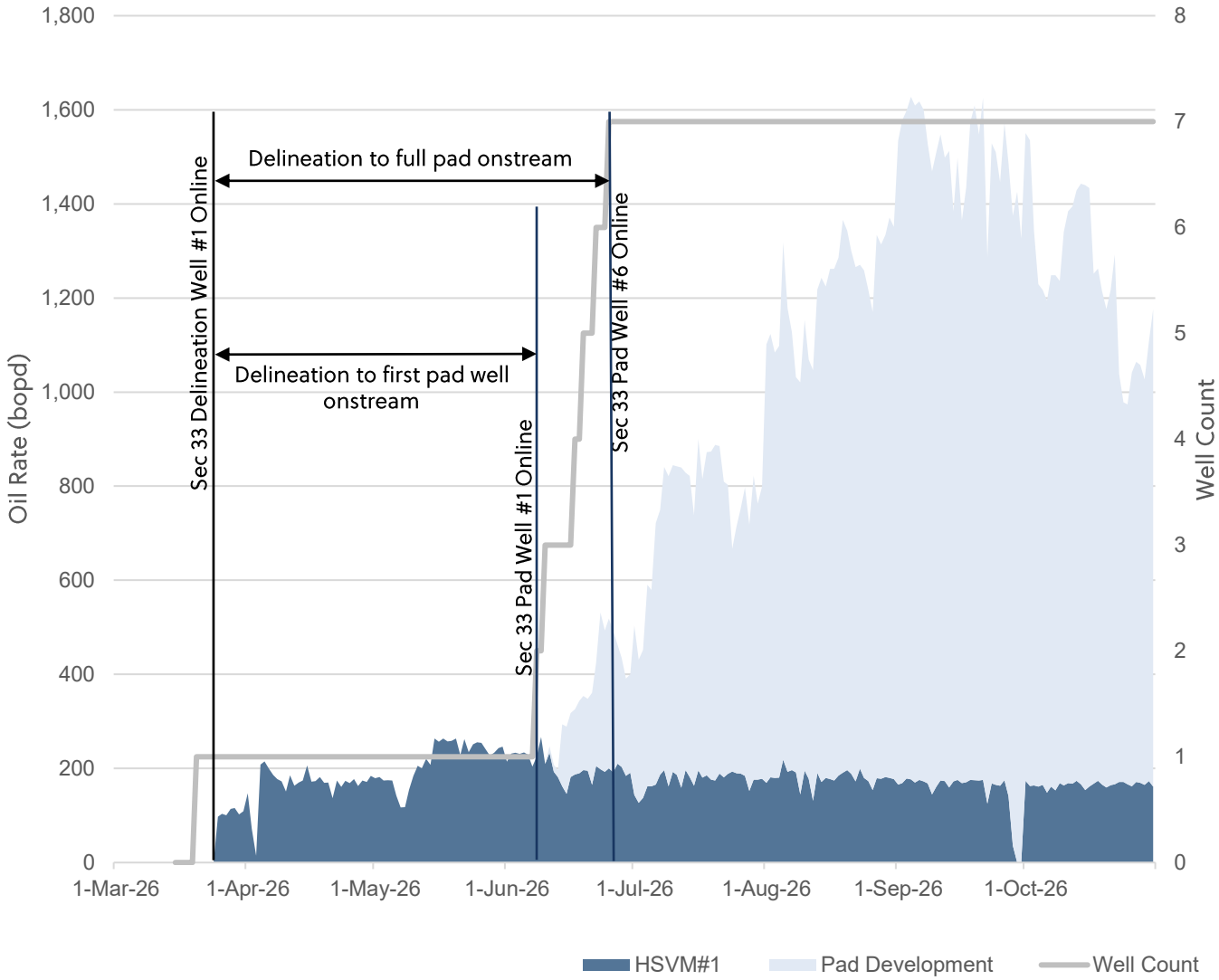
- ½ Section Development
- Well 1 Delineation
  - $1.7MM
- Pad Development (6 wells)
  - $9.4MM

September Average – ~1,250 bopd

Total Capex – $11.1 MM

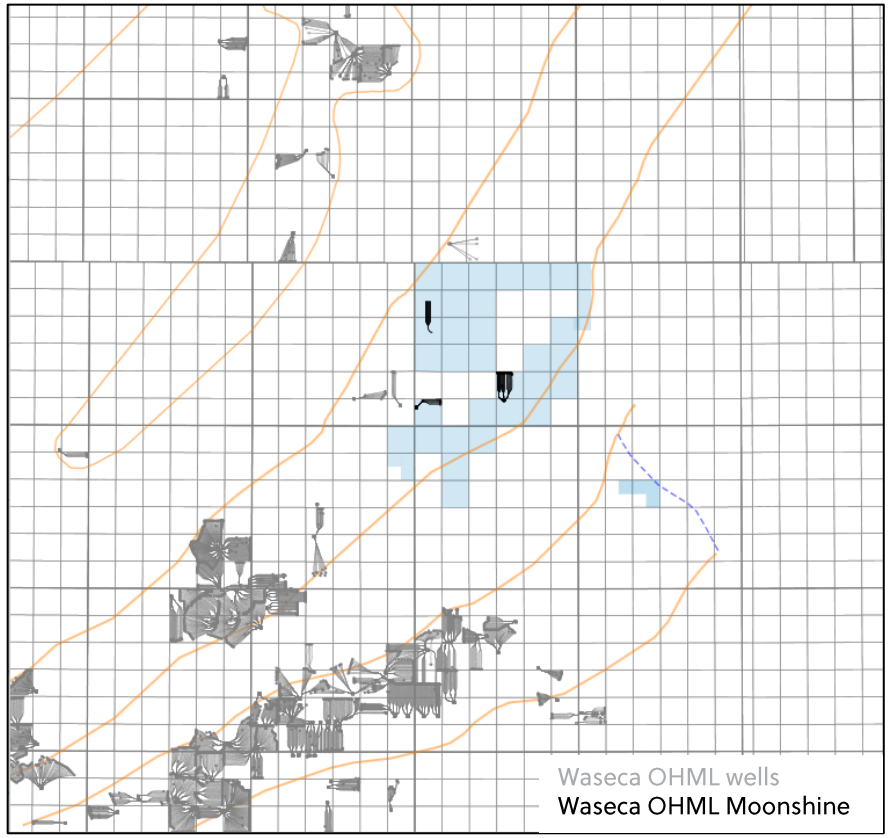
Capital Efficiency - 9,090 $/boe/d

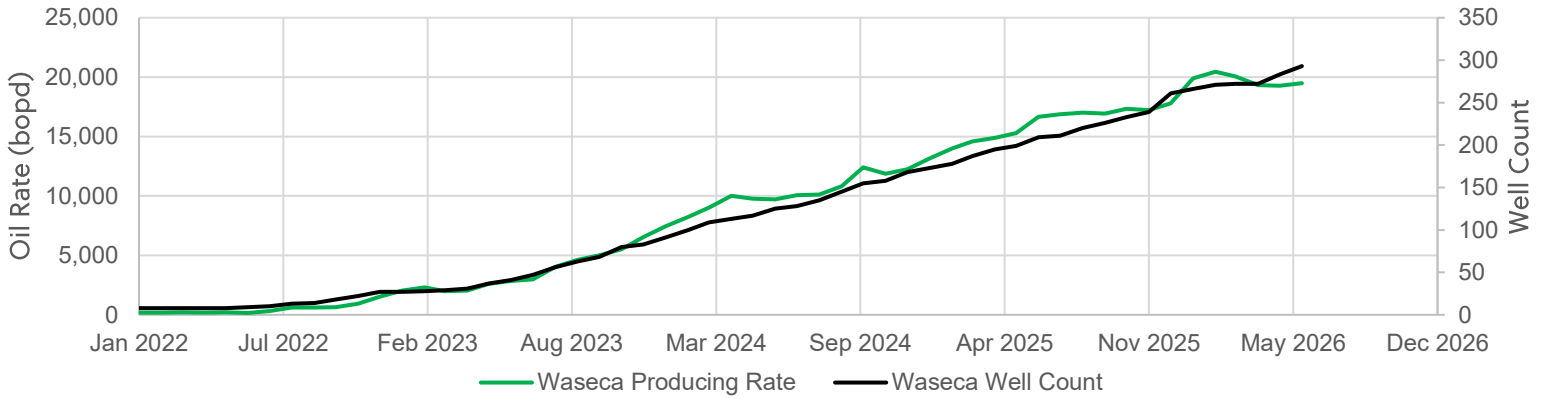


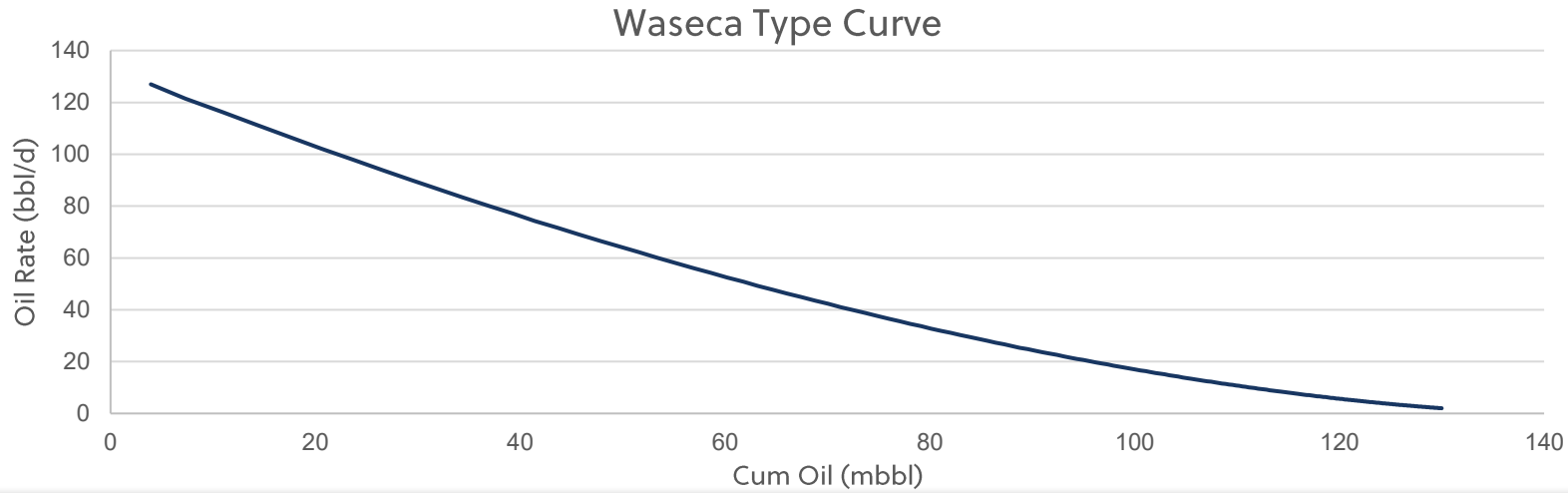


Waseca – A Proven Open Hole Multi-lateral Zone

- High industry activity across Waseca fairway >260 wells drilled since 2022 with Waseca production topping 20,000 bbls
- First Moonshine Waseca well to be drilled Q3 2026 - compares strongly with industry Tier 1 acreage
- Offsetting Waseca activity driven by CNRL, Baytex, Rubellite and Caltex



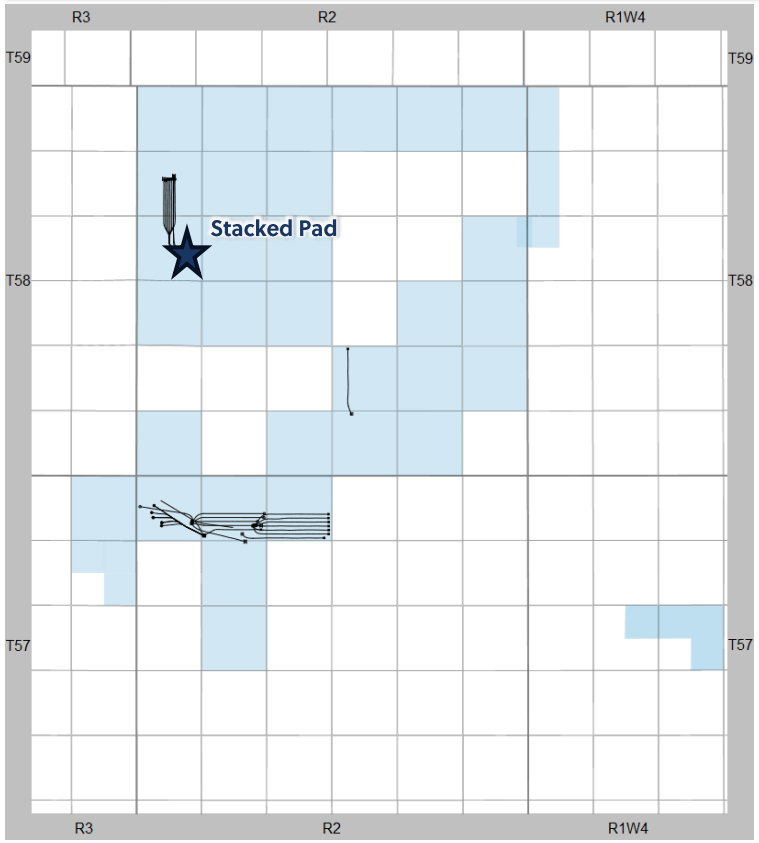


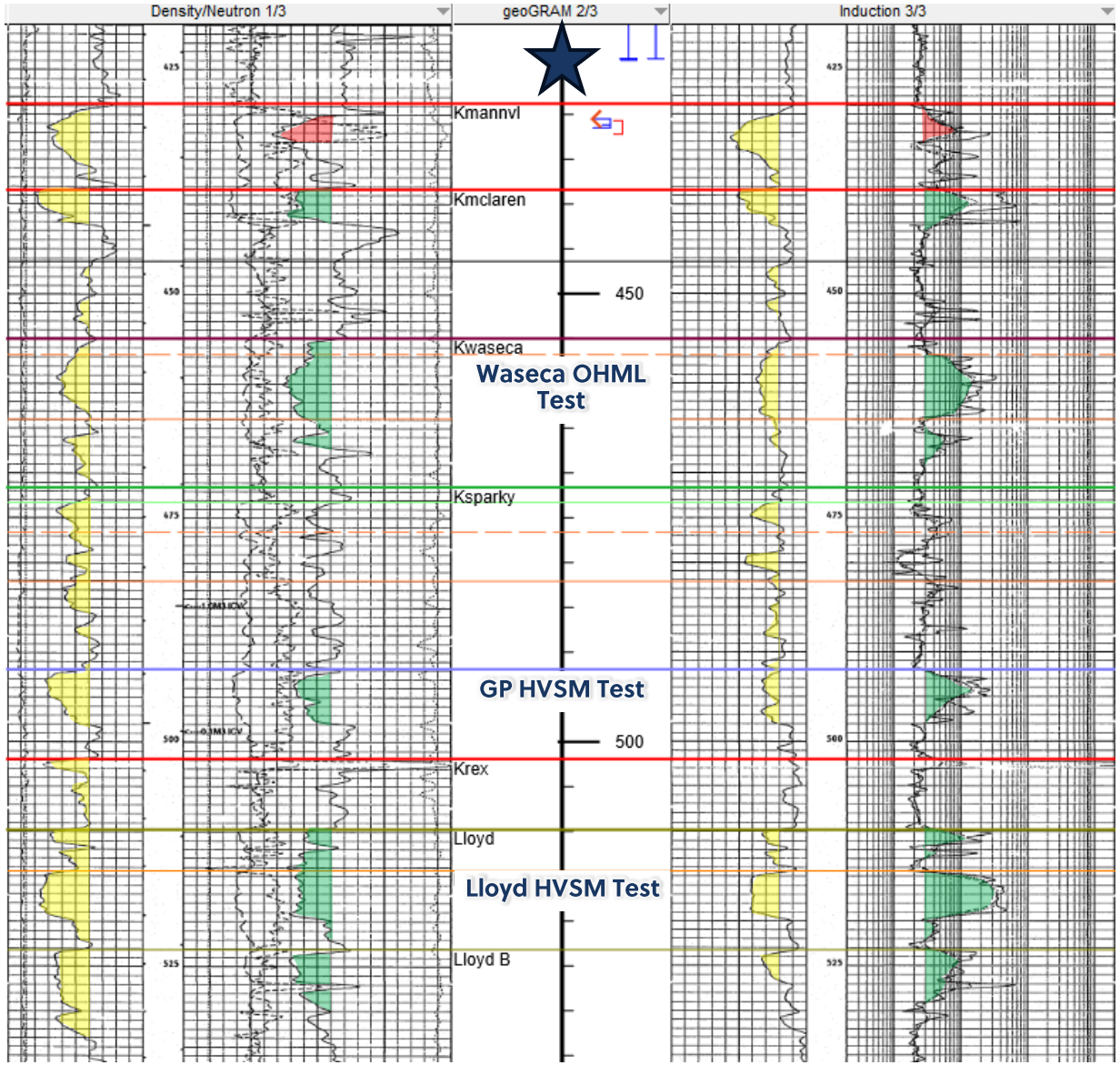


Moonshine Stacked Pad

3 Pad wells targeting 3 distinct zones within Mannville Stack – Drilling Q3 2026

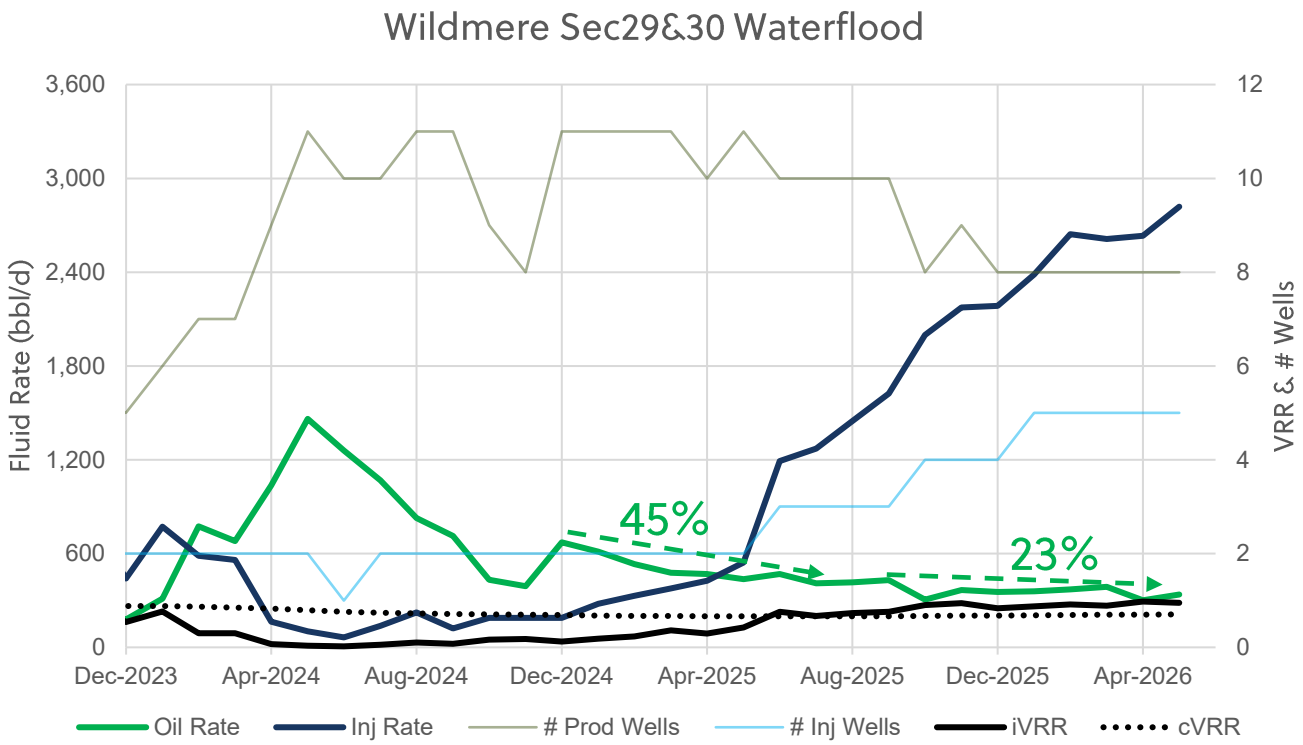
- 1 GP HVSM
- 1 Waseca Open Hole Multilateral
- 1 Lloydminster HVSM

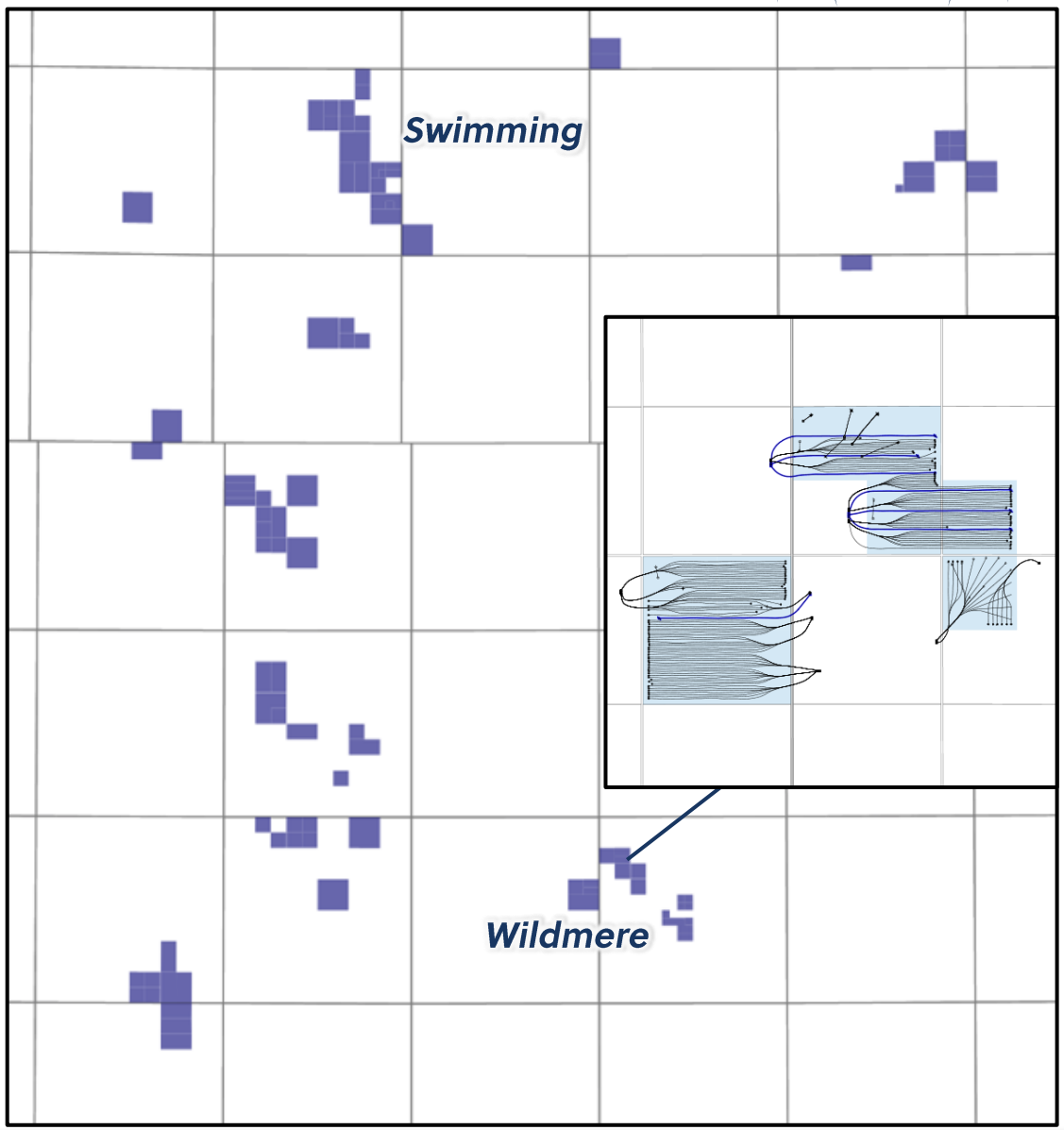




Lycos Waterflood Development

- Current production supported by waterflood ~1500 boe/d[(1)(2)]
- Wildmere area waterflood expansion
  - 4 injector conversions completed 2025
  - Base decline decreased from 45% to 23%
- Swimming area waterflood to be implemented Q4 2026

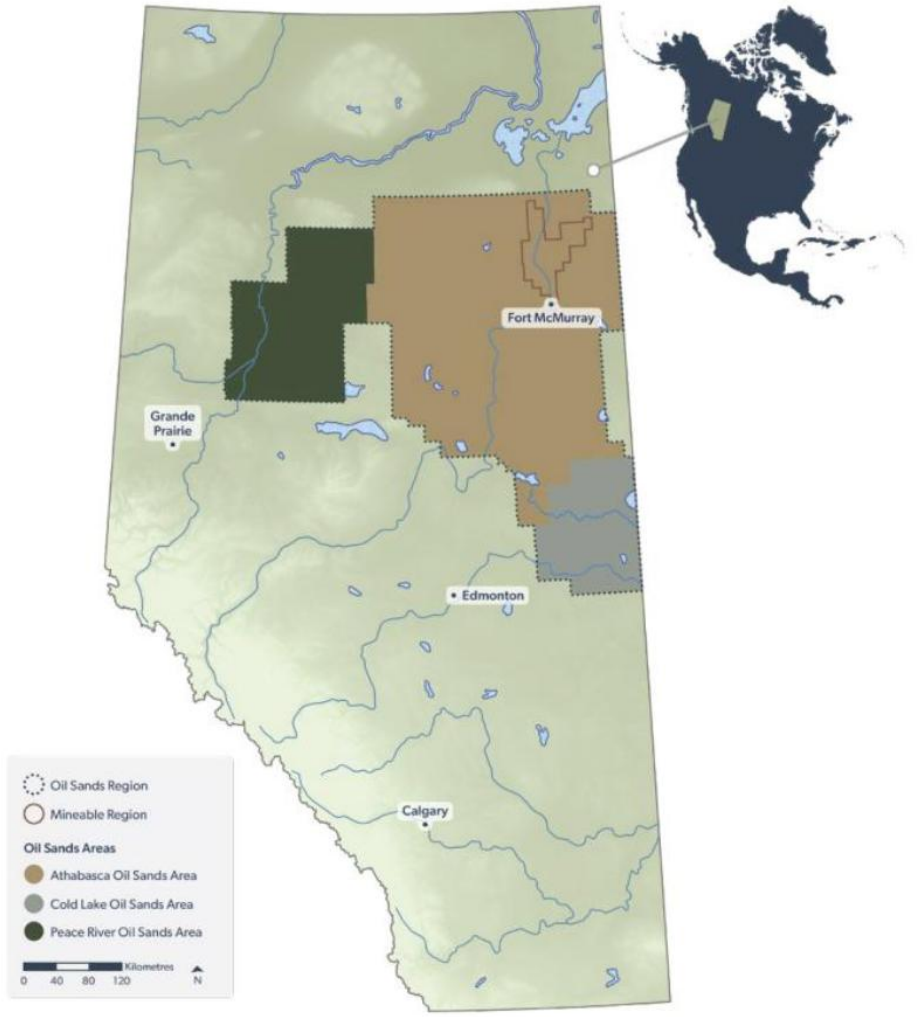




1) Legacy Lycos properties and Acquisition volumes included
2) 100% heavy crude oil

Expand the Sandbox

- OHML drilling has been predominantly focused in the Clearwater formations and Mannville heavy oil zones
  - Accessing large blocks of land in these areas has become increasingly challenging due to long tenure and high leasing costs.
  - Lycos has identified numerous areas that are well suited to OHML development, as well as areas that would be developed using a hybrid structure of OHML and conventional hydraulic fracturing methods that are outside the oil sands area.
  - Many of these play concepts are charged with better quality oil (26 deg API to 40 deg API) which substantially increases netback.
  - Larger blocks of land, both from freehold royalty owners as well as open crown, are available to allow for the assembly of meaningful positions in new areas.



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David Burton	President & CEO
Lindsay Goos	VP, Finance & CFO
Kyle Boon	VP, Production & Corporate Development
Mike Bucholtz	VP, Engineering & Business Development
Taylor Law	VP, Exploration

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Tom Coolen	Chairman of the Board
David Burton	President & CEO
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Certain statements contained within this presentation constitute forward-looking statements within the meaning of applicable Canadian securities legislation. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "budget", "plan", "endeavor", "continue", "estimate", "evaluate", "expect", "forecast", "monitor", "may", "will", "can", "able", "potential", "target", "intend", "consider", "focus", "identify", "use", "utilize", "manage", "maintain", "remain", "result", "cultivate", "could", "should", "believe" and similar expressions. Lycos Energy Inc. ("**Lycos**" or the "**Company**") believes that the expectations reflected in such forward-looking statements are reasonable as of the date hereof, but no assurance can be given that such expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. Without limitation, this presentation contains forward-looking statements pertaining to: Lycos' business strategy, objectives, strength and focus; the anticipated benefits of the Acquisition, including the impact of the Acquisition on Lycos' operations, inventory and opportunities, access to capital and overall strategy; anticipated growth, production levels, capital expenditures, drilling plans and locations; expectations regarding commodity prices; the performance characteristics of Lycos' oil and natural gas properties; the ability of Lycos to achieve drilling success consistent with management's expectations, including through the use of proprietary fishbone well designs; and the source of funding for Lycos' activities including development costs. Statements relating to production, recovery, replacement, costs and valuation are also deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the oil exists in the quantities predicted or estimated and that the oil can be profitably produced in the future.

Assumptions

The forward-looking statements and information are based on certain key expectations and assumptions made by Lycos, including expectations and assumptions concerning the business plan of Lycos; the timing of and success of future drilling, development and completion activities; the geological characteristics of Lycos' properties; prevailing commodity prices, price volatility, price differentials and the actual prices received for Lycos' products; the availability and performance of drilling rigs, facilities, pipelines and other oilfield services; the timing of past operations and activities in the planned areas of focus; the drilling, completion and tie-in of wells being completed as planned; the performance of new and existing wells; the application of existing drilling and fracturing techniques; prevailing weather and break-up conditions; royalty regimes and exchange rates; the application of regulatory and licensing requirements; the continued availability of capital and skilled personnel; the ability to maintain or grow its credit facility; the ability to successfully integrate the assets acquired pursuant to the Acquisition, the accuracy of Lycos' geological interpretation of its drilling and land opportunities, including the ability of seismic activity to enhance such interpretation; and Lycos' ability to execute its plans and strategies. Although Lycos believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because Lycos can give no assurance that they will prove to be correct. By its nature, such forward-looking information is subject to various risks and uncertainties, which could cause the actual results and expectations to differ materially from the anticipated results or expectations expressed. Please refer to the annual information form for the year ended December 31, 2025, and management's discussion and analysis for the period ended September 30, 2026 (the "**MD&A**") for additional risk factors relating to Lycos, which can be accessed either on Lycos' website at www.lycosenergy.com or under Lycos' SEDAR+ profile at www.sedarplus.ca. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date hereof, and to not use such forward-looking information for anything other than its intended purpose. Lycos undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law. Any financial outlook or future-oriented financial information contained in this presentation has been approved by management as of the date hereof, is provided for the purpose of conveying the anticipated effects of the Company's planned activities and strategies and may not be appropriate for other purposes.

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Future Oriented Financial Information

This presentation contains future-oriented financial information and financial outlook information (collectively, "**FOFI**") about the Company's prospective results of operations, DCET, production per share, including pro forma the Acquisition, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the above paragraphs. FOFI contained in this presentation was made as of the date of this presentation and was provided for the purpose of describing the anticipated effects of the Acquisition on the Company's business operations. The Company disclaims any intention or obligation to update or revise any FOFI contained in this presentation, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. Readers are cautioned that the FOFI contained in this presentation should not be used for purposes other than for which it is disclosed herein.

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; 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); the possibility that government policies or laws may change, including but not limited to tax laws, royalties and environmental regulations; fluctuations and volatility in 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; the possibility that governmental approvals may be delayed or withheld; risks and uncertainties involving geology of oil and natural gas deposits; the ability of the Company to add production and reserves through the 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 uncertainty of foreign currency exchange rates and interest rates; risks inherent in the Company's marketing operations, including credit risk; uncertainty in amounts and timing of royalty payments; health, safety and environmental risks; adverse weather or break-up conditions, including severe weather events and natural disasters such as fires, droughts and flooding; 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 gas industry and the demand and/or market price for the Company’s products and/or otherwise adversely affects the Company; risks associated with existing and potential future lawsuits 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; access to water contingent on river flow rates; actions of OPEC and OPEC+ members; and the impact on the Company of the military conflict between Russia and Ukraine as well as the war in the Middle East. Readers are cautioned that the foregoing list is not exhaustive of all possible risks and uncertainties. Please refer to the Company's annual information form for the year ended December 31, 2025, and its most recent management discussion and analysis, for additional risk factors relating to Lycos. Copies of these documents may be accessed under the Company's SEDAR+ profile at www.sedarplus.ca.

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No Obligation to Update

The forward-looking statements or information contained in this presentation are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise unless required by applicable securities laws. The forward-looking statements or information contained in this presentation are expressly qualified by this cautionary statement.

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

This presentation includes various specified financial measures, including non-IFRS financial measures, non-IFRS financial ratios and capital management measures as further described herein. These measures do not have a standardized meaning prescribed by International Financial Reporting Standards ("**IFRS**") and, therefore, may not be comparable with the calculation of similar measures by other companies. Set forth below is a description of the non-IFRS measure used in this presentation. Please refer to the MD&A for additional information relating to specified financial measures, including non-IFRS financial measures, non-IFRS financial ratios and capital management measures. The MD&A can be accessed either on the Company's website or under the Company's SEDAR+ profile on www.sedarplus.ca.

Adjusted Working Capital (Net Debt) is calculated as current assets less current liabilities, excluding derivative financial instruments, decommissioning obligations, and lease liabilities. Adjusted working capital (net debt) is a capital management measure which management uses to assess the Company's liquidity.

Adjusted Working Capital (Net Debt)

	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

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Reserves and Future Net Revenue Disclosure

The reserves information and data regarding Lycos (other than the assets acquired pursuant to the Acquisition) contained in this presentation are derived from the reserves estimates presented in the reserves report prepared by McDaniel & Associates Consultants Ltd. ("**McDaniel**"), the Company's independent reserves evaluator, as of December 31, 2025 (the "**Company Reserves Report**"). The reserves information and data regarding the assets acquired pursuant to the Acquisition contained in this presentation are derived from the reserves report of the vendor of the assets presented in the reserves report prepared by McDaniel as of December 31, 2025 (together with the Company Reserves Report, the "**Reserves Reports**"). All reserves values, future net revenue and ancillary information contained in this presentation are derived from the Reserves Reports unless otherwise noted. All reserve references in this presentation are "Company gross reserves". Company gross reserves are the Company's total working interest reserves before the deduction of any royalties payable by the Company. Estimates of reserves and future net revenue for individual properties may not reflect the same level of confidence as estimates of reserves and future net revenue for all properties, due to the effect of aggregation. There is no assurance that the forecast price and cost assumptions applied by McDaniel in evaluating reserves will be attained and variances could be material.

All evaluations and summaries of future net revenue are stated prior to the provision for interest, debt service charges or general and administrative expenses and after deduction of royalties, operating costs, estimated well abandonment and reclamation costs and estimated future capital expenditures. It should not be assumed that the estimates of future net revenues represent the fair market value of the reserves. The recovery and reserve estimates of Lycos' crude oil, natural gas liquids and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil, natural gas and natural gas liquids reserves may be greater than or less than the estimates provided herein. There are numerous uncertainties inherent in estimating quantities of crude oil, reserves and the future cash flows attributed to such reserves. The reserve and associated cash flow information set forth herein are estimates only.

Proved reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves. Probable reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves. Proved developed producing reserves are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty. Undeveloped reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (e.g., when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves category (proved, probable, possible) to which they are assigned. Certain terms used in this presentation but not defined are defined in NI 51-101, CSA Staff Notice 51-324 – Revised Glossary to NI 51-101 ("**CSA Staff Notice 51-324**") and/or the COGEH and, unless the context otherwise requires, shall have the same meanings herein as in NI 51-101, CSA Staff Notice 51-324 and the COGEH, as the case may be.

Future Drilling Locations

Unless otherwise expressly stated, the information in this presentation pertaining to future drilling locations or drilling inventories is based solely on internal estimates made by management and such locations have not been reflected in any independent reserve or resource evaluations prepared pursuant to NI 51-101. Similarly, unless otherwise expressly stated, the information in this presentation pertaining to targeted reserve volumes from future drilling is intended to indicate that in making its internal drilling decisions, the Company seeks to target drilling locations that, based on previous drilling results and its own internal assessments, it believes will on average ultimately generate the indicated volumes.

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PIIP

The term total petroleum initially-in-place ("**PIIP**") is equivalent to the legacy term original oil-in-place and is that quantity of petroleum that is estimated to originally exist in naturally occurring accumulations. It includes that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations, prior to production, plus those estimated quantities in accumulations yet to be discovered. A portion of the PIIP is considered undiscovered and there is no certainty that any portion of such undiscovered resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of such undiscovered resources. With respect to the portion of the PIIP that is considered discovered resources, there is no certainty that it will be commercially viable to produce any portion of such discovered resources. A significant portion of the estimated volumes of PIIP will never be recovered. PIIP disclosed herein was internally estimated by Lycos' management. There is no certainty management's PIIP estimates were prepared in accordance with the most recent publication of the Canadian Oil and Gas Evaluations Handbook. The estimates may not be comparable to similar measures presented by other companies and therefore should not be used to make such comparisons.

Type Well Production, Initial Production Rates and Economics

This presentation contains references to type well production and economics, which are derived, at least in part, from available information respecting the well economics of other companies and, as such, there is no guarantee that Lycos will achieve the stated or similar results, capital costs and return costs per well. Any references in this presentation to peak rates, initial production rates, IP30, IP60, IP90, production type curves, economics, test results or other short term production rates are useful in confirming and assessing the potential for the presence of hydrocarbons, however, such rates are not determinative of the rates at which such wells will continue production and decline thereafter and are not necessarily indicative of long-term performance or long-term economics of the relevant well or fields or of ultimate recovery of hydrocarbons. In particular, test result data should be considered to be preliminary until a pressure transient analysis and/or well-test interpretation has been carried out. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production or performance for Lycos.

Analogous Information & Type Curves

In this presentation, Lycos has provided information relating to properties in close proximity to the Company's properties, which is "analogous information" as defined by applicable securities laws. This analogous information is derived from publicly available information sources which the Company believes are predominantly independent in nature. Some of this data may not have been prepared by qualified reserves evaluators or auditors and the preparation of any estimates may not be in strict accordance with COGE Handbook. Regardless, estimates by engineering and geo-technical practitioners may vary and the differences may be significant. Lycos believes that the provision of this analogous information is relevant to Lycos' activities, given its acreage position and operations (either ongoing or planned) in the area in question, however, readers are cautioned that there is no certainty that any of the development on Lycos' properties will be successful to the extent in which operations on the lands in which the analogous historical production information is derived from were successful, or at all.

Certain type curves disclosure presented herein represents volumes expected to be recovered from wells. The type curves represent what management thinks an average well will achieve, based on methodology that is analogous to wells with similar geological features. Individual wells may be higher or lower but over a larger number of wells, management expects the average to come out to the type curve. Over time, type curves can and will change based on achieving more production history on older wells or more recent completion information on newer wells.

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BOE Conversions

Lycos has adopted the standard of 6 mcf : 1 bbl when converting natural gas to oil equivalent. The term barrels of oil equivalent ("**boe**") may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf : 1 bbl is roughly based on an energy equivalency conversion method applicable at the burner tip and does not represent a value equivalency at the product sales point. Given the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6 mcf : 1 bbl, utilizing a conversion ratio at 6 mcf : 1 bbl may be misleading as an indication of value.

Past Payout Performance

Past payout performance does not predict future payout of wells or the timing thereof.

Product Types

Throughout this presentation, "crude oil" or "oil" refers to heavy crude oil product types as defined in National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities.

Third Party Information

Certain information contained herein has been obtained from published sources prepared by independent industry analysts and third-party sources (including industry publications, surveys and forecasts). While such information is believed to be reliable for the purpose used herein, none of the directors, officers, owners, managers, partners, consultants, shareholders, employees, affiliates or representatives assumes any responsibility for the accuracy of such information. Some of the sources cited in this presentation have not consented to the inclusion of any data from their reports, nor has Lycos sought their consent. In addition, information regarding assets acquired pursuant to the Acquisition has been provided by the management of the vendor of such assets.

US Disclaimers

This presentation does not constitute an offer to sell or the solicitation of an offer to buy any of securities for sale in the United States. The securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or any state securities laws, and may not be offered or sold in the United States absent registration or an exemption from registration. This presentation shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

Unless expressly stated otherwise, all estimates of proved developed producing, proved, probable and possible reserves and related future net revenue disclosed in this presentation have been prepared in accordance with NI 51-101. Estimates of reserves and future net revenue made in accordance with NI 51-101 will differ from corresponding estimates prepared in accordance with applicable U.S. Securities and Exchange Commission rules and disclosure requirements of the U.S. Financial Accounting Standards Board, and those differences may be material.

Currency

All figures in this presentation are presented in Canadian dollars, unless otherwise denoted

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Acronyms

API	American Petroleum Institute gravity	mbbl	thousand barrels	OHML	Open Hole Mulit Lateral
bbl	barrels	mbbl/d	thousand barrels per day	OPEX	operating expenditures
bbl/d	barrels per day	mboe	thousand barrels of oil equivalent	PBUD	probable undeveloped reserve
boe	barrels of oil equivalent	mboe/d	thousand barrels of oil equivalent per day	PDP	proved developed producing reserve
boe/d	barrels of oil equivalent per day	mcf	thousand cubic feet	PDNP	proved developed non-producing reserve
CAPEX	Capital expenditures	m	metres	PrbDP	probable developed producing reserve
cP	Centipoise	MM	Million	PUD	Proved Undeveloped Reserves
DCET	drill case equipment tie-in	MM	Million	WCS	Western Canadian Select
EUR	estimated ultimate recovery	MRF	Modernized Royalty Framework	wm	per well month
HVSM	high velocity solids management	NPV10	net present value with a discount of 10%	WTI	West Texas Intermediate
IRR	Internal rate of return	PV10	present value with a discount of 10%	USD	US Dollar
BT	Before Tax	EOR	enhanced oil recovery	W4	West of the 4th Meridian