NG ENERGY INTERNATIONAL CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2026

The following is management's discussion and analysis ("**MD&A**") of the operating and financial results of NG Energy International Corp. ("**NG Energy**" or the "**Company**"), for the three and nine months ended September 30, 2026, as well as information and management's expectations concerning NG Energy's outlook based on currently available information.

This MD&A should be read in conjunction with NG Energy's interim condensed consolidated financial statements for the three and nine months ended September 30, 2026, as well as the audited annual consolidated financial statements for the year ended December 31, 2025 (the "**Financial Statements**") which were prepared by management in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("**IFRS Accounting Standards**").

This MD&A contains forward-looking information about our current expectations, estimates, projections, and assumptions. See the reader advisory for information on the risk factors that could cause actual results to differ materially and the assumptions underlying our forward-looking information. Additional information on the Company, its Financial Statements, this MD&A and other factors that could affect NG Energy's operations and financial results are included in reports on file with Canadian securities regulatory authorities, including the Company's Annual Information Form dated March 27, 2026 ("**AIF**") as approved by the board of directors of the Company (the "**Board**"), which may be accessed through the Company's profile on SEDAR+ at www.sedarplus.ca.

All financial amounts are expressed in United States (US) dollars, unless otherwise indicated.

The Company's functional currency is the Canadian dollar while each of its subsidiaries with significant activity has US dollar functional currency, which is the primary economic environment in which each subsidiary operates.

This MD&A is prepared as of November 11, 2026.

NON-IFRS MEASURES

Certain financial measures in this document may not have a standardized meaning as prescribed by IFRS Accounting Standards, and therefore are considered non-IFRS measures. These measures may not be comparable to similar measures presented by other issuers. These measures have been described and presented to provide shareholders and potential investors with additional measures for analyzing our ability to generate funds to finance our operations and information regarding our liquidity. These measures as presented do not have any standardized meaning prescribed by IFRS Accounting Standards and therefore may not be comparable with the calculation of similar measures for other entities. The additional information should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS Accounting Standards. The definition and reconciliation of each non-IFRS measure is presented below as well as in the Operating Results, Financial Results and Liquidity and Capital Resources sections of this MD&A.

"**Net Debt**" is defined as the undiscounted principal amount of its outstanding Macquarie Debt, convertible debentures, and lease obligations, net of Adjusted Working Capital. "**Adjusted Working Capital**" represents current assets less current liabilities, excluding current portion of debt and lease obligations, liability component of convertible debentures and derivative financial liability as presented on the statement of financial position. NG Energy uses "Net Debt" as a measure of the Company's financial position and liquidity, however it is not intended to be viewed as an alternative to other measures calculated in accordance with IFRS.

	September 30, 2026	December 31, 2025
Working capital (deficit)	(16,550,601)	(59,973,606)
Current portion of lease obligations	2,432,098	16,563,276
Current portion of debt	10,397,663	18,119,750
Liability component of convertible debentures	10,605,695	-
Derivative financial liability	1,654,266	-
Adjusted working capital surplus (deficit)	8,539,121	(25,290,580)
Convertible debentures - principal	11,246,828	12,255,217
Macquarie Debt - principal	23,000,000	23,000,000
Lease obligations - undiscounted	20,262,969	157,823,225
Total debt	54,509,797	193,078,442
Adjusted working capital deficit (surplus)	(8,539,121)	25,290,580
Net Debt	**45,970,676**	**218,369,022**

"**EBITDAX**" is defined as consolidated net income adjusted for interest, income taxes, depreciation, depletion, amortization, exploration expenses and other non-recurring or non-cash charges. A reconciliation of EBITDAX for the three and nine months ended September 30, 2026 and 2025, is as follows:

	Q3 2026	Q3 2025	YTD 2026	YTD 2025
Net income (loss)	(6,667,005)	(7,116,639)	33,600,976	(21,010,942)
(+) Income tax expense	(2,279,346)	-	22,445,792	-
(+) Share-based compensation	1,017,199	650,483	7,640,253	1,561,719
(+) Exploration and evaluation expense	56,310	48,283	178,329	165,264
(+) Depletion and depreciation	3,011,269	3,658,403	8,092,243	7,665,305
(-) Gain on disposition	-	-	(104,043,207)	-
(+) Net finance expense	2,657,336	5,861,484	11,074,225	13,595,545
(+) Other expenses	-	1,002,241	6,770,734	1,825,785
(+/-) Foreign exchange	942,831	(819,767)	1,545,128	(1,025,213)
EBITDAX	**(1,261,406)**	**3,284,488**	**(12,695,527)**	**2,777,463**

"**Operating Income**" is calculated by deducting operating expense and facilities lease payments for operations from total revenue. Total revenue is comprised of natural gas and natural gas liquids sales, net of royalties. The Company refers to Operating Income expressed per unit basis of sales volume as an "**Operating Netback**". "**Operating Income Profit Margin**" is calculated by the Company as Operating Income as a percentage of natural gas sales. Operating Netback is a benchmark common in the oil and gas industry for evaluating operational performance as it demonstrates profitability relative to current commodity prices.

During 2026, the Company revised the calculation of Operating Income, Operating Netback and Operating Income Profit Margin to also deduct facilities lease payments for operations, which are accounted for as lease obligation payments under IFRS 16 Leases. Following the May 2026 amendments to the BOOMT Agreement (see "Contractual Commitments" section), certain costs for the Maria Conchita Block treatment facilities previously presented as lease payments are now presented as operating expenses; management believes that deducting both operating expenses and facilities lease payments better reflects the total cost of operating, gathering and treating production volumes and provides a consistent basis for comparison between periods. Comparative figures for 2025 have been presented on the revised basis. Under the previous calculation, Operating Income for the three and nine months ended September 30, 2025, was $5,962,067 and $9,447,855, respectively (Operating Netback of $3.19/Mcf and $2.33/Mcf).

A reconciliation of these measures for the three and nine months ended September 30, 2026 and 2025, is as follows:

	Q3 2026	Q3 2025	YTD 2026	YTD 2025
Natural gas sales	18,302,554	13,857,428	38,599,673	30,164,397
NGL sales	44,375	46,449	88,453	133,905
Royalties	(4,185,016)	(3,468,988)	(8,593,118)	(8,190,272)
Operating expenses	(12,874,608)	(4,472,822)	(28,976,001)	(12,660,175)
Facilities lease payments for operations	(575,822)	(4,209,102)	(4,010,177)	(8,063,790)
Operating Income (Loss)	711,483	1,752,965	(2,891,170)	1,384,065
Natural gas sales volume (Mcf)	2,131,010	1,854,525	4,542,301	4,003,100
Natural gas sales (per Mcf)	8.59	7.47	8.50	7.54
Royalties (per Mcf)	(1.96)	(1.87)	(1.89)	(2.05)
Operating expenses (per Mcf)	(6.04)	(2.41)	(6.38)	(3.16)
Lease payments for operations (per Mcf)	(0.27)	(2.27)	(0.88)	(2.01)
Natural Gas Operating Netback per Mcf	0.32	0.92	(0.65)	0.32
Natural Gas Operating Income Profit Margin	3.7%	12.3%	-7.6%	4.2%
NGL sales volume (Bbls)	1,032	1,042	2,057	2,800
NGL sales (per Bbl)	43.00	44.60	43.00	47.82

Q3 2026 HIGHLIGHTS

- Record quarterly natural gas sales volumes of 23,163 Mcf/d (3,861 boe/d), up 63% from Q2 2026 and 15% from Q3 2025.
- Record quarterly natural gas and NGL sales of $18.3 million, up 70% from Q2 2026 and 32% from Q3 2025; YTD 2026 sales of $38.7 million, up 28% year over year.
- Realized natural gas price of $8.59/Mcf (Q3 2025 - $7.47/Mcf), with the Maria Conchita Block realizing $9.10/Mcf.
- Incremental Maria Conchita volumes above the 15,000 Mcf/d gross contracted offtake are being sold into the Colombian spot market at average prices of approximately $14.00 to $16.00/Mcf, with certain sales exceeding $20.00/Mcf. Through the competitive offer process for supply contracts expiring on November 30, 2026, the Company expects to secure new contracts at prices above $17.00/Mcf for a two-year term (see "Pricing Dynamics – Maria Conchita Block").
- Operating Income of $0.7 million ($0.32/Mcf), compared to an operating loss of $0.6 million in Q2 2026.
- Q3 2026 operating expenses include approximately $1.3 million of non-recurring costs related to the Aruchara-1 workover, incurred in July and August 2026. With the workover completed, Maria Conchita operating expenses decreased to $4.46/Mcf in September 2026.
- Net loss of $6.7 million, compared to $15.7 million in Q2 2026 and $7.1 million in Q3 2025.
- Capital expenditures of $18.1 million in Q3 2026 and $42.8 million in YTD 2026.
- Cash and cash equivalents of $41.7 million and Net Debt of $46.0 million at September 30, 2026 (December 31, 2025 - $218.4 million).

CORPORATE OVERVIEW AND UPDATE

NG Energy is an oil and natural gas company incorporated in Canada and is engaged in the acquisition, exploration, development, and exploitation of oil and natural gas assets in Colombia. The Company's current asset portfolio

consists of one appraisal and two producing natural gas assets in Colombia. The Company has working interests in the Maria Conchita Block and the Sinú-9 Block, as well as an earn-in agreement to acquire a working interest in the Tiburon Block.

Graduation to the Toronto Stock Exchange

The Company's common shares (each a "**Common Share**"), as well as its 8% unsecured convertible debentures (the "**May 2022 Debentures**") and common share purchase warrants (the "**May 2022 Warrants**"), issued pursuant to the Company's May 2022 fully marketed offering, were approved for listing on the Toronto Stock Exchange ("**TSX**") and began trading on the TSX at the opening of the market on April 30, 2026. In connection with the listing on the TSX, the Common Shares, May 2022 Debentures and May 2022 Warrants were voluntarily delisted from the TSX Venture Exchange (the "**TSXV**") at the close of market on April 29, 2026. The Company's trading symbols for the Common Shares, May 2022 Debentures and May 2022 Warrants remain "GASX", "GASX.DB" and "GASX.WT.A", respectively. NG Energy's Common Shares also continue to be listed on the OTCQX in the United States of America under the symbol "GASXF", and the Frankfurt Stock Exchange in Germany under the symbol "56P".

Net Disposition of Sinú-9 Block Working Interest

In February 2025, the Company entered into a definitive agreement (the "**APA**") with Etablissements Maurel & Prom S.A. ("**Maurel & Prom**" or "**M&P**") for the sale of a 40% operating working interest in the Sinú-9 Block for total cash consideration of $150 million (the "**M&P Transaction**"), effective as of February 1, 2025. In January 2026, the Company closed the M&P Transaction. As of the date of this MD&A, all consideration has been paid to the Company by M&P.

In connection with the M&P Transaction, the Company and M&P agreed to acquire a collective 28% working interest (the "**Minority Interests**") in the Sinú-9 Block from the remaining minority partners in the Sinú-9 Block (the "**Minority Partners**"), which closed in parallel and conditional upon the closing of the M&P Transaction in January 2026 (the "**Minority Partner Transactions**" and together with the M&P Transaction, the "**Sinú-9 Transactions**"). As a result of the Sinú-9 Transactions, NG Energy now holds a 39% non-operating working interest in Sinú-9 Block while M&P holds a 61% working interest and assumed operatorship of the block. The Company paid $6.614 million to the Minority Partners as part of the total cash consideration owed at closing, in addition to the $2.625 million previously advanced. The Company expects to pay to the Minority Partners the remaining $15.246 million of the total $24.485 million cash consideration within the next twelve months, in accordance with the payment terms stipulated and subject to the conditions outlined within each respective acquisition agreement with each Minority Partner. The terms of the acquisitions of the Minority Partner Transactions are generally consistent with the terms of the APA.

In accordance with the closing of the M&P Transaction, Maurel & Prom assumed its proportional share of NG Energy's carry commitments related to the Sinú-9 Block. Furthermore, in connection with the M&P Transaction, the Company granted M&P the irrevocable right to purchase an additional 5% working interest in the Sinú-9 Block for a period ending January 5, 2027 ("**M&P Purchase Option**") on the same terms and conditions as the M&P Transaction.

Amendments to the Macquarie Credit Agreement

In July 2026, the Company successfully negotiated certain amendments to the credit and guarantee agreement (the "Credit Agreement") for the term debt facility and letter of credit facility maintained with Macquarie Group (the "Macquarie Debt"). Among those amendments established were the following key items:

- Reduction of applicable margin rate range by 1.0% from 8.5% to 7.5% with additional reductions possible if certain levels of gas production and proven reserves are achieved.
- Reduction of requirements of the Company regarding environmental and social action plans for gas operations.
- Streamlining of administrative processes and reduction of certain administrative fees previously required under the Credit Agreement thus reducing costs of debt servicing to the Company.

Exercise of Warrants and Completion of M&P Consideration

During the nine months ended September 30, 2026, 30,850,000 warrants were exercised for proceeds of $20.1 million, including 29,455,000 warrants expiring on July 31, 2023 (the "**July 2023 Warrants**") exercised at C$0.90 each for total proceeds of C$26.5 million. The remaining 5,545,000 July 2023 Warrants expired on July 31, 2026. In July 2026, the Company received the final $15.0 million instalment from M&P, completing the collection of the full $150 million cash consideration under the M&P Transaction.

Changes to Company Officers and Board of Directors

In January 2026, the Company announced that Mr. Keith Hill, Mr. Paul Saad, and Mr. Jorge Fonseca Chaumer had been appointed to the Board at the annual general and special meeting of shareholders held on January 22, 2026. Mr. Hill was also appointed Non-Executive Chairman and Lead Independent Director of the Board.

OPERATIONS OUTLOOK

The Company's primary focus is the ongoing development of its natural gas resources and capitalizing on a premium pricing market in Colombia given the current shortage of natural gas in the country. The growing revenue stream will assist the Company to improve its working capital position and service outstanding debt balances.

The Company's consistent efforts with its joint operation partners to accelerate commercial production provides a favorable outlook for the continued growth of natural gas revenue. Due to the Company's endeavors with its midstream partners, this direction will provide monetization with minimal capital expenditures and significantly reduce construction risk, while maintaining pricing upside.

The Company, together with its joint operation partners, continues to move forward with its exploration and development program at each of the Maria Conchita Block and the Sinú-9 Block. In 2026, the Company is focusing on an accretive drilling program as well as expansion projects for natural gas processing and transportation capacity in both blocks.

Maria Conchita Block

After the tie-in of the Aruchara-4 well in November 2025 to the existing central processing facility and pipeline infrastructure, the workover of the Aruchara-3 well was successfully completed in December 2025 with the recovery of mechanical obstructions and subsequent recompletion of the well. In Q2 2026, the Company performed a sand cleanup operation in the wellbores of the Aruchara-3 and Aruchara-4 wells in order to further optimize production rates of those wells. In May 2026, the Company finalized drilling of the Aruchara-5 well to a total depth of 9,097 ft, hitting the H1 accumulation and passing through the H2-H6 zones with all zones showing positive results. Initial production from Aruchara-5 delivered rates of 11 MMcf/d gross (8.8 MMcf/d net) at a wellhead pressure of 1,600 psi across the H1 zone. Aruchara-5 has been connected to the central processing facility at Maria Conchita, with new gas volumes being sold into the Colombian marketplace.

In July 2026, the Company completed the workover of the Aruchara-1 well, restoring well integrity and enabling the evaluation of new productive intervals while returning the well to production at increased rates. In October 2026, the Company completed the drilling of the Aruchara-6 well to a total depth of 9,352 ft, hitting the H1 target and passing through the H2-H6 zones, with all zones showing positive results. During initial flow testing through the central processing facility ("**CPF**"), Aruchara-6 produced at rates of up to 8.7 MMcf/d gross (6.96 MMcf/d net), on a 30/64 choke at an average tubing head pressure of 780 psi. The well is now on production, with gas volumes being sold into the Colombian marketplace.

These activities encompass the Company's ongoing efforts to expand production at Maria Conchita, where current CPF capacity supports up to 30 MMcf/d following completed 2026 expansions. To further support continued reliable

operation of the CPF as production increases toward full capacity, GTX is currently installing an additional compressor and upgrading the heat exchange, cooling and dehydration facilities.

In December 2025, the Company formally declared commerciality of the Maria Conchita Block and has made an application to the ANH for a 24-year production license. The ANH has approved production from the field through an "Early Production" license which allows production for 2 years while the ANH considers the Company's proposed development program for the Maria Conchita Block, which was submitted in March 2026, as part of the production license application process.

Sinú-9 Block

The Company, jointly with Maurel & Prom as operator of the Sinú-9 Block, completed the drilling operations of the Hechicero-1X well in March 2026 reaching a total measured depth of 8,500 ft. Electric log analysis confirmed natural gas across multiple intervals within the Ciénaga de Oro ("**CDO**") formation – the primary target – with a net pay of 288 ft. In addition, natural gas-bearing reservoirs were identified in two new formations: the shallower Porquero and the deeper Pre-CDO–San Cayetano intervals, with a net pay of 149 ft and 103 ft, respectively. The well was completed to initially enable selective production from five CDO intervals, as well as from the Pre-CDO–San Cayetano interval. Initial well tests conducted in April 2026 on the Pre-CDO–San Cayetano intervals delivered an instantaneous production rate of 26.4 MMcf/d gross with 1,800 psi well-head pressure through a restricted 43/128 choke. After temporary shut down for a pressure build up analysis, production from the Pre-CDO–San Cayetano interval was resumed with a steady production rate of 16.0 MMcf/d gross. The Hechicero-1X well was then connected to existing facilities at Sinú-9 in late April 2026.

The Pre-CDO–San Cayetano discovery at the Hechicero-1X well is particularly significant, as it opens a wider area for natural gas presence at this stratigraphic level across the Sinú-9 Block. The Company believes this discovery expands the prospective footprint of the Pre-CDO–San Cayetano intervals within Sinú-9, providing additional drilling targets beyond the CDO intervals that have been the focus of previous drilling activities.

The drilling of the Magico-2X well, which targeted the Pre-CDO–San Cayetano formation as its primary target, was completed in July 2026. Gas intervals were encountered within the target formation that did not exhibit sufficient thickness to support commercial production. As such, the well was plugged and abandoned at the end of July 2026. The data acquired will be incorporated into the geological characterisation of the licence to optimise the continuation of the drilling campaign, which comprises four additional firm wells and two contingent wells to be drilled.

In October 2026, the Encantado-1X well was spudded, being the next scheduled well of two remaining wells to be drilled during the balance of 2026. The Company views Encantado-1X as an important well for the continued delineation of the Sinú-9 Block for several reasons. The well is expected to help define the southern limits of the reservoir and provide depth calibration across the block. The area is anticipated to be of higher pressure than previously drilled locations, which management expects to have a positive impact on production rates. Encantado-1X is also expected to confirm the presence of natural gas in the Pre-CDO formation and verify the potential for liquids within the reservoir. Current expectations are for the Encantado well to come on stream in November 2026.

The Company's infrastructure partner, INFRAES, has completed the construction and commissioning of the first phase of the twin pipeline addition, the initial 18-kilometre loop from Jobo along the existing right-of-way, increasing transportation capacity at Sinú-9 from 30 MMcf/d to between 40 and 45 MMcf/d (between 15.6 and 17.6 MMcf/d net to the Company). These activities underpin the long-term production growth objectives at Sinú-9 as the current six-well drilling campaign nears completion.

Current Production Rates

During Q3 2026, average daily net sales volumes were 12.8 MMcf/d from the Maria Conchita Block and 10.3 MMcf/d from the Sinú-9 Block. With the Aruchara-6 well on production, total field production at Maria Conchita is expected

to increase to 23.0 MMcf/d gross (18.4 MMcf/d net), from 16.0 MMcf/d gross (12.8 MMcf/d net) prior to the well, bringing combined Company net production across both blocks to approximately 29.1 MMcf/d. As at the date of this MD&A, the quarter-to-date average daily production rates are 15.9 MMcf/d gross (12.7 MMcf/d net) from the Maria Conchita Block and 22.8 MMcf/d gross (8.9 MMcf/d net) from the Sinú-9 Block.

DISCUSSION OF OPERATING RESULTS

Analysis of operating results as presented below are for the Company's 80% working interest in the Maria Conchita Block and 39% non-operating working interest in Sinú-9 Block, as held after the closing of the Sinú-9 Transactions in early January 2026.

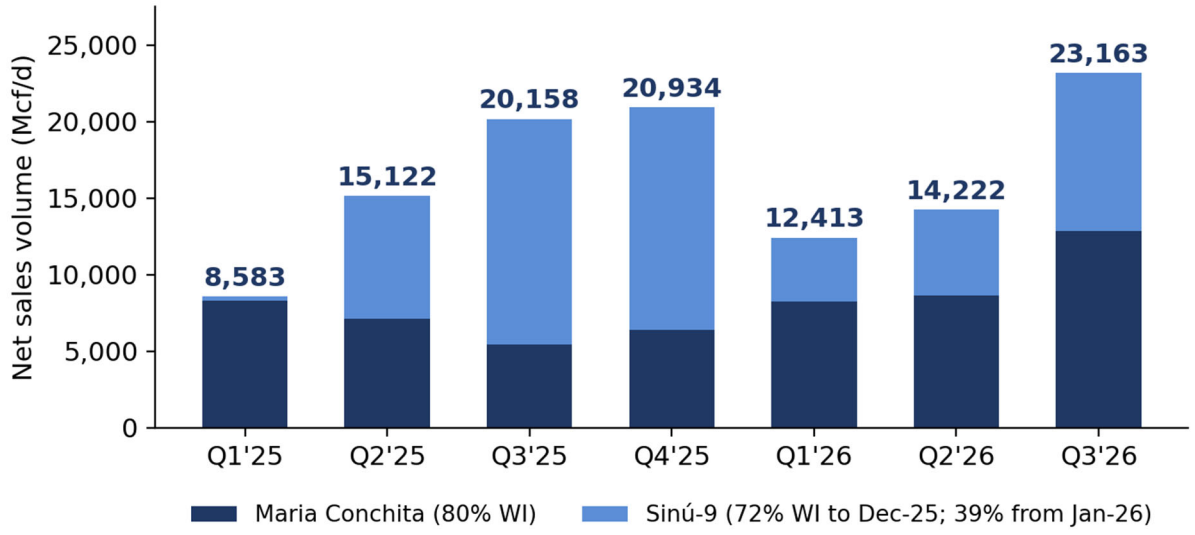
Sales Revenue

	Q3 2026	Q3 2025	YTD 2026	YTD 2025
Maria Conchita natural gas sales	10,755,151	4,093,429	25,010,973	15,667,560
Sinú-9 natural gas sales	7,547,403	9,763,999	13,588,700	14,496,837
Total natural gas sales	18,302,554	13,857,428	38,599,673	30,164,397
Maria Conchita natural gas sales volume (Mcf/d)	12,844	5,409	9,925	6,912
Sinú-9 natural gas sales volume (Mcf/d) [1]	10,320	14,749	6,713	11,316
Total natural gas sales volume (Mcf/d)	23,164	20,158	16,638	18,228
Maria Conchita natural gas realized price ($/Mcf)	9.10	8.23	9.23	8.30
Sinú-9 natural gas realized price ($/Mcf)	7.95	7.20	7.41	6.85
Total natural gas realized price ($/Mcf)	8.59	7.47	8.50	7.54
NGL sales	44,375	46,449	88,453	133,905
NGL sales volume (bbls)	1,032	1,042	2,057	2,800
NGL realized price ($/bbl)	43.00	44.60	43.00	47.82

(1) Represents effective Sinú-9 daily natural gas sales volume since commencement of production operations in late March 2025.

Total natural gas sales for Q3 2026 were $18.3 million (Q3 2025 - $13.9 million), wherein overall realized natural gas prices averaged $8.59/Mcf compared to $7.47/Mcf for Q3 2025. The YTD 2026 natural gas sales results were $38.6 million with realized natural gas prices averaging $8.50/Mcf, compared to $30.2 million with realized natural gas prices averaging $7.54/Mcf for YTD 2025. Overall corporate gas sales volumes increased in Q3 2026 to 23,163 Mcf/d as a result of increased production from both the Sinú-9 Block and the Maria Conchita Block, increasing from the Q3 2025 average production rate of 20,158 Mcf/d.

Figure 1 – Quarterly net natural gas sales volumes by block (Mcf/d)



Maria Conchita Block

Q3 2026 and YTD 2026 daily sales volume in the Maria Conchita Block of 12,844 Mcf/d and 9,925 Mcf/d, respectively, outperformed Q3 2025 and YTD 2025 average daily sales volumes of 5,409 Mcf/d and 6,912 Mcf/d, respectively. 2026 realized natural gas prices ($9.10/Mcf in Q3 2026 and $9.23/Mcf in YTD 2026) were also more favorable than realized prices in the comparative 2025 periods ($8.23/Mcf in Q3 2025 and $8.30/Mcf in YTD 2025). The Company had natural gas liquids sales from Maria Conchita of $88,453 in YTD 2026 from 2,057 bbls of NGL volumes (YTD 2025 - $133,905 from 2,800 bbls). Long-term natural gas sales contracts are currently maintained for the Maria Conchita Block's production with Vanti S.A. E.S.P., Gases del Caribe S.A. E.S.P., Gases del Occidente S.A. E.S.P., Grupo Energetico de las Americas SAS ESP - GEAM, Empresas Publicas de Medellin E.S.P. and Energy Transitions S.A.S. E.S.P. that ensure purchaser commitment on concession production for the foreseeable future up to 15,000 Mcf/d gross (12,000 Mcf/d net to the Company) production.

Pricing Dynamics – Maria Conchita Block

Realized natural gas prices at the Maria Conchita Block are currently determined by the Company's long-term supply contracts, which cover production of up to 15,000 Mcf/d gross (12,000 Mcf/d net to the Company) at prices of approximately $9.00/Mcf. During Q3 2026, monthly realized prices were $9.33/Mcf in July, $9.07/Mcf in August and $8.90/Mcf in September, for a quarterly average of $9.10/Mcf ($9.23/Mcf for YTD 2026; Q3 2025 - $8.23/Mcf). Net sales volumes of 12,844 Mcf/d in Q3 2026 were broadly in line with contracted volumes; accordingly, Q3 2026 realized prices reflect contracted pricing with limited exposure to spot market sales.

Spot market sales. Following the tie-in of the Aruchara-6 well in October 2026, total field production at Maria Conchita is expected to increase to 23.0 MMcf/d gross (18.4 MMcf/d net), of which approximately 8.0 MMcf/d gross (6.4 MMcf/d net) exceeds contracted volumes and is sold into the Colombian spot market. In October 2026, these incremental volumes realized average prices of approximately $14.00 to $16.00/Mcf, with certain sales exceeding $20.00/Mcf. Spot prices reflect the current supply shortfall in the Colombian natural gas market, where declining domestic production has increased the market's reliance on imported liquefied natural gas.

Competitive offer process for expiring contracts. Natural gas supply contracts in Colombia are generally aligned with the gas year, which begins on December 1. Under the commercialization framework established by the Comisión de Regulación de Energía y Gas ("**CREG**"), producers offer available volumes to the market through regulated commercialization mechanisms. Certain of the Company's Maria Conchita supply contracts, covering 5.0 MMcf/d

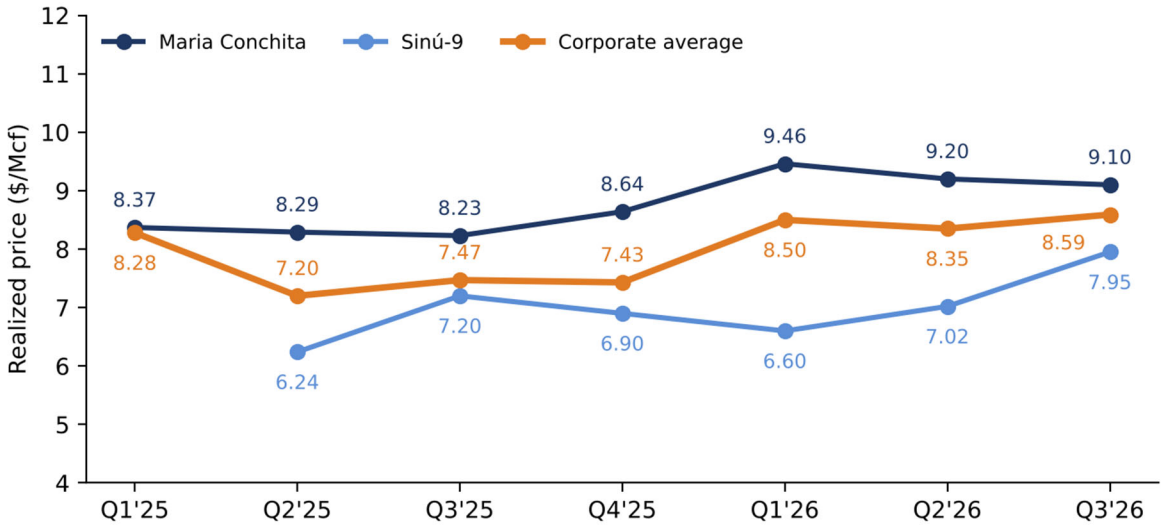
net, expire on November 30, 2026. During Q4 2026, the Company offered these volumes, together with uncontracted production from the Aruchara-5 and Aruchara-6 wells, through a competitive offer process (*proceso de concurrencia*) in which interested buyers submitted bids for firm supply. Based on the results of this process to date, management expects to execute new supply contracts for 10.0 MMcf/d net at prices above $18.00/Mcf for a two-year term beginning December 1, 2026, compared to the Q3 2026 Maria Conchita realized price of $9.10/Mcf.

The execution of the new contracts remains subject to the finalization of definitive agreements with each buyer, and there can be no assurance that such contracts will be executed on the terms currently expected. See "Forward-Looking Statements".

Sinú-9 Block

The Sinú-9 Block achieved an average daily sales volume of 10,320 Mcf/d and 6,713 Mcf/d in Q3 2026 and YTD 2026, respectively. The decrease in the Company's Sinú-9 working interest from 72% to 39% at the beginning of January 2026 has resulted in lower sales from production for the Company in 2026 when compared to 2025. Temporary production shut-ins on wells within the Sinú-9 Block also impacted production during the 2026 year. Average realized prices of $7.95/Mcf in Q3 2026 and $7.41/Mcf in YTD 2026 from the Sinú-9 Block natural gas sales is a function of gas marketing contracts established with third parties which offer staggered gas prices on sold volumes with prices increasing as daily sales volumes increase from the block. Natural gas sales from production realized from the Sinú-9 Block are still handled under interruptible gas marketing contracts up to 25,000 Mcf/d gross (9,750 Mcf/d net to the Company) production. Gas volumes in excess of those sold under these existing contracts are expected to be sold into the Colombian marketplace at prevailing spot prices.

Figure 2 – Quarterly realized natural gas price by block ($/Mcf)



Note: Sinú-9 Q1 2025 is omitted as production commenced in late March 2025.

Royalties

	Q3 2026	Q3 2025	YTD 2026	YTD 2025
Maria Conchita royalties	2,083,090	765,922	4,810,401	4,120,124
Sinú-9 royalties	2,101,926	2,703,066	3,782,717	4,070,148
Total royalties	4,185,016	3,468,988	8,593,118	8,190,272
Maria Conchita royalties (% of sales)	19.4%	18.7%	19.2%	26.3%
Sinú-9 royalties (% of sales)	27.8%	27.7%	27.8%	28.1%
Total royalties (% of sales)	22.9%	25.0%	22.3%	27.2%
Maria Conchita royalties ($/Mcf)	1.76	1.54	1.78	2.18
Sinú-9 royalties ($/Mcf)	2.21	1.99	2.06	1.92
Total royalties ($/Mcf)	1.96	1.87	1.89	2.05

Royalties as a percentage of total natural gas sales are highly sensitive to commodity prices. Thus, royalty rates can fluctuate from quarter-to-quarter and year-to-year. Total royalties as a percentage of natural gas sales for Q3 2026 and Q3 2025 were 22.9% and 25.0%, respectively. For the year-to-date periods, total royalties as a percentage of natural gas sales for YTD 2026 and YTD 2025 were 22.3% and 27.2%, respectively. The royalties incurred in the three and nine months ended September 30, 2026, consisted of royalties paid to the Colombia government in the amount of $2,020,335 and $4,023,115 (2025 - $1,886,519 and $3,491,199), and gross overriding royalties paid of $2,164,681 and $4,570,003 (2025 - $1,582,468 and $4,699,072), respectively.

Maria Conchita Block

YTD 2026 royalty rates of approximately 19.2% (YTD 2025 – 26.3%) for gas production on the Maria Conchita Block reflect the impact of government royalties of approximately 6.4% and gross overriding royalties of approximately 12.8%, before periodic adjustments for commodity prices and production volumes. Royalties in YTD 2026 equated to a royalty expense of $1.78/Mcf on gas volume sales. During YTD 2025, upon review of overriding royalty agreements, corrective adjustments for cumulative overriding royalties owed on past gas production from prior periods were recognized in the quarter resulting in significant increases in royalty expenses for the year. As a result, royalties in the YTD 2025 period equated to a royalty expense of $2.18/Mcf on gas volume sales.

Sinú-9 Block

Royalty rates for YTD 2026 of approximately 27.8% (YTD 2025 – 28.1%) for gas production on the Sinú-9 Block reflect the impact of government royalties of approximately 17.7% and gross overriding royalties of approximately 10.1%, before periodic adjustments for commodity prices and production volumes. Royalties in YTD 2026 equated to a royalty expense of $2.06/Mcf on gas sales volumes (YTD 2025 - $1.92).

Operating Expenses

	Q3 2026	Q3 2025	YTD 2026	YTD 2025
Maria Conchita operating expenses	8,234,809	2,449,667	16,564,867	6,707,598
Sinú-9 operating expenses	4,639,799	2,023,155	12,411,134	5,952,577
Total operating expenses	12,874,608	4,472,822	28,976,001	12,660,175
Maria Conchita operating expenses ($/Mcf)	6.97	4.92	6.11	3.55
Sinú-9 operating expenses ($/Mcf)	4.89	1.49	6.77	2.81
Total operating expenses ($/Mcf)	6.04	2.41	6.38	3.16

Total operating costs for the three and nine months ended September 30, 2026, were $12,874,608 and $28,976,001 (2025 - $4,472,822 and $12,660,175), respectively, and include commercialization fees, lifting costs, municipal taxes,

and other field and maintenance costs that are incurred to operate, gather and treat production volumes and to perform well and facility repairs and maintenance on the Maria Conchita Block and the Sinú-9 Block wells.

Maria Conchita Block

Maria Conchita Block operating expenses totaled $8,234,809 and $16,564,867 in Q3 2026 and YTD 2026, respectively, averaging $6.97/Mcf and $6.11/Mcf (2025 - $4.92/Mcf and $3.55/Mcf). The increase in Q3 2026 is primarily attributable to the following:

- **Aruchara-1 workover (non-recurring):** In July 2026, the Company completed the workover and recompletion of the Aruchara-1 well, which restored well integrity, enabled the evaluation of new productive intervals and returned the well to production at increased rates. The costs of the workover, together with associated well services and maintenance, were expensed as incurred and were concentrated in July and August 2026, when Maria Conchita operating expenses were $3.6 million ($9.28/Mcf) and $3.0 million ($7.06/Mcf), respectively. Management estimates the incremental costs related to the workover at approximately $1.3 million in Q3 2026. With the workover completed, operating expenses decreased to $1.7 million ($4.46/Mcf) in September 2026. Management considers these costs non-recurring and does not expect them to continue in future periods.

- **Reclassification of GTX costs:** Amendments to the GTX BOOMT Agreement effective at the beginning of Q2 2026 (see "Contractual Commitments") resulted in certain costs previously presented as lease payments under IFRS 16 now being presented as operating expenses. For Q2 and Q3 2026, this resulted in more than $2.4 million in operating expenses in each quarter that were not presented as such in prior periods. As mentioned, this change is presentational. For ongoing GTX facility lease that continues to be accounted for under IFRS 16, associated lease payments for operations at Maria Conchita decreased to $575,822 in Q3 2026 (Q3 2025 - $1,826,760).

Excluding the Aruchara-1 workover costs, Q3 2026 Maria Conchita operating expenses would have been approximately $6.9 million ($5.86/Mcf). With Aruchara-6 production now flowing through the same facilities since October 2026 and, given that a significant portion of field operating costs are fixed, management expects Maria Conchita operating expenses per Mcf to remain at or below September 2026 levels for Q4 2026.

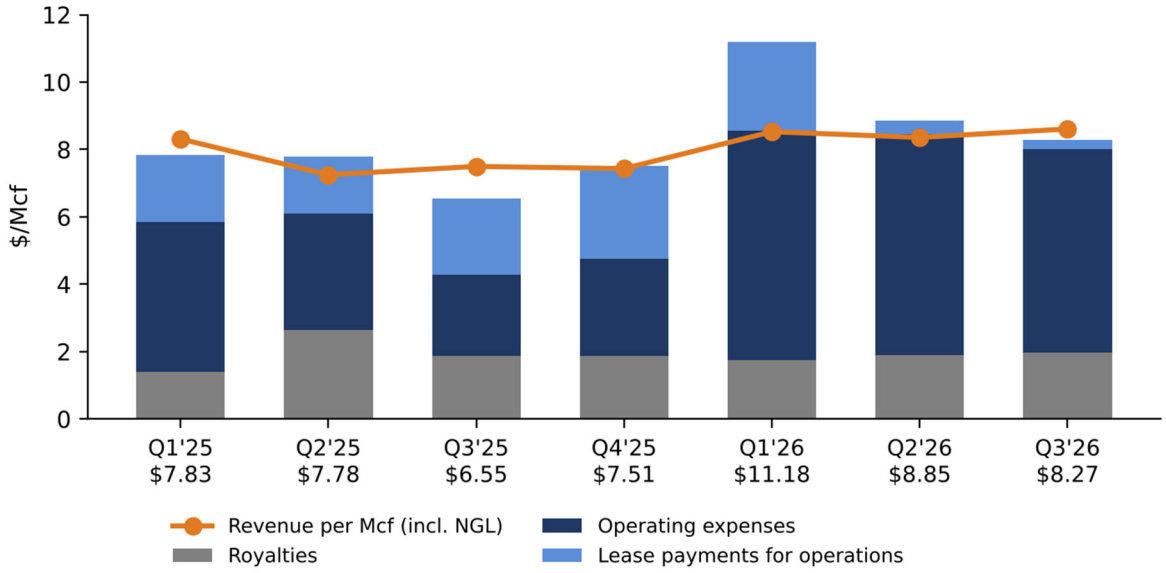
Maria Conchita Block – monthly operating results, Q3 2026

	July 2026	August 2026	September 2026	Q3 2026
Net sales volume (Mcf/d)	12,537	13,538	12,442	12,844
Realized gas price ($/Mcf)	9.33	9.07	8.90	9.10
Royalties ($/Mcf)	(1.66)	(1.80)	(1.82)	(1.76)
Operating expenses	3,606,526	2,961,906	1,666,377	8,234,809
Operating expenses ($/Mcf)	(9.28)	(7.06)	(4.46)	(6.97)

Sinú-9 Block

For Q3 2026, increased production and sale volumes resulted in lower operating expenses per Mcf when compared to Q2 2026. For Q3 2026, Sinú-9 Block operating costs averaged $4.89/Mcf, decreasing YTD 2026 operating cost to $6.77/Mcf. Q3 2025 and YTD 2025 operating costs averaged $1.49/Mcf and $2.81/Mcf, respectively. Overall operating costs in 2026 have seen notable increases when compared to 2025 as a result of increased compression and treatment costs on the facilities, transitional operator handover costs, as well as general operating costs charged by the operator to the Company. It is expected that operating expenses per Mcf will continue to decrease as overall production from the Sinú-9 Block continues to increase due to ongoing development and optimization of block operations.

Figure 3 – Quarterly costs against revenue (per Mcf)



Note: Total cost (royalties, operating expenses and lease payments for operations) per Mcf is shown under each quarter. From Q2 2026, certain GTX costs previously classified as lease payments are presented as operating expenses.

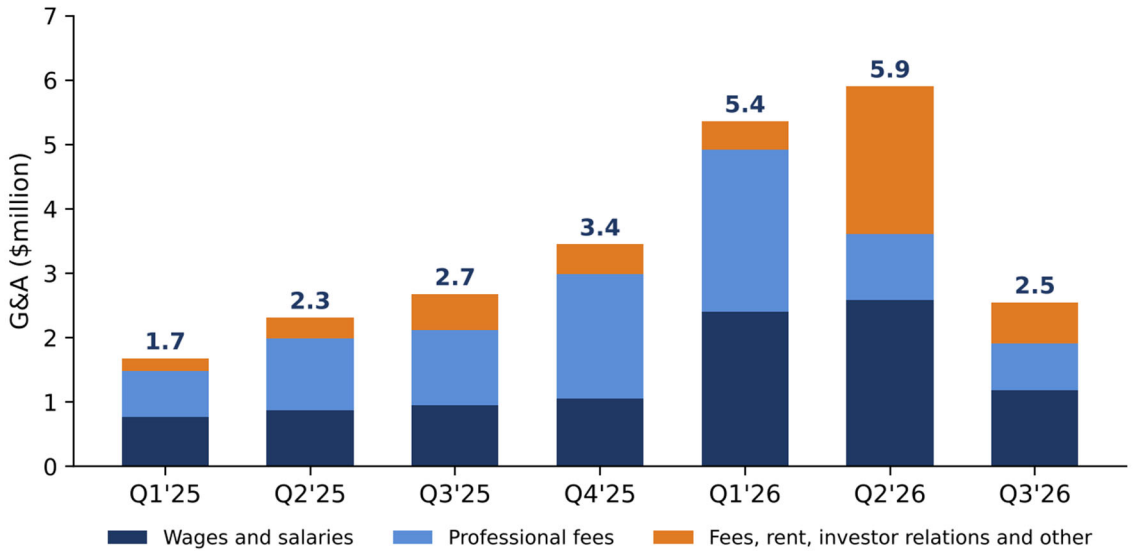
General and Administrative Expenses

General and administrative ("**G&A**") expenses for the three and nine months ended September 30, 2026, totaled $2,548,711 and $13,814,534, respectively (2025 comparative periods - $2,677,579 and $6,670,392). The G&A expenses relate to the normal course of the Company's operations, and are constituted as follows:

	Q3 2026	Q3 2025	YTD 2026	YTD 2025
Wages & Salaries	1,188,989	950,015	6,179,764	2,594,100
Professional Fees	720,217	1,168,824	4,265,600	2,998,875
Other	639,505	558,740	3,369,170	1,077,417
Total	**2,548,711**	**2,677,579**	**13,814,534**	**6,670,392**

Professional fees include legal, audit, tax, and other consulting fees incurred in the Company's operations. Wages and salaries are paid to the Company's executives, directors, and employees. Other expenses relate to the Company's regular corporate activities, including office rent, public relations, insurance, travel, business development, and other general and administrative costs. As the Company continues to grow and develop, it requires additional support from business professionals, including qualified personnel and contracted advisors. Additional legal and consulting expenses are incurred to support ongoing corporate structuring, technical planning, and public relations activities. For 2026, wages and salaries increased with the hiring of additional staff, as well as the payment of discretionary bonuses during the YTD 2026. Professional fees in 2026 include increases for transaction advisory, legal services for arbitration claims, and costs incurred towards the uplisting to the TSX. 2026 expenses toward listing fees, additional investor relations and marketing efforts, and costs incurred towards investigation and analysis of business ventures outside of current operations led to increases in "other expenses".

Figure 4 – Quarterly G&A expenses by component ($ million)



Gain on Disposition

As a result of closing the Sinú-9 Transactions, the Company recognized a gain on disposition of $104.0 million. This gain was based on net consideration of $124.1 million for $150 million consideration to be received from M&P (net of purchase price adjustments of $1.4 million) less consideration paid of $24.5 million to the Minority Partners. The net consideration was applied against the derivative financial liability of $1.7 million recognized for the M&P Purchase Option, the acquisition of the Minority Interests at a cost basis of $4.1 million, the disposal of assets held for sale of $52.2 million and liabilities held for sale of $28.9 million, and termination of service contracts accounted for under IFRS 16 *Leases* resulting in the elimination of right-of-use assets of $21.7 million and lease obligations of $22.5 million.

Share-Based Payments

For the three and nine months ended September 30, 2026, the continued vesting of the stock options granted equated to $132,688 and $5,142,432 (2025 comparative periods - $157,875 and $389,716), respectively, in share-based compensation expense related to stock options. Changes in share-based compensation expense is primarily related to the timing of vesting of stock options in each period with share-based compensation expense consisting of the gradual vesting over time of the options for the portion of the year over which they were vesting from the date of grant. In Q1 2026, the granting of 8,750,000 stock options that vested immediately resulted in a considerable one-time share-based compensation expense being recognized in the 2026 year in relation to those vesting options.

Restricted share units ("**RSUs**"), deferred share units ("**DSUs**") and restricted share units with performance criteria ("**PSUs**") are issued on a periodic basis at the discretion of the Board. The value of vesting of these compensation units for the three and nine months ended September 30, 2026, was $884,511 and $2,497,821 (2025 - $492,608 and $1,172,003), respectively. Similar to above, variations in recognized share-based compensation expense related to compensation units relates to the timing of vesting units in each period.

Net Finance Expense

The Company's net finance-related expenses for each of the reporting periods are as follows:

	Q3 2026	Q3 2025	YTD 2026	YTD 2025
Interest income	(216,026)	(68,541)	(318,010)	(180,870)
Bank/trust fees	176,442	101,042	542,354	250,068
Interest and fees on convertible debentures	227,998	243,803	702,647	720,504
Interest and fees on promissory notes	-	-	-	-
Interest and fees on Macquarie debt	1,067,834	1,536,838	4,508,298	5,024,151
Accretion on decommissioning obligations	67,472	37,326	178,317	101,846
Accretion on liability component of convertible debentures	235,225	213,954	699,998	605,869
Accretion on lease obligations	454,177	3,139,295	3,121,664	5,163,612
Amortization of transaction costs on Macquarie Financing	644,214	657,767	1,851,917	1,910,365
Gain on lease modifications	-	-	(212,960)	-
Total net finance expense	**2,657,336**	**5,861,484**	**11,074,225**	**13,595,545**

Net finance expenses were $2,657,336 and $11,074,225 for the three and nine months ended September 30, 2026, compared to finance expenses of $5,861,484 and $13,595,545 for the comparative periods in 2025. Finance expenses include accretion on decommissioning obligations that are associated with oil and gas properties acquired, accretion on existing lease obligations for existing service contracts and agreements in Colombia, and accretion and interest expense related to existing debt in each period. For the year-to-date periods, decreases in finance expenses are primarily due to reduced lease obligations in YTD 2026 with decreased resulting accretion expenses. For expenses related to debt financing, overall debt service costs will continue to decrease as the debt balance is reduced through scheduled principal payments.

Other Expenses

The Company's other expenses for each of the reporting periods are as follows:

	Q3 2026	Q3 2025	YTD 2026	YTD 2025
Expenses incurred toward M&P Transaction	-	265,509	5,542,209	1,089,053
Colombian wealth tax levy (recovery)	-	-	750,869	-
Contract settlement through cash payments	-	-	375,000	-
Writeoff of Colombian VAT balances	-	736,732	-	736,732
Interest penalties	-	-	102,656	-
Total other expenses	**-**	**1,002,241**	**6,770,734**	**1,825,785**

During the three and nine months ended September 30, 2026, the Company incurred expenses of $nil and $5,542,209 (2025 - $265,509 and $1,089,053) in relation to the asset disposition. As well, during the nine months ended September 30, 2026, the Company terminated certain existing contracts with counterparties through settlement arrangements. Termination agreements with these counterparties resulted in cash settlement payments in the sum of $375,000. Lastly, during the nine months ended September 30, 2026, the Company recognized $102,656 in interest penalties for delayed payments to third parties.

In 2026, the Government of Colombia enacted emergency tax measures through Decree 0173 of 2026, which introduced a temporary tax on the net equity (*impuesto al patrimonio*) of certain legal entities operating in Colombia. The tax is calculated based on the net equity position of applicable Colombian entities as determined under Colombian tax legislation and is payable during the 2026 taxation year. The Company has evaluated the requirements of the decree and determined that certain of its Colombian subsidiaries are subject to the tax. Accordingly, the Company recognized an expense of $750,869 during the nine months ended September 30, 2026, related to the Colombian equity tax. The Company has classified the tax as "other expense" based on management's assessment of the nature of the levy under IFRS and applicable Colombian tax legislation.

Foreign Exchange

The Company incurred foreign exchange losses of $942,831 and $1,545,128 for the three and nine months ended September 30, 2026 (2025 comparative periods – gains of $819,767 and $1,025,213), respectively. Foreign exchange results are due to the movements in the value of the Canadian dollar and the Colombian peso when compared to the US dollar in each period.

Cash Provided by (used in) Operating Activities

For the three and nine months ended September 30, 2026, the Company used cash in operating activities of $298,199 and $31,019,961, respectively (cash provided in 2025 comparative periods of $7,859,633 and $3,627,849). Sales revenue net of operating expenses, royalty expenses and corporate overhead are the primary factors in operating cash flow results in both periods, with additional items such as costs related to the Sinú-9 Transactions (included in "Other Expenses") contributing to the cash outflows recognized in 2026.

CAPITAL ADDITIONS

For the nine months ended September 30, 2026, the Company had capital expenditures (prior to recognition of any impairments or disposals) of $42.8 million relating to property, plant, and equipment. In relation to the Maria Conchita Block, additions to property, plant, and equipment relate primarily to expenditures for the drilling of the Aruchara-5 and Aruchara-6 wells. In relation to the Sinú-9 Block, expenditures related primarily to drilling costs of the Hechicero-1X and Magico-2X wells, which are part of the planned six well drilling program for 2026.

LIQUIDITY AND CAPITAL RESOURCES

Capital Management

The Company's objectives when managing capital are to ensure the Company will have sufficient financial capacity, liquidity, and flexibility to fund the Company's operations, growth, and ongoing exploration and development commitment activities of its oil and gas assets. The Company is dependent upon funding these activities through a combination of available cash, debt, and equity, being the components of its capital structure as outlined below. To maintain or adjust the capital structure, from time to time the Company may issue or repurchase common shares or other securities, sell assets or adjust its capital spending to manage current and projected debt levels.

The Company monitors leverage and adjusts its capital structure based on its net debt level. Net Debt is defined as the undiscounted principal amount of its outstanding Macquarie Debt, convertible debentures and lease obligations, net of Adjusted Working Capital (see "Non-IFRS Measures"). To facilitate the management of its net debt, the Company prepares annual budgets, which are updated as necessary depending on varying factors including current and forecasted commodity prices, changes in capital structure, execution of the Company's business plan and general industry conditions. The annual budget is approved by the Board and updates are prepared and reviewed as required.

	September 30, 2026	December 31, 2025
Convertible debentures - principal	11,246,828	12,255,217
Macquarie Debt - principal	23,000,000	23,000,000
Lease obligations - undiscounted	20,262,969	157,823,225
Total debt	54,509,797	193,078,442
Adjusted Working Capital deficit (surplus) [(1)]	(8,539,121)	25,290,580
Net Debt	**45,970,676**	**218,369,022**

(1) Calculation of working capital excludes current portion of debt and lease obligations, liability component of convertible debentures, and derivative financial liability as presented on the consolidated statement of financial position.

The Company regularly monitors its capital structure and, as necessary, adjusts to changing economic circumstances and the underlying risk characteristics of its assets to meet current and upcoming obligations and investments by the Company. The Company frequently reviews alternate financing options and arrangements to meet its current and upcoming commitments and obligations.

During the nine months ended September 30, 2026, the Company recognized net income of $33.6 million and cash used in operating activities of $31.0 million. For 2026, the Company has contractually committed exploration and development amounts of $3.0 million (see "Capital Commitments" section). As of September 30, 2026, the Company has current debt principal repayment obligations of $12.5 million, and current lease obligations of $2.4 million. Scheduled Macquarie Debt principal repayments are $3.0 million in December 2026, approximately $3.18 million per quarter during 2027 and approximately $1.82 million per quarter during 2028. The Company anticipates continued increases in gas production from existing gas concessions in the near term to fulfill capital commitments and service debt obligations, but reaching these objectives is contingent upon continued success in the development of these concessions in order to increase gas production rates. As such, the Company continues to need additional capital to fund the Company's ongoing operations, commitments, and the continued development of the Company's production assets.

As previously stated, in January 2026, the Company closed the Sinú-9 Transactions for the net disposition of a 33% operating working interest in the Sinú-9 Block. Total cash consideration of $150 million from this transaction has been received as of the date of this MD&A. Of the cash consideration of $24.485 million to be paid in the Minority Partner Transactions, the Company has paid total payments of $9.239 million as of the date of this MD&A, with payment of the remaining $15.246 million payable to the Minority Partners expected to be completed during the year ended December 31, 2026 (see above).
As previously mentioned, in connection with the M&P Transaction, M&P has the irrevocable right to purchase an additional 5% working interest in the Sinú-9 Block for a period ending January 5, 2027, on the same terms and conditions as the M&P Transaction.

The Company's Colombian oil and gas interests are still in the early development stage. Accordingly, the recoverability of amounts recorded as oil and natural gas properties is dependent upon successful development of its assets to achieve consistent profitable production, the ability of the Company to secure adequate sources of financing to continue to fund the development of its assets and the political stability of Colombia. The outcome of these matters cannot be predicted with certainty at this time.

Financial Covenants

As previously mentioned, the Company maintains a Credit Agreement for a term debt facility with Macquarie. As of September 30, 2026, the principal balance of the term debt facility was $23 million. The Company is required to maintain the following debt covenants throughout the term of the Macquarie debt:

- Maintain a current ratio (as defined in the Credit Agreement) of more than 1.00.
- Maintain a loan life coverage ratio (as defined in the Credit Agreement) of more than 1.30.
- Maintain an asset coverage ratio (as defined in the Credit Agreement) of more than 1.50.

As at September 30, 2026, the Company was compliant with all restrictions and covenants for the Macquarie Debt.

LONG-TERM INCENTIVE COMPENSATION

Stock Options

The Company's stock option plan provides for the issue of stock options to directors, officers, employees, charities and consultants. The plan provides that stock options may be granted up to a number equal to 10% of the Company's outstanding shares. Vesting terms are determined by the Board as they are granted and currently include periods

ranging from immediately vesting to one-fourth vesting on each anniversary date over four years. The maximum term for options is ten years.

As at September 30, 2026, a total of 16,963,893 (December 31, 2025 – 10,116,893) options were issued and outstanding under this plan. Options which are forfeited/expired are available for reissue.

A summary of the changes in stock options is presented below:

	Stock options	Weighted average exercise price (C$)
Balance, December 31, 2024	10,941,893	0.94
Options exercised	(675,000)	0.45
Options expired	(150,000)	1.17
Balance, December 31, 2025	10,116,893	0.97
Options issued	9,250,000	1.08
Options exercised	(2,403,000)	0.91
Balance, September 30, 2026	**16,963,893**	**1.04**

In January 2026, the Company granted 9,250,000 options to acquire common shares to officers, directors, employees, and consultants of the Company at an exercise price of C$1.08 per common share. The options are for a five-year term, expiring on January 22, 2031. 500,000 of the options vest over a period of one year, with one-fourth of the options vesting each quarter of the 2026 calendar year. The remaining 8,750,000 vested immediately at the time of grant.

The following summarizes information about stock options outstanding as at September 30, 2026:

Exercise prices (C$)	Number of options outstanding	Weighted average term to expiry (years)	Number of options exercisable
0.275	456,000	3.73	456,000
0.45	900,000	2.70	900,000
0.91	600,000	4.79	600,000
1.00	1,565,000	4.15	1,565,000
1.08	9,250,000	4.31	9,125,000
1.14	1,207,893	5.86	1,207,893
1.18	2,975,000	2.08	2,137,500
8.00	10,000	0.86	10,000
	16,963,893	**3.93**	**16,001,393**

Compensation Units

Long-term incentive compensation includes DSUs, RSUs and RSUs with performance criteria, which are referred to as “PSUs”. Each of these compensation units are expected to be settled by way of the issuance of Common Shares when settled. As such, they are recognized as contributed surplus on a graded vesting basis over the vesting term of each grant.

A summary of the changes in compensation units is presented below:

	DSUs	RSUs	PSUs
Balance, December 31, 2024	1,940,000	2,997,500	6,132,500
Units issued	-	-	300,000
Units settled	(1,600,000)	(2,698,750)	-
Balance, December 31, 2025	340,000	298,750	6,432,500
Units issued	300,000	3,450,000	1,550,000
Units settled	(275,000)	-	(2,044,376)
Balance, September 30, 2026	**365,000**	**3,748,750**	**5,938,124**

Deferred Share Units

On January 22, 2026, the Company granted a total of 300,000 DSUs to directors of the Company. The DSUs vest one year from the grant date and are expected to be settled in Common Shares.

For the nine months ended September 30, 2026, a total of 275,000 DSUs were settled by the Company through the issuance of Common Shares.

Restricted Share Units

On January 22, 2026, the Company granted a total of 3,150,000 RSUs to officers and employees of the Company. The RSUs vest one year from the grant date and are expected to be settled in Common Shares.

On September 2, 2026, the Company granted a total of 300,000 RSUs to employees of the Company. The RSUs vest in one year from the grant date and are expected to be settled in common shares of the Company.

For the nine months ended September 30, 2026, no RSUs were settled by the Company.

Restricted Share Units with Performance Criteria

On January 22, 2026, and March 2, 2026, the Company granted a total of 1,400,000 and 150,000 PSUs, respectively, to officers and employees of the Company. The PSUs vest in three equal tranches with the vesting conditions of each tranche related to the successful realization of specific operational milestones that the Company expects to be achieved over the foreseeable future. At a minimum, each tranche can only vest after a minimum of one year has transpired since the date of grant.

For the nine months ended September 30, 2026, a total of 2,044,376 PSUs were settled by the Company through the issuance of Common Shares.

Outstanding Stock Options and Compensation Units

As of the date of this MD&A, the Company has 16,963,893 stock options, 365,000 DSUs, 3,450,000 RSUs, and 5,938,124 PSUs outstanding.

SHARE CAPITAL

Common Shares

The Company is authorized to issue an unlimited number of Common Shares, with no par value, with holders of Common Shares entitled to one vote per share and to dividends, if declared. Outstanding Common Shares as at September 30, 2026, are as follows:

	Common shares	Amount ($)
Balance, December 31, 2024	255,011,840	185,699,902
Shares issued through warrant exercise	77,000	55,517
Shares issued through option exercise [(1)]	625,000	330,371
Shares issued through compensation unit settlement	4,298,750	3,563,366
Balance, December 31, 2025	260,012,590	189,649,156
Shares issued through warrant exercise	30,850,000	21,420,275
Shares issued through option exercise [(1)]	2,453,000	2,869,511
Shares issued through compensation unit settlement	2,319,376	1,798,302
Conversion of debentures	699,998	564,075
Balance, September 30, 2026	**296,334,964**	**216,301,319**

(1) Of the 675,000 stock options exercised during the year ended December 31, 2025, common shares were issued for 625,000 of those stock options. Shares for the remaining 50,000 stock options were issued during the nine months ended September 30, 2026.

Warrants

As at September 30, 2026, a total of 65,930,943 (December 31, 2025 - 102,325,943) warrants were issued and outstanding. A summary of the change in total warrants is presented below:

	Warrants	Weighted average exercise price (C$)
Balance, December 31, 2024	102,402,943	1.02
Warrants exercised	(77,000)	0.96
Balance, December 31, 2025	102,325,943	1.02
Warrants exercised	(30,850,000)	0.91
Warrants expired	(5,545,000)	0.90
Balance, September 30, 2026	**65,930,943**	**1.08**

The following summarizes information about total purchase warrants outstanding as at September 30, 2026:

Exercise prices (C$)	Number of warrants outstanding	Weighted average term to expiry (years)	Number of warrants exercisable
0.98	5,714,286	2.25	5,714,286
1.00	20,742,857	2.25	20,742,857
1.08	32,615,000	1.17	32,615,000
1.40	6,858,800	0.64	6,858,800
	65,930,943	**1.55**	**65,930,943**

Outstanding Equity Data

As of the date of this MD&A, the Company has 296,633,714 Common Shares, and 65,930,943 warrants issued and outstanding.

COMMITMENT SUMMARY UPDATE

Capital Commitments

A summary of the Company's estimated capital commitments (in millions of dollars) are as follows:

Block	2026	2027	Total
Sinu-9 Block [1]	-	1.8	**1.8**
Tiburon Block [2]	3.0	-	**3.0**
Maria Conchita Block [3]	-	-	**0.0**
Total	**3.0**	**1.8**	**4.8**

1) NG Energy's ANH commitment relates to the Company's go-forward 39% working interest (i.e. "net") in the Sinú-9 Block subsequent to the closing of the Sinú-9 Transactions. Pursuant to approved amendment to the E&P Contract, the existing ANH commitment for the current Phase 1 contractual exploration program consists of the acquisition, processing, and interpretation of 60 km^2 of 3D seismic for a referenced value of $4.7 million ($1.8 million net). The current deadline for completion of the Phase 1 commitment was extended by the ANH to July 2027. The Company, jointly with M&P as operator, have submitted a proposal to the ANH to extend the current Phase 1 deadline until January 2029, offering a further commitment of the acquisition, processing, and interpretation of an additional 60 km^2 of 3D seismic for a total Phase 1 commitment of 120 km^2 of 3D seismic. As of the date of this MD&A, this extension request is under review by the ANH.

2) Under the terms of the Tiburon purchase agreement, NG Energy's carry requirement of the ANH commitment is to acquire, process, and interpret 69.75 km^2 of 3D seismic according to Phase 3 of the contractual exploration program. A proposal has been submitted to request that the ANH approve to amend the Phase 3 commitment to the drilling of a stratigraphic well. Subject to ANH approval, completion of the stratigraphic well would entitle NG Energy to request the assignment and registration of a 20% working interest in the Tiburon Block. As of the date of this MD&A, the proposed amendment to the exploration program and the corresponding extension of Phase 3 commitment deadlines remain under review by the ANH. Previously reported community disputes in the region have now been resolved, thus current exploration activities now depend upon the outcome of the ANH's review of the proposed exploration program. The Company currently presents capital commitments for the existing 3D seismic exploration program that would commence in 2026 if the current proposal to the ANH is not approved.

3) The ANH commitment to drill one exploration well for an estimated cost of $5.0 million under the contractual evaluation program at the Maria Conchita Block was completed with the drilling of the Aruchara-4 well in September 2025. The Company has moved forward with the application to the ANH for the 24-year Production License and has no capital commitments on the Maria Conchita Block at this time.

The expenditures provided in the above table only represent the Company's estimated cost to satisfy contract requirements. Actual expenditures to satisfy these commitments, initiate production or create proved plus probable natural gas reserves may differ from these estimates. The expenditures in the above table are based on the latest possible date required per contract and may be incurred at an earlier date.

Contractual Commitments

Natural Gas Transportation Services – Maria Conchita

Pursuant to amended terms executed in May 2026, the Company maintains a simplified build-own-operate-maintain-transfer agreement (the "**BOOMT Agreement**") with GTX International Corp. ("**GTX**") pursuant to which GTX has built production facilities and pipeline (the "**Treatment Facilities**") with capacity of 30 MMcf/d that extend from the Company's Maria Conchita Block in Colombia to existing national transportation infrastructure as well as provide compression equipment to adequately handle the gas volumes. On account of the amendments executed in May 2026, former terms of the BOOMT Agreement relating to other operational services provided by GTX are now managed under separate service agreements between GTX and the Company, and are recognized as operating expenses as incurred. The BOOMT Agreement now outlines the straightforward arrangement, pursuant to the amended terms, wherein NG Energy has agreed to pay a fixed monthly fee for utilization of the Treatment Facilities until September 2035, annually adjusted to the Consumer Price Index. At the termination of the BOOMT Agreement, ownership of the Treatment Facilities will transfer to the Company. Under IFRS 16 guidelines, this agreement is accounted for as a ROU asset and liability within the Company's Financial Statements.

Transfer of Sinú-9 Contracts

In May 2025, the Company formalized long-term agreements with INFRAES for pipeline transportation services for natural gas production from the Sinú-9 Block, and with Surenergy to provide processing, treatment and compression services for natural gas produced from the Sinú-9 Block. In January 2026, in accordance with the M&P Transaction, these existing agreements, and all rights and responsibilities therein, were assigned in their entirety to M&P as the operator of the Sinú-9 Block. As a result, in accordance with IFRS 16, the ROU assets and lease liabilities previously recognized in relation to these agreements have been eliminated within the Financial Statements.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements as of the date of this MD&A.

RELATED PARTIES

All related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

During the three and nine months ended September 30, 2026 and 2025, the Company incurred expenditures of $710,449 and $1,478,015, respectively, in royalties paid to directors of the Company or to organizations that are affiliated with directors of the Company (2025 - $305,359 and $834,211). These royalties are in relation to overriding royalty rights on petroleum and natural gas production from the Maria Conchita and Sinú-9 Blocks, with royalty payments made on a monthly basis. As of September 30, 2026, the balance of royalties payable to these related parties was $476,662.

SELECTED QUARTERLY INFORMATION

The following table sets out selected quarterly financial information of NG Energy and is derived from unaudited quarterly financial data prepared by management in accordance with IFRS Accounting Standards.

	Q3 2026	Q2 2026	Q1 2026	Q4 2025
Total revenue	18,346,929	10,815,360	9,525,837	14,313,214
Gas sales volume (Mcf/d)	23,163	14,222	12,413	20,934
Realized gas price ($/Mcf)	8.59	8.35	8.50	7.43
Royalties ($/Mcf)	1.96	1.90	1.75	1.86
Operating expenses ($/Mcf)	6.04	6.56	6.81	2.89
Net income (loss)	(6,667,005)	(15,665,302)	55,933,283	(3,070,892)
Comprehensive income (loss)	(6,760,732)	(15,668,766)	56,067,664	(3,271,080)
Per share (basic)	(0.02)	(0.06)	0.21	(0.01)
Per share (diluted)	(0.02)	(0.06)	0.19	(0.01)

	Q3 2025	Q2 2025	Q1 2025	Q4 2024
Total revenue	13,903,877	9,973,982	6,420,443	8,711,174
Gas sales volume (Mcf/d)	20,158	15,122	8,583	12,063
Realized gas price ($/Mcf)	7.47	7.20	8.28	7.83
Royalties ($/Mcf)	1.87	2.64	1.40	1.41
Operating expenses ($/Mcf)	2.41	3.45	4.45	3.42
Net loss	(7,116,639)	(8,059,177)	(5,835,126)	(7,915,940)
Comprehensive loss	(6,887,020)	(8,647,489)	(5,801,093)	(7,757,628)
Per share (basic & diluted)	(0.03)	(0.03)	(0.02)	(0.03)

Over the past eight quarters, trends in the net losses have been significantly impacted resulting in quarter-over-quarter fluctuations due to factors such as sales revenue net of royalties and operating costs, costs of debt arrangements, G&A expenses, share-based compensation expense, impairment loss, and fluctuations in exchange

rates. Net finance expenses are primarily due to the interest and accretion expense incurred in relation to the Macquarie Debt, convertible debentures, and the lease liabilities as well as accretion expense on decommissioning obligations.

The following outlines the significant events over the past eight quarters:

In the third quarter of 2026, the Company had natural gas revenue of $18,302,554, NGL revenue of $44,375, royalties of $4,185,016 and operating costs of $12,874,608. With increases in natural gas production from the Maria Conchita and Sinú-9 Blocks, the Company saw increases in natural gas sales with corresponding increases in royalties. Operating expenses also increased in the quarter on account of those reasons mentioned previously. Regardless of improved total revenue in the quarter, results from operations combined with standard quarterly expenses (G&A expenses of $2,548,711, depletion and depreciation expenses of $3,011,269, share-based compensation expenses of $1,017,199, and net finance expenses of $2,657,336) contributed to an overall net loss for the quarter, albeit a considerably lower net loss than the Q2 2026 net loss.

In the second quarter of 2026, the Company had natural gas revenue of $10,804,526, NGL revenue of $10,834, royalties of $2,453,548 and operating costs of $8,488,200. With incremental increases in natural gas production from the Maria Conchita and Sinú-9 Blocks, the Company saw increases in natural gas sales with corresponding increases in royalties. Operating expenses also increased in the quarter on account of those reasons mentioned previously. Standard quarterly expenses (G&A expenses of $5,903,862, depletion and depreciation expenses of $2,001,126, share-based compensation expenses of $1,049,133, and net finance expenses of $2,528,344) contributed to an overall net loss for the quarter.

As a result of the Sinú-9 Transactions, net income for the first quarter of 2026 included a gain on disposition of $104,043,207. For quarterly gas operations, the Company had natural gas revenue of $9,492,593, NGL revenue of $33,244, royalties of $1,954,554, and operating costs of $7,613,193. Reduced production in the quarter as Sinú-9 operations transitioned under new operatorship now managed by M&P led to temporary drops in natural gas revenue when compared to the prior quarter. G&A expenses of $5,361,961, depletion and depreciation expenses of $3,079,848, share-based compensation expenses of $5,573,921, net finance expenses of $5,888,545, and other expenses of $6,736,912 partially offset the gain recognized on the Sinú-9 Transactions during the quarter.

In the fourth quarter of 2025, the Company had natural gas revenue of $14,313,214, royalties of $3,583,458 and operating costs of $5,572,979. Increasing natural gas production in the quarter saw correlating increases in natural gas sales when compared to the prior quarter while royalties as a percentage of sales remained steady. However, increased operating expenses in the fourth quarter negatively impacted overall net operating income in Q4 2025. Standard quarterly expenses (G&A expenses of $3,449,300, depletion and depreciation expenses of $3,983,238 and net finance expenses of $11,749,690) contributed to an overall net loss before tax for the quarter. The recognized deferred income tax recovery of $11,208,462 resulted in final net loss of $3,070,892 in Q4 2025.

In the third quarter of 2025, the Company had natural gas revenue of $13,857,428, NGL revenue of $46,449, royalties of $3,468,988 and operating costs of $4,472,822. With continuing incremental increases in natural gas production from the Sinú-9 Block, the Company saw increases in natural gas sales when compared to the prior quarter while royalties and operating expenses remained steady. Standard quarterly expenses (G&A expenses of $2,677,579, depletion and depreciation expenses of $3,658,403 and net finance expenses of $5,861,484) contributed to an overall net loss for the quarter.

In the second quarter of 2025, the Company had natural gas revenue of $9,910,413, NGL revenue of $63,569, royalties of $3,637,519 and operating costs of $4,746,674. With steady natural gas production coming online from the Sinú-9 Block, the Company saw increases in natural gas sales when compared to the prior quarter as well as associated increases in royalties and operating expenses. Continuing depletion and depreciation expenses, G&A and finance expenses were ongoing factors in the net loss for the quarter. The Company incurred G&A expenses of $2,311,192, depletion and depreciation expenses of $2,386,453 and net finance expenses of $4,129,970.

In the first quarter of 2025, the Company had natural gas revenue of $6,396,556, NGL revenue of $23,887, royalties of $1,083,765 and operating costs of $3,440,679. Continuing depletion and depreciation expenses, G&A and finance expenses were ongoing factors in the net loss for the quarter. The Company incurred G&A expenses of $1,681,621, depletion and depreciation expenses of $1,620,449 and net finance expenses of $3,604,091.

In the fourth quarter of 2024, the Company had natural gas revenue of $8,689,238, NGL revenue of $21,936, royalties of $1,567,721 and operating costs of $3,790,449. Continuing depletion and depreciation expenses, G&A and finance expenses were ongoing factors in the net loss for the quarter. The Company incurred G&A expenses of $2,709,270, depletion and depreciation expenses of $2,235,081 and net finance expenses of $5,487,673.

RECENT ACCOUNTING PRONOUNCEMENTS

IFRS 7 and 9 – Financial Instruments

Effective January 1, 2026, the Company has prospectively adopted *Amendments to the Classification and Measurement of Financial Instruments*, as issued May 2024. The amendments relate to IFRS 7 - *Financial Instruments: Disclosures* and IFRS 9 - *Financial Instruments*. The amendments clarify the timing of recognition and derecognition of financial assets and liabilities. The amendments require opening balances of financial assets, financial liabilities, and retained earnings be adjusted to recognize the effect of the initial application if retrospective application is not selected. The initial application did not result in a material impact to the Financial Statements.

IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 - *Presentation and Disclosure in Financial Statements* ("**IFRS 18**") which will replace IAS 1 and includes requirements for all entities applying IFRS Accounting Standards for the presentation and disclosure of information in the financial statements. IFRS 18 will introduce new totals, subtotals and categories for income and expenses in the statements of comprehensive income, as well as classification changes to the consolidated statements of cash flows. IFRS 18 also requires disclosures of management-defined performance measures ("**MPMs**") and additional requirements regarding the aggregation and disaggregation of certain information. The new guidance is expected to improve the usefulness of information presented and disclosed in the financial statements of companies.

IFRS 18 will be effective for annual reporting periods beginning on or after January 1, 2027, and must be adopted on a retrospective basis. The Company is currently assessing system changes, preparing draft disclosures, and planning comparative restatements ahead of the 2027 effective date.

USE OF ESTIMATES AND JUDGMENTS

The timely preparation of the Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities and income and expenses. Accordingly, actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Significant estimates and judgments made by management in the preparation of the Financial Statements are outlined below.

Significant Judgments in Applying Accounting Policies

The following are the significant judgments that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the Financial Statements:

i) Identification of cash-generating units
Natural gas assets and processing facilities are grouped into cash generating units ("**CGUs**") identified as having largely independent cash inflows and are geographically integrated. The determination of the CGUs was based

on management's interpretation and judgment. The recoverability of development and production asset carrying values is assessed at the CGU level. The asset composition of a CGU can directly impact the recoverability of the assets included therein.

ii) Depletion, depreciation and reserves

Depletion is based on the Proved + Probable natural gas reserves estimates as evaluated in accordance with National Instrument 51-101, *Standards of Disclosure for Oil and Gas Activities* ("**NI 51-101**") and incorporating the estimated future cost of developing and extracting those. The process of estimating reserves is complex. These estimates may change substantially as additional data from ongoing development activities and production performance becomes available and as economic conditions impacting oil and gas prices and costs change. The natural reserve estimates are based on production forecasts, forecasted prices, future development costs and future operating costs. As circumstances change and additional data becomes available, reserve estimates may also change. Estimates made are reviewed and revised, either upward or downward, as warranted by the new information. Revisions of reserve estimates are often required due to changes in well performance, prices, economic conditions and governmental regulations.

Although every reasonable effort is made to determine that reserve estimates are accurate, reserve estimation is an inferential science. As a result, subjective decisions, new geological or production information and a changing environment may impact these estimates. Revisions to reserve estimates can arise from changes in year-end natural gas prices and reservoir performance. Such revisions can be either positive or negative. Changes in reserve estimates impact the financial results of the Company as reserves and estimated future development costs are used to calculate depletion.

iii) Impairment of property, plant and equipment and exploration and evaluation assets

Judgments are required to assess when impairment indicators, or reversal indicators, exist and impairment testing is required. In determining the recoverable amount of assets, in the absence of quoted market prices, impairment tests are based on estimates of reserves, production rates, future oil and natural gas prices, future costs, discount rates, market value of land, transaction values and other relevant assumptions.

iv) Exploration and evaluation assets

The application of the Company's accounting policy for exploration and evaluation assets requires management to make certain judgments as to future events and circumstances as to whether economic quantities of reserves have been found in assessing economic and technical feasibility.

v) Leases

The Company determines whether a contract contains a lease by assessing whether the contract conveys the right to control the use of an identified asset. This requires judgment in evaluating substitution rights and decision-making rights over the asset. The lease liability is measured using the Company's incremental borrowing rate. Determining this rate requires judgment and estimation of the Company's credit risk, lease term, and economic environment.

vi) Share-based payments and warrants

The Company uses the Black-Scholes Option Pricing Model for valuation of share-based payments and warrants. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

vii) Income taxes

The Company conducts business internationally and therefore is required to comply with tax laws and regulations in various tax jurisdictions. Significant judgment, such as the interpretation of tax laws and regulations in each tax jurisdiction are required by management in determining the income tax balances and disclosures. The Company engages independent third-party tax specialists to assist with the interpretation of international tax laws and regulations.

Additionally, judgments are made by management to determine the likelihood of whether deferred income tax assets at the end of the reporting period will be realized from future taxable earnings. To the extent that assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in respect of deferred tax assets as well as the amounts recognized in profit or loss in the period in which the change occurs.

viii) VAT recoverability

Judgment is required by management in evaluating the likelihood of whether or not value added tax ("**VAT**") on purchases is recoverable from the Colombian government.

Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the sources of estimation uncertainty at the end of the reporting period, which have a significant risk of causing adjustments to the carrying amounts of assets and liabilities.

i) Reserves and resource assessment

Proved plus probable natural gas reserves are estimated using independent third-party reserve evaluators reports. The assessment of reported recoverable quantities of Proved + Probable natural gas reserves include estimates based on production forecasts, forecasted prices, future development costs and future operating costs. Additional estimates are made in relation to geological and geophysical models in anticipated recoveries. The economical, geological, and technical factors used to estimate Proved + Probable natural gas reserves and prospective resources may change from period to period. Changes in reported Proved + Probable natural gas reserves and prospective resources can impact the carrying values of the Company's natural gas properties and exploration and evaluation assets and equipment, the calculation of depletion and depreciation, the provision for decommissioning obligations, and the recognition of deferred tax assets due to changes in expected future cash flows.

The Company's Proved + Probable natural gas reserves, represent the estimated quantities of natural gas and natural gas liquids which geological, geophysical, and engineering data demonstrate with a specified degree of certainty to be economically recoverable in future years from known reservoirs and which are considered commercially viable. Such Proved + Probable natural gas reserves may be considered commercially producible if management has the intention of developing and producing them and such intention is based upon: (i) a reasonable assessment of the future economics of such production; (ii) a reasonable expectation that there is a market for all or substantially all the expected natural gas production; and (iii) evidence that the necessary production, transmission and transportation facilities are available or can be made available. Proved + Probable natural gas reserves may only be considered proven and probable if the ability to produce is supported by either actual production or conclusive formation tests. Prospective resources are determined using an externally prepared valuation report which reflects estimated prospective resources and external pricing and costs assumptions reflective of the current market. The Company's Proved + Probable natural gas reserves and prospective resources are determined pursuant to NI 51-101.

The Company uses estimated Proved + Probable natural gas reserves to deplete its natural gas assets included in PP&E, to assess for indicators of impairment on the Company's CGU and if any such indicators exist, to perform an impairment test to estimate the recoverable amount of the CGUs and to assess E&E costs for impairment when transferred to PP&E.

ii) Decommissioning obligations

The Company estimates future remediation costs of production facilities, wells, and pipelines at different stages of development and construction of assets or facilities. In most instances, removal of assets occurs many years into the future. This requires assumptions regarding abandonment date, future environmental and regulatory legislation, the extent of reclamation activities, the engineering methodology for estimating cost, future removal

technologies in determining the removal cost and liability-specific discount rates to determine the present value of these cash flows.

iii) Share-based payments

All equity-settled, share-based awards issued by the Company are recorded at fair value using the Black-Scholes option-pricing model. In assessing the fair value of equity-based compensation, estimates must be made regarding the expected volatility in share price, option life, dividend yield, risk-free rate, and estimated forfeitures at the initial grant date. Share-based payments to non-employees are measured at the date when goods and services are received. Where the fair value of goods and services received cannot be reliably measured, the measure of the goods and services received and the corresponding increase in equity indirectly by reference to the fair value of the equity instruments granted, measured at the date goods are obtained or services rendered. Assessing the fair value based on services rendered are subject to measurement uncertainty given that it is dependent upon obtaining reasonable data as to the value of services rendered or good obtained based on readily available market metrics.

iv) Convertible debentures

The fair value of the liability component of the convertible debentures utilizes observable market data, including interest rates. As a result of changes in key assumptions, actual amounts may vary significantly from estimated amounts.

v) Tax provisions

Tax provisions are based on enacted or substantively enacted laws. Changes in those laws could affect amounts recognized in the period of the change and future periods. In periods of rate change, the Company estimates the period of anticipated reversal of the associated deferred income tax liability to determine the appropriate tax rate to apply to temporary differences. Deferred income tax assets are recognized to the extent future recovery is probable in management's judgment. Deferred income tax assets are reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the asset to be recovered. Deferred income tax liabilities are recognized when it is considered probable that temporary differences will be payable to tax authorities in future periods. Income tax filings are subject to audits and reassessments and changes in facts, circumstances and interpretations of the standards may result in a material increase or decrease in the Company's provision for income taxes.

Risks and Uncertainties

Exploration, development, production of oil and natural gas involves a wide variety of inherent risks because of the geological, social, and economic conditions in the various areas of operation. Therefore, the Company is subject to several financial, operational, and political risks that could have a significant impact on its profitability and levels of operating cash flows. Although the Company assesses and minimizes these risks by applying high operating standards, including careful management, and planning of its facilities, hiring qualified personnel, and developing their skills through training and development programs, these risks cannot be eliminated. Such risks include, but are not limited to:

- risks related to the Common Shares;
- inability to obtain additional capital required to implement business plan; debt matters; operational constraints due to debt;
- rising interest rates;
- limited customer base;
- directors and officers;
- management changes;
- personnel;
- dilution;
- internal controls;

- Forward-Looking Statements may prove inaccurate;
- diversification;
- expansion into new activities;
- climate change; physical risks of climate change;
- income taxes;
- cash from subsidiaries;
- pending or future litigation, arbitration and other regulatory proceedings;
- climate change related litigation;
- technology;
- information technology or cybersecurity;
- breach of confidentiality;
- earnings & accounting estimates;
- Shareholder activism; global financial conditions;
- Pandemic risks;
- Russia-Ukraine conflict;
- The Middle East conflict;
- Venezuela geopolitical and economic conditions;
- Iran conflict;
- foreign location of assets; foreign current exchange rate fluctuations;
- estimated natural gas resources and reserves are based on assumptions that may prove inaccurate;
- E&P Contracts;
- Volatility of pricing for oil and natural gas;
- inability to market natural gas production and change in natural gas sale prices;
- exploration, production and general operational risk;
- replacement reserves;
- minimum work commitments on exploration blocks;
- dependence on operators;
- competition;
- changing investor sentiment about the oil and natural gas industry;
- weakness in the oil and natural gas industry;
- alternatives to/changing demand for petroleum products;
- reputational risk;
- penalties;
- health, safety and environmental risks;
- environmental regulation and risks;
- natural disaster and weather-related risks;
- joint operation risks;
- gathering and processing facilities and pipeline systems;
- operational risks with pipelines;
- delays in production, marketing and transportation;
- difficulty transporting and distributing production;
- drilling costs and availability of equipment;
- drilling wells could result in liabilities;
- decommissioning costs;
- insurance;
- uninsurable risks;
- inflation and cost management;
- oil and natural gas companies in Colombia do not own any of the oil and natural gas reserves in the country;
- unforeseen title defects;
- seizure or expropriation of assets;

- risks of foreign operations;
- royalty regimes;
- risks associated with geographically concentrated operations;
- oil & natural gas industry in Colombia is less developed; operations in emerging market economic and legal risks;
- economic and political developments in Colombia;
- political uncertainty in Colombia, Canada and elsewhere;
- extensive controls and changes in laws and regulations;
- corruption;
- money laundering and other illegal and improper activities;
- delays in obtaining environmental and other licenses;
- land, communities, prior consultation and zoning restrictions;
- activities in areas classified as Indigenous reserves and Afro-Colombian lands;
- social disruptions and instability;
- sanctions by the US on Colombia;
- US-Colombia Trade Tensions;
- Canada's relations with Colombia;
- Ecuador-Colombia reciprocal tariffs; and
- violence and instability in Colombia.

If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Company is currently aware or which it considers to be material in relation to the Company's business occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the prices of the Company's securities could decline, and investors may lose all or part of their investment.

Readers are encouraged to read and consider the risk factors listed above, which are more specifically described in the Company's AIF, which is available on the Company's profile on SEDAR+ at www.sedarplus.ca. Such risk factors could materially affect the future operating results of the Company and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

REGULATORY POLICIES

Disclosure Controls and Procedures

Disclosure Controls and Procedures ("**DC&P**") are designed to provide reasonable assurance that all material information is gathered and reported on a timely basis to senior management so that appropriate decisions can be made regarding public disclosure and that information required to be disclosed by the issuer under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation. The Chief Executive Officer ("**CEO**") and Chief Financial Officer ("**CFO**"), along with other members of management, have designed, or caused to be designed under the CEO and CFO's supervision, DC&P and established processes to ensure that they are provided with sufficient knowledge to support the representations made in the interim certificates required to be filed under National Instrument 52-109.

Internal Controls over Financial Reporting

The CEO and CFO, along with participation from other members of management, are responsible for establishing and maintaining adequate Internal Control over Financial Reporting ("**ICFR**") to provide reasonable assurance regarding the reliability of financial statements prepared in accordance with IFRS Accounting Standards. During the nine months ended September 30, 2026, there has been no change in the Company's ICFR that has materially affected, or is reasonably likely to materially affect, the Company's ICFR.

Limitations of Controls and Procedures

The Company's management, including its CEO and CFO, believe that any DC&P or ICFR, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

ARBITRATION PROCEEDINGS

In February 2026, arbitration proceedings concluded before the London Court of International Arbitration in relation to a dispute initiated by a certain royalty holder (the "**Claimant**") wherein the Company and certain wholly-owned subsidiaries were named as respondents. The Claimant alleged that the Company has failed to fulfill their obligations under the pertinent gross overriding royalty agreement to the detriment of Claimant's rights and interests, including $2.3 million in outstanding royalty payments plus interest payments, most of which balance has been paid by the Company to the Claimant in 2026. The other claims alleged losses suffered by the Claimant based on the failure to acknowledge alleged rights of first refusal or rights of assignment, or due to modifications to the Maria Conchita E&P Contract that were allegedly to the detriment of the Claimant. While the Company has never refuted the obligation for the outstanding royalties owed to the Claimant, the Company has disputed these other claims during the arbitration proceedings and maintained that they are without merit.

In a ruling communicated in July 2026 by the London Court of International Arbitration to each of the Claimant and the Company, the arbitrator has dismissed each of the other claims for alleged losses suffered by the Claimant beyond outstanding royalties owed made by the Claimant. As such, the only pending matter remaining from the arbitrator is the final determination of total outstanding royalties owed and potential late payment interest. The Company has never refuted the obligation for the outstanding royalties, which have been continually accrued for and presented within the Company's consolidated financial statements since the moment that such royalties were first owed, with several royalty payments having been completed to the Claimant during the 2026 year. The Company currently awaits the arbitrator's assessed calculation of royalties and interest owed for comparison to those royalties calculated, accrued and/or already paid by the Company to the Claimant.

FINANCIAL AND OTHER INSTRUMENTS

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks and the Company's objectives, policies and processes for measuring and managing these risks, and the Company's management of capital. The Board has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities.

Credit risk

Credit risk reflects the risk of loss if counterparties do not fulfill their contractual obligations. The carrying amount of cash and cash equivalents, deposits in escrow, accounts receivable, tax instalments and receivable, VAT receivable and restricted cash represent the maximum credit exposure. As at September 30, 2026, the Company had $46,559 (December 31, 2025 - $62,894) in restricted cash towards office lease arrangements.

As at September 30, 2026, the Company had $14,174,361 (December 31, 2025 - $7,421,689) in accounts receivable, which are substantially made up of 1) receivables with customers in the oil and gas industry and are subject to normal industry credit risks, and 2) receivables owed by joint operation partners to the Company for joint operations managed under joint operating agreements. Tax instalments and receivables of $1,639,515 (December 31, 2025 - $9,662,649) constitute income tax remittances paid to Colombian tax authorities to be utilized against taxes assessed to the Company in future years. The Company does not consider any of its receivables past due. For the nine months ended September 30, 2026, the majority of the Company's natural gas sales were to four counterparties. The Company historically has not experienced any collection issues with its customers.

The Company maintained a VAT receivable balance of $2,239,138 as of September 30, 2026 (December 31, 2025 - $1,993,214), which is classified as a non-current asset. The Company considers these VAT balances to be collectible in the future as such VAT amounts will be utilized to offset future VAT charged on sales realized by the Company on future oil and condensate production that would otherwise be required to be paid to the Colombian tax authorities.

As at September 30, 2026, the Company held cash and cash equivalents of $41,668,352 (December 31, 2025 - $6,846,233). The Company manages the credit exposure related to cash and cash equivalents by ensuring counterparties (e.g., banks) maintain satisfactory credit ratings and monitors all investments to ensure a stable return.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due and describes the Company's ability to access cash. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient cash resources to finance operations, fund capital expenditures, and to repay debt and other liabilities of the Company as they come due without incurring unacceptable losses or risking harm to the Company's reputation. The Company's processes for managing liquidity risk include preparing and monitoring capital and operating budgets, coordinating and authorizing project expenditures, and the authorization of contractual agreements. The Company seeks additional financing based on the results of these processes. The budgets are updated when required as conditions change.

The following table outlines the contractual maturities of the Company's financial liabilities at September 30, 2026:

	Within 1 Year	Year 2	Years 3-5	Thereafter	Total
Trade accounts payable	12,520,739	-	-	-	12,520,739
Royalties payable	6,489,361	-	-	-	6,489,361
Capital payables	10,868,327	-	-	-	10,868,327
Joint operation payables	4,662,853	-	-	-	4,662,853
Consideration payable	15,246,000	-	-	-	15,246,000
Lease obligation payments [1]	2,445,050	2,355,050	6,844,085	8,618,784	20,262,969
Convertible debentures - interest	574,838	-	-	-	574,838
Convertible debentures - principal [1]	11,246,828	-	-	-	11,246,828
Macquarie Debt - interest [2]	2,159,210	790,909	53,899	-	3,004,018
Macquarie Debt - principal [1]	12,545,454	8,636,364	1,818,182	-	23,000,000
	78,758,660	**11,782,323**	**8,716,166**	**8,618,784**	**107,875,933**

(1) Represents undiscounted face value of debt balances and lease obligations outstanding as of each respective date presented.
(2) Presumed interest rate of 11.6% over the remaining life of the debt.

Market risk

Market risk is the risk or uncertainty that changes in price, such as commodity prices, foreign exchange rates, and interest rates will affect the Company's net earnings and the value of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns. From time to time, the Company may utilize financial derivative contracts to manage market risks in accordance with the risk management policy that has been approved by the Board of Directors. There were no financial derivative contracts or embedded derivatives outstanding at September 30, 2026, nor at December 31, 2025.

Commodity price risk

Commodity price risk is the risk that the fair value of the future cash flows will fluctuate as a result of changes in commodity prices. Commodity prices for natural gas are affected not only by the United States dollar, but also by world economic events that dictate the levels of supply and demand. The Company's natural gas revenue is derived from natural gas production on the Maria Conchita Block and Sinú-9 Block.

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign currency exchange rates. Some of the Company's business transactions and commitments occur in currencies other than US dollars. A portion of the Company's oil and natural gas activities in Colombia transact in Colombian Peso (COP$). In addition, the majority of the Company's financing and a portion of the administrative costs will be based and paid in Canadian dollars and COP$. Therefore, the Company is exposed to the risk of fluctuations in foreign exchange rates between US dollars, COP$ and Canadian dollars.

As at September 30, 2026, the Company had not entered into any foreign currency derivatives to manage its exposure to currency fluctuations, nor were there any foreign currency derivatives as at the previous year ended December 31, 2025.

Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in prevailing market interest rates. Fluctuations of interest rates for the three and nine months ended September 30, 2026 and 2025, would not have had a significant impact on cash and cash equivalents and short-term investments. The Company's convertible debentures bear interest at a fixed rate of 8% and are therefore not exposed to changes in market interest rates. The Macquarie Debt bears interest at a floating rate based on the Secured Overnight Financing Rate ("SOFR") plus an applicable margin; as such, changes in SOFR will affect the interest payable by the Company on the Macquarie Debt.

READER ADVISORIES

Forward-Looking Statements

This MD&A may include forward-looking statements including opinions, assumptions, estimates and management's assessment of future plans and operations, financial projections, capital expenditures and the timing and funding thereof. When used in this document, the words "anticipate," "believe," "estimate," "expect," "intent," "may," "project," "plan", "should" and similar expressions are intended to be among the statements that identify forward-looking statements. Forward-looking statements are subject to a wide range of risks and uncertainties, and although the Company believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will be realized. Any number of important factors could cause actual

results to differ materially from those in the forward-looking statements including, but not limited to, risks associated with oil and natural gas exploration, development, exploitation, production, marketing and transportation, the volatility of oil and natural gas prices, currency fluctuations, the ability to implement corporate strategies, the state of domestic capital markets, the ability to obtain financing, incorrect assessment of the value of acquisitions, failure to realize the anticipated benefits of acquisitions, changes in oil and natural gas acquisition and drilling programs, delays resulting from inability to obtain required regulatory approvals, delays resulting from inability to obtain drilling rigs and other services, labour supply risks, environmental risks, competition from other producers, imprecision of reserve estimates, changes in general economic conditions, ability to execute farm-in and farm-out opportunities, and other factors, all of which are more fully described under the caption "*Risk Factors*" in the Company's AIF, which is available for review on the Company's profile on SEDAR+ at www.sedarplus.ca.

Management believes that the expectations reflected in the forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct. Such forward-looking information included in this MD&A should not be unduly relied upon as the plans, assumptions, intentions, or expectations upon which it is based may not occur. Actual results or events may vary from the forward-looking information.

In particular, this MD&A may contain forward-looking information pertaining to the following:

- the resource potential of the Company's assets;
- the Company's strategy and opportunities;
- performance characteristics of the Company's oil and gas properties and estimated capital commitments and probability of success;
- gas production and recovery estimates and targets;
- the existence and size of gas reserves and resources;
- the Company's drilling plans;
- capital expenditure programs and estimates, including the timing of activity;
- the Company's plans for, and results of, exploration and development, activities, and factors that may affect such activities;
- projections of cash flow, market prices and costs;
- the supply and demand for natural gas and oil;
- the expected execution and terms of new natural gas supply contracts;
- expectations regarding the ability to raise equity and debt capital on acceptable terms and to add continually to reserves through acquisitions and development, including the ability to negotiate and complete the agreements contemplated in this MD&A;
- the timing for receipt of regulatory approvals; and
- treatment of the Company under governmental regulatory regimes and tax laws.

The purpose of providing any financial outlook in this MD&A is to illustrate how the business of the Company might develop without the benefit of specific historical financial information. Readers are cautioned that this information may not be appropriate for other purposes.

The forward-looking information herein is based on certain assumptions and analysis by the management of the Company considering its experience and perception of historical trends, current conditions and expected future developments and other factors that it believes are appropriate and reasonable under the circumstances. The forward-looking information herein is based on several assumptions, including but not limited to:

- the availability on acceptable terms of funds for capital expenditures;
- the availability in a cost-efficient manner of equipment and qualified personnel when required,
- continuing favorable relations with Colombian governmental agencies;
- continuing strong demand for natural gas and oil;
- the stability of the regulatory framework governing royalties, taxes and environmental matters in Colombia and any other jurisdiction in which the Company may conduct its business in the future;
- the Company's future ability to market production of natural gas or oil successfully to customers;

- the Company's future production levels and natural gas and oil prices;
- the applicability of technologies for recovery and production of the Company's natural gas reserves or resources, as applicable;
- the existence and recoverability of any gas reserves;
- geological and engineering estimates in respect of the Company's resources and reserves;
- the geography of the areas in which the Company is exploring; and
- the impact of increasing competition on the Company.

The actual results, performance and achievements of the Company could differ materially from those anticipated in these forward-looking statements as a result of the risks and uncertainties set forth elsewhere in the MD&A and the risks and uncertainties more specifically described in the Company's AIF, which is available on the Company's profile on SEDAR+ at www.sedarplus.ca.

Readers are cautioned that the foregoing lists of assumptions, risks and uncertainties are not exhaustive; there may be other factors that cause actions, events, or results not to be anticipated, estimated or intended. The forward-looking information contained in this MD&A is expressly qualified by this cautionary statement. The forward-looking information speaks only as of the date of this MD&A, and the Company does not undertake any obligation to publicly update or revise any forward-looking information if circumstances or management's estimates or opinions should change except as required by applicable securities laws.

To the extent any forward-looking statement in this MD&A constitutes "future-oriented financial information" or "financial outlooks" within the meaning of applicable Canadian securities laws, such information is being provided to give the reader a more complete understanding the Company's current operations and to assist in understanding potential future developments and the reader is cautioned that this information may not be appropriate for any other purpose and the reader should not place undue reliance on such future-oriented financial information and financial outlooks. Future-oriented financial information and financial outlooks, as with forward-looking statements generally, are, without limitation, based on the assumptions and subject to the risks set out above under this "Forward-Looking Statements". The actual financial position and results of operations of the Company may differ materially from management's current expectations and, as a result, the Company's revenue and expenses may differ materially from the revenue and expenses profiles provided in this MD&A. Such information is presented for illustrative purposes only and may not be an indication of the Company's actual financial position or results of operations.

Prospective investors are cautioned not to put undue reliance on forward-looking statements, and investors should not infer that there has been no change in the Company's affairs since the date of this MD&A that would warrant any modification of any forward-looking statement made in this document, other documents periodically filed with or furnished to the relevant securities regulators or documents presented on the Company's website. All subsequent written and oral forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by this notice. The Company disclaims any intent or obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of assumptions or factors, whether as a result of new information, future events or otherwise, subject to the Company's disclosure obligations under applicable Canadian securities regulations. Investors are urged to read the Company's filings with Canadian securities regulatory agencies, which are available for review under the Company's SEDAR+ profile at www.sedarplus.ca.

Information Regarding the Company's Working Interest Disclosure

With regard to the Company's working interests held in both the Maria Conchita Block and the Sinú-9 Block, which are held by Operadora NG Energy Sucursal Colombia (formerly MKMS Enerji Sucursal Colombia) ("**Operadora Colombia**"), the Colombian branch of the Company's indirect wholly-owned subsidiary, Operadora NG Energy International, S.A. (formerly, MKMS Enerji Anonim Sirketi S.A.) ("**Operadora**"), the term "working interest" ultimately refers to the rights and obligations agreed to, eventually, materialize a contractual interest in the exploration and production contract before the ANH, subject to the fulfillment of certain conditions. These conditions involve the assumption of financial risks and are generally linked to exploration by virtue of joint operating

agreements. Once such conditions are fulfilled, the acquisition of a registered contractual interest, as party of record, in the respective exploration and production contracts may materialize, by way of a request for approval of assignment before the ANH. For this reason, as is common practice within the oil and natural gas industry as a whole, the disclosed "working interest" may not coincide with the Company's current contractual interest in the exploration and production contract.

The assignment and allocation of "working interests" does not affect or undermine, in any way, the rights and obligations of registered parties under the relevant exploration and production contracts. Registered parties, such as Operadora, remain wholly and totally liable before the ANH, the Colombian authorities and third parties in connection with any and all obligations, risks and liabilities derived from the execution, performance or termination of exploration or production contracts. Conversely, the rights and obligations that comprise "working interests" are only enforceable *vis a vis* between the executing parties under private agreements, and have no legal effects before the ANH, the Colombian authorities or third parties.

As of the date hereof, with respect to the Sinú-9 Block, the Company (through Operadora and Operadora Colombia) is a party of record and holds a 39% contractual interest in the Sinú-9 E&P Contract (as such term is defined in the Company's AIF) with the remaining 61% contractual interest held by M&P.

With respect to the Maria Conchita Block, the Company (through Operadora and Operadora Colombia) holds 100% of the contractual interest as the sole party and operator of record under the Maria Conchita E&P Contract (as such term is defined in the Company's AIF) and holds an 80% working interest under private agreements with third parties.

PRESENTATION OF OIL AND GAS RESERVES, RESOURCES AND PRODUCTION INFORMATION

Caution Respecting Reserves Information

The determination of oil and natural gas reserves involves the preparation of estimates that have an inherent degree of associated uncertainty. Categories of Proved, Probable and Possible reserves have been established to reflect the level of these uncertainties and to provide an indication of the probability of recovery. The estimation and classification of reserves requires the application of professional judgement combined with geological and engineering knowledge to assess whether specific reserves classification criteria have been satisfied. Knowledge of concepts including uncertainty and risk, probability and statistics, and deterministic and probabilistic estimation methods is required to properly use and apply reserves definitions.

The recovery and reserve estimates for natural gas liquids ("NGLs") and natural gas reserves provided herein are estimates only. Actual reserves may be greater than or less than the estimates provided herein. The estimated future net revenue from the production of the disclosed natural gas reserves does not represent the fair market value of these reserves.

Caution Regarding Use of Barrels of Oil Equivalent (BOEs)

BOEs/boes may be misleading, particularly if used in isolation. A boe conversion ratio of six Mcf to one bbl 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.

Oil and Gas Definitions

Certain terms and abbreviations used in this MD&A, but not defined or described, are defined in NI 51-101 or the Canadian Oil and Gas Evaluation Handbook ("**COGE Handbook**") and, unless the context otherwise requires, shall have the meanings herein as in NI 51-101 or the COGE Handbook.

Abbreviations

$/bbl	*dollars per barrel*
$/boe	*dollars per barrel of oil equivalent*
$/Mcf	*dollars per thousand cubic feet*
bbl	*barrel*
bbl/d	*barrels per day*
bcf	*billion cubic feet*
boe	*barrel of oil equivalent*
boe/d	*barrel of oil equivalent per day*
km	*kilometer*
Mcf	*thousand cubic feet*
Mcf/d	*thousand cubic feet per day*
Mbbl	*thousand barrels*
MMbbl	*million barrels*
MMboe	*million barrels of oil equivalent*
MMcf	*million cubic feet*
MMcf/d	*million cubic feet per day*
NGLs	*natural gas liquids*
m^3	*Cubic meters*
NPV_{10}	*Net present value using a 10% discount rate*