



# Corporate Presentation

June 2026

# Cash-Flow Funded Base with Option on Multi-Billion Barrel Oil Shale Resources

## Integrated oil shale company producing over 5,200 boe per day

- 3,900 boe per day from oil shale with next-gen technology and billion barrels + oil in place
- 1,300 boe per day from conventional assets

## Realizing value from a giant gas discovery in Quebec, Eastern Canada

- Pursuing a business and political solution while protecting legal rights

## Dual Class Structure – Common & Preferred Shares

- Preferred Shareholders own Quebec assets – Euronext Growth listing
- Common Shareholders own all other assets - Oslo Bors and TSX listed (QEC)



## Brazil

Integrated oil shale mining and refining operations



## Utah

Patented technology and large oil resource through Red Leaf subsidiary



## Kingdom of Jordan

Significant oil shale deposit being assessed for commercial development



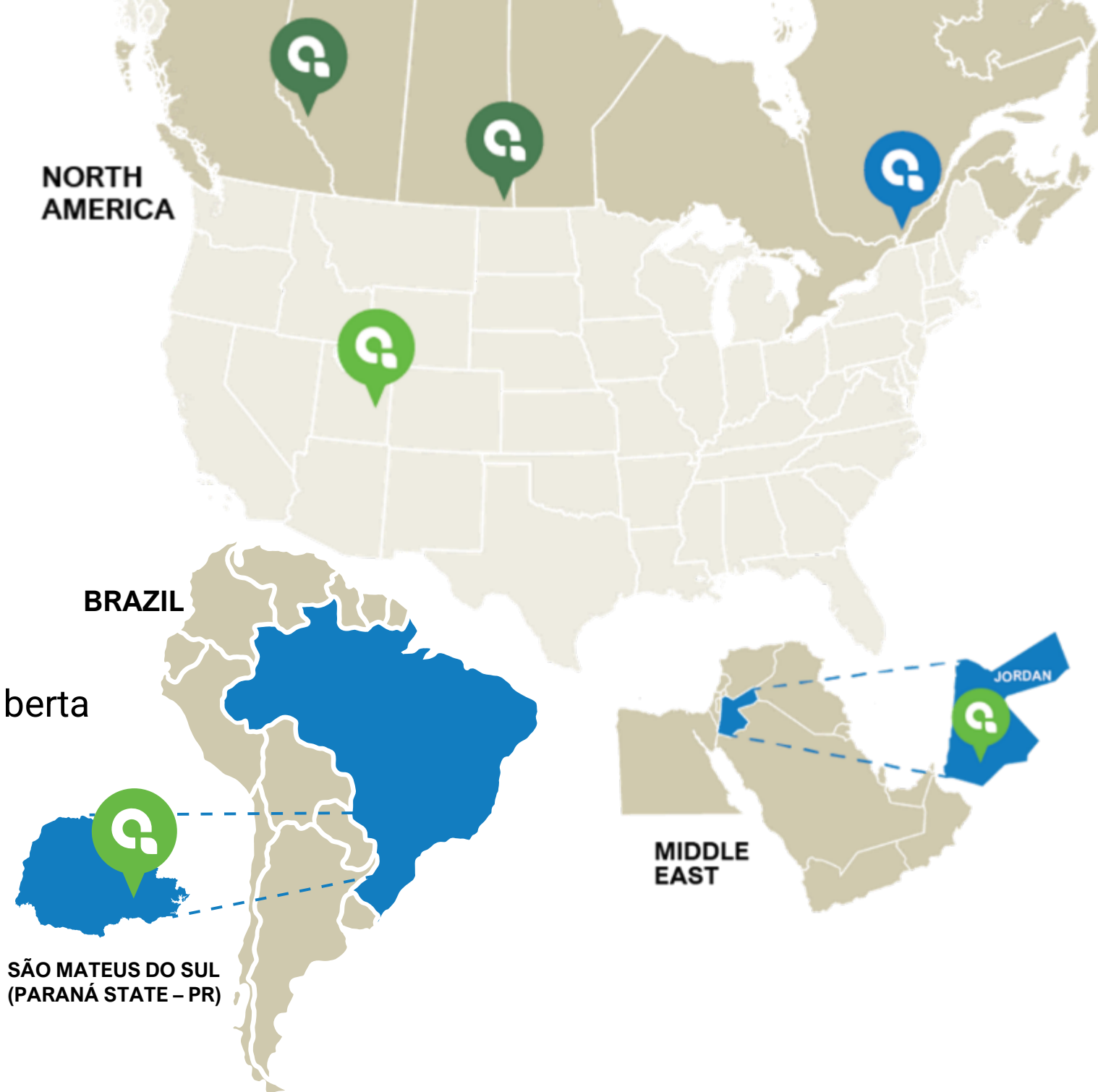
## Western Canada

Condensate-rich Montney resource in Alberta  
Proven Torquay/Spearfish tight oil in Saskatchewan and Manitoba



## St. Lawrence Lowlands, Quebec

Seeking value for a giant natural gas discovery



# Financial and operational overview

For the quarter ended March 31, 2026

## Operating and Financial Results

Adj. Funds Flow from Operations (\$)	\$ 20.8 million
Capital Expenditures (\$)	\$ 1.8 million
Working Capital Deficit (\$)	\$ 49.6 million
Credit Facility (undrawn) (\$)	\$ 16 million
Production (boe/d)	6,180
Oil + Liquids Weighting	72%
Revenue (\$/boe)	89.47
Operating Netback (\$/boe)	41.14

## Capitalization and Liquidity (Common Shares)

Market Capitalization (June 10, 2026)	\$ 120 million	
Long Term Debt (March 31, 2026)	\$ 110 million	
Enterprise Value	\$ 230 million	
Insiders	32,818,825	7%
Free Float	419,394,629	93%
Total	452,213,454	
Stock Options Outstanding (avg. \$0.25)	41 million	
Daily Trading Volume	1.2 million	

All financial amounts in C\$. Please refer to Financial Statements and Management's Discussion and Analysis for the quarter ended March 31, 2026, filed on SEDAR+.

# First Quarter 2026 Recap

# Brazil Take-or-Pay Contracts Protect Cash Flow

Shortfalls are billed, collected and included in Adjusted Funds Flow from Operations (AFFO)

## Customers pay for shortfalls

Firm contracts require payment for any unfulfilled volumes - collected in cash within 10 -30 days of billing.

## 95% of fuel oil under contract

80% of revenue, with two of Brazil's top-five distributors.  
Priced at Petrobras posted price with applicable discounts

## In AFFO, not revenue

IFRS recognizes revenue only on physical delivery of products  
Deferred take-or-pay cash included in AFFO

## Liability settled per contract

Costs are recorded as current liabilities until settlement is finalized.  
Settlement would reflect PX Energy costs including storage, curtailment and other expenses.

~4,000 boe/d in Q1 2026, down from 4,400 boe/d prior quarter

## Brazil fuel oil – volumes (tonnes)



Sales fell **540 boe/d below the contractual minimum**, an underlift that customers are still obligated to pay for, with cash collected in accordance with terms.

## First Quarter 2026 - Oil production vs sales

	Tonnes	boe/day
Minimum volumes	31,000	2,273
Gross production	37,274	2,733
(-) Internal consumption	(7,036)	(516)
<b>= Available for sale</b>	<b>30,238</b>	<b>2,217</b>
Total sales volumes	(28,707)	(2,105)
<b>= Inventory movement</b>	<b>1,531</b>	<b>112</b>
<b>Underlifted minimums</b>	<b>7,370</b>	<b>540</b>

Production is curtailed when minimums aren't met because storage is limited, but the contract value is preserved, not lost.

# Reconciling Net Loss to Adjusted Funds Flow: A Paper Loss, but a Record Cash Quarter

Adjusting for the non-cash accounting charges and the business was strongly cash-generative

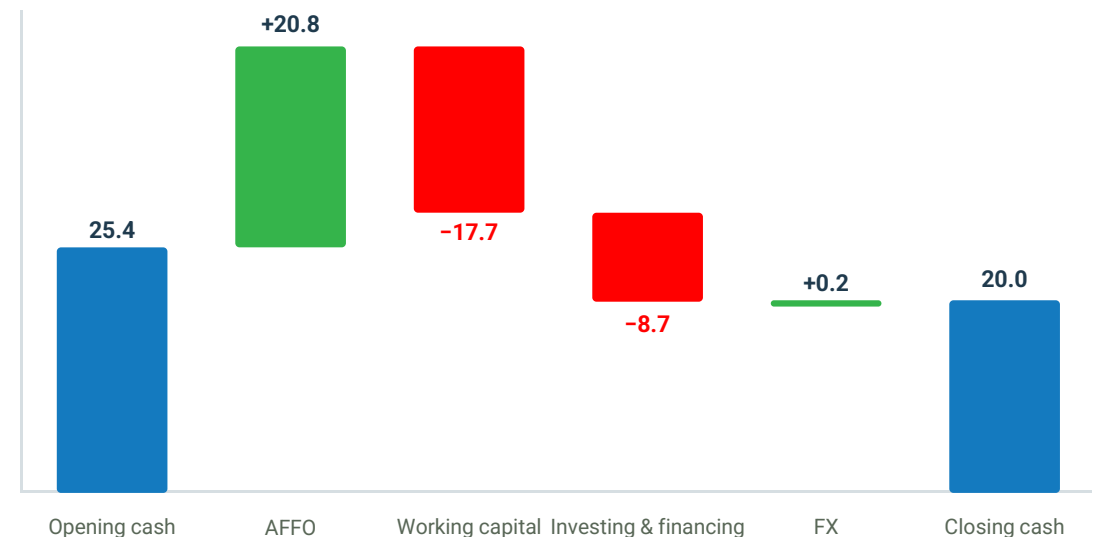
## 1 ARE WE GENERATING CASH? Net loss → Adjusted Funds Flow

<b>Reported net loss</b> on an IFRS accounting basis	<b>-C\$17.8M</b>
<b>Add-back non-cash accounting charges</b> Depletion, SBC 15.9M Embedded derivative & Risk Mgmt 10.6M Deferred tax 5.4 M	<b>+C\$31.9M</b>
<b>Add deferred sales in period</b>	<b>+C\$6.7M</b>
<b>Adjusted Funds Flow</b> our strongest quarter ever	<b>+C\$20.8M</b>

Cost reduction initiatives are on track with further optimization planned for remainder of 2026.

Cash bridge in C\$ millions. Adjusted Funds Flow from Operations is a non-IFRS measure; see MD&A for reconciliation. Refer to the Q1 2026 Financial Statements and MD&A filed on SEDAR+.

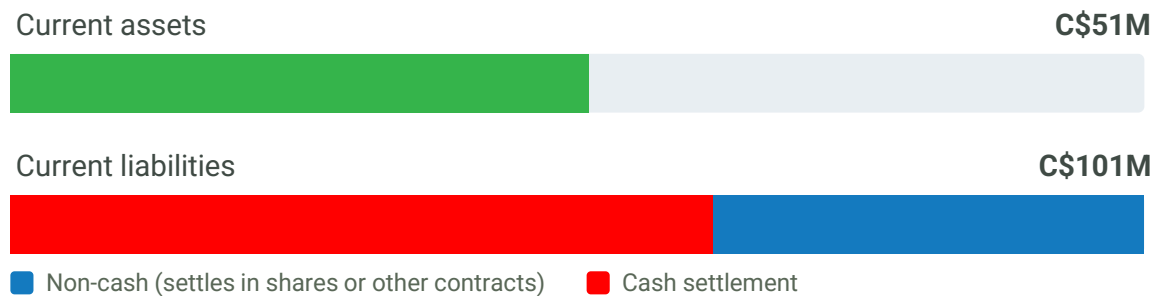
## 2 RECONCILING Adjusted Funds Flow → Cash



The cash we generated was **used to reduce the working capital deficit, and for investing and financing activities**. That's why closing cash (C\$19.9M) sits near opening cash (C\$25.4M) despite a record operating quarter.

# Working Capital Deficit

## Current assets & current liabilities (C\$ million)



**Working capital deficit C\$49.6M**

**38%** To be settled in shares or other contract terms

## Current Liabilities not settled in cash

Component	C\$M	%	Settles in
PX Energy acquisition (SPAC & convertible notes)	22.8	59%	Shares
Deferred revenue (take-or-pay)	8.8	22%	Contract terms
Pending share issuance to PX Energy vendors & Red Leaf share holders	6.0	16%	Shares
Embedded Derivative related to bonds	1.0	3%	N/A –fair value

**C\$23.5M** Proceeds from Kakwa Central sale (closed May 1) reduces working capital deficit in Q2 2026

## Working capital by segment – excluding intercompany amounts (C\$ million)

	Canada & Other	Brazil (ring-fenced)	Consolidated
Current assets	18.7	32.3	51.0
Current liabilities	(10.9)	(89.7)	(100.6)
<b>Working capital surplus / (deficit)</b>	<b>7.8</b>	<b>(57.4)</b>	<b>(49.6)</b>

Brazil's deficit is **ring-fenced** to that segment. Canada & Other is in surplus on a standalone basis.

# Secured Debt

**Face Value C\$110M** (US\$80M)

**PIK** all 2026 interest added to principal

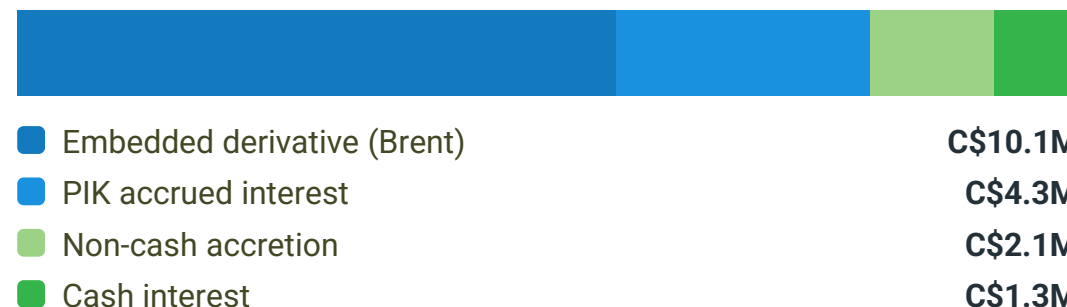
**No** parental guarantees or obligations

## Secured bonds: reconciling carrying value to face value (000s)

Secured bonds	C\$	US\$
Carrying value at March 31, 2026	116,875	85,310
Less: fair value of embedded derivative	(10,113)	(7,382)
Less: interest Q1 2026	(4,281)	(3,125)
<b>Principal carrying value at March 31, 2026</b>	<b>102,481</b>	<b>74,804</b>
Future accretion (Apr 1, 2026 – Apr 28, 2028)	7,119	5,196
<b>Face value at maturity</b>	<b>109,600</b>	<b>80,000</b>
Outstanding interest at March 31, 2026	4,281	3,125

## Q1 2026 finance expense: C\$17.9M

**C\$1.3M** cash interest, the rest is non-cash



The Brent-linked rate is an embedded derivative fair-valued each quarter on future prices, no cash impact until interest is determined by actual prices. Accretion lifts carrying value toward face value at maturity and is non-cash.

# Market Outlook for PX Energy oil sales

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## Local market dynamics are shifting

Higher prices are attracting lower-quality competing products – e.g. recycled fuel oil at 25–30% lower prices than PX Energy.

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## Supporting a long-standing customer

An 8+ year contract holder is challenged to meet minimums – we're collaborating on fixed-price sales and other arrangements.

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## Diversifying the customer base

Pursuing new markets including international sales, marine fuels and blending opportunities is a top priority.

Higher oil prices and cash from deferred sales in quarter are expected to more than offset lower sales volumes.

Outlook statements are forward-looking; actual results may differ. Refer to the Q1 2026 Financial Statements and MD&A filed on SEDAR+.



PX Energy operations, Brazil

## One of the largest undeveloped oil resources globally

- Four trillion barrels in United States alone<sup>(1)</sup>
- Targeting over 8 billion barrels in place with existing projects

## No large-scale development to date with high costs and high water usage<sup>(2)</sup>

- Development to date in niche markets (e.g. Estonia for power)

## Red Leaf technology is key to strategy

- capex and opex estimated at less than US\$30 per barrel
- Integrates carbon capture and no external water or energy needed for process
- Produce oil from other organic material e.g. plastics, wood waste, etc.

# The Vision: Turn Billions of Barrels of Oil in Place to Resources and Reserves



(1) <https://www.usgs.gov/centers/central-energy-resources-science-center/science/oil-shale>

(2) [https://en.wikipedia.org/wiki/Oil\\_shale\\_economics](https://en.wikipedia.org/wiki/Oil_shale_economics)

# Executing the Strategy: Bridging the Gap from Concept to Production

**PX Energy acquisition provides integrated oil shale platform with mining, production and refining operations**

**Consolidated Red Leaf ownership to advance proprietary technology on its oil shale assets**

## **Next Steps:**

- Restructuring PX Energy into a positive cash flow company
  - On track to reduce operating costs from US\$57 per produced boe in 2025 to US\$47 per boe in 2026
- Develop platform to prove new Red Leaf technology through a scale commercial pilot and ultimately full commercial scale





# PX Energy An Integrated Oil Shale Platform



## An integrated oil shale operation

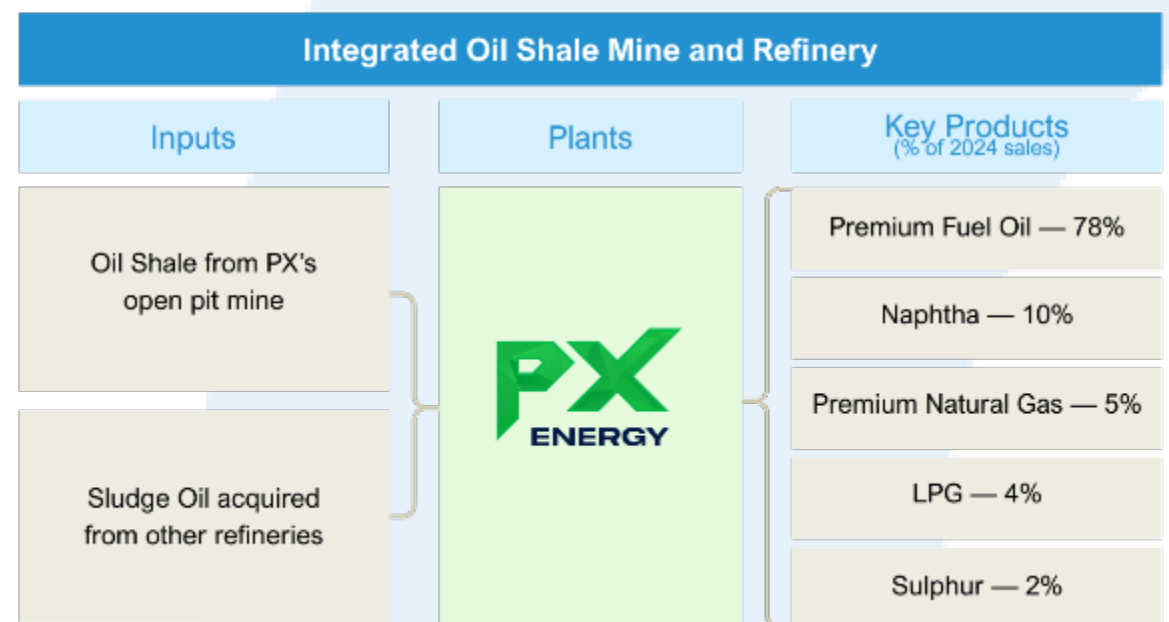
- Mining, production and refining with ~US\$100 million in revenue over last two years<sup>(1)</sup>
- Three decades+ of operating history with strong safety culture

## 3,900 boe per day of production

- Main product is fuel oil that sells for a 10% premium to Brent
  - Run-up in prices is suppressing demand and promoting cheaper alternatives
    - Working with customer to meet their take or pay contracts
- Value added processing - oil sludge waste from third party refineries – growth opportunity

## Acquisition funded with contingent equity and US\$90 million in non-recourse debt

- Secured Bond Restructuring - PIK interest in 2026, Brent-linked interest and tenure extension to 2030



(1) <https://pxenergy.com.br/wp-content/uploads/2025/05/2024-Forbes-Resources-Brazil-Holding-S.A.-audited-report-EN.pdf>

# A Clear Path to Profitability



**Transform a break-even operation to profitability at US\$55 per barrel Brent**

- \$8 million in cost cutting in 2026 and a further \$8 million targeted for 2027

**Cost cutting initiatives implemented in 2026**

- Renegotiated power contracts
- Vendor consolidation for equipment maintenance
- Labor Rationalization

**Reduced finance charges by over \$1 million on outstanding taxes**

# Near-Term Growth Prospects and Future Opportunities

## Limestone

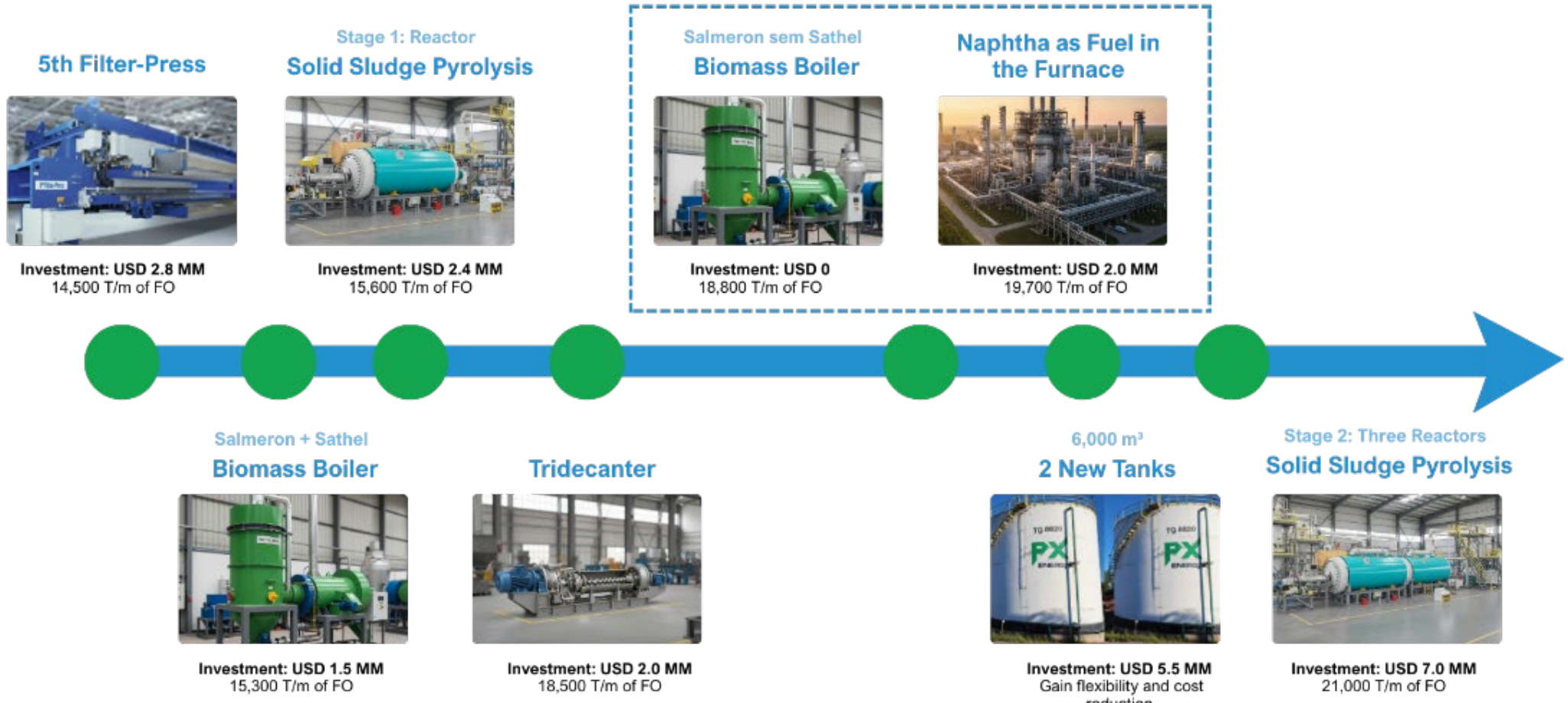
Monetizing a mining byproduct to reduce mining costs with profit-sharing on sales

## Oil Sludge Expansion

Diversify and grown supply while expanding processing capacity for high margin business

## Strategic joint venture

Partnership opportunity with major fuel distributor on imports, gasoline blending and building distribution hub



# Next Steps

## Focus on cost cutting while prioritizing safety and operational effectiveness

Cost cutting generates cash flow to de-lever financially and build balance sheet capacity to fund a pilot project for Red Leaf technology

## Long term test of HCCO technology to reduce internal fuel costs and improve energy efficiency



# Red Leaf Resources Inc.

## A breakthrough technology

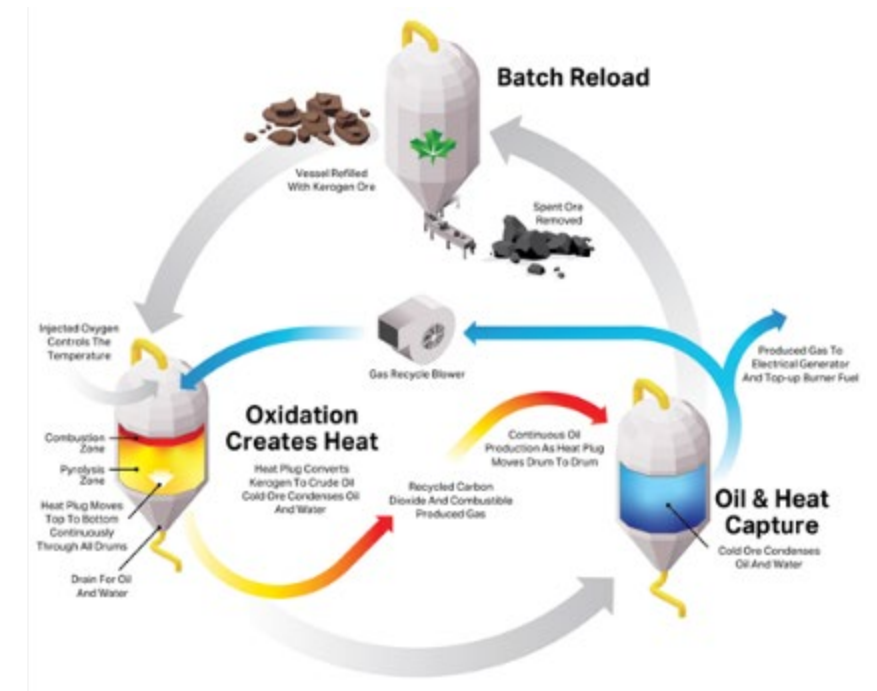
- Very few moving parts and high thermal efficiency = step change in capex and opex estimates of <US\$30 per barrel
- Built in carbon capture and no water or external energy needed for process
- Over 20 patents in place and pilot validated

## Next Step: Small Scale Demonstration

- Demonstration project for 300–500 barrels per day in Brazil or Kingdom of Jordan

## Future Opportunity

- Existing oil shale resources in Utah
- Applying for an MOU for a project with 7 billion barrels of discovered resource in Jordan<sup>(1)</sup>



Large-Scale Lab Pilot Facility, Utah

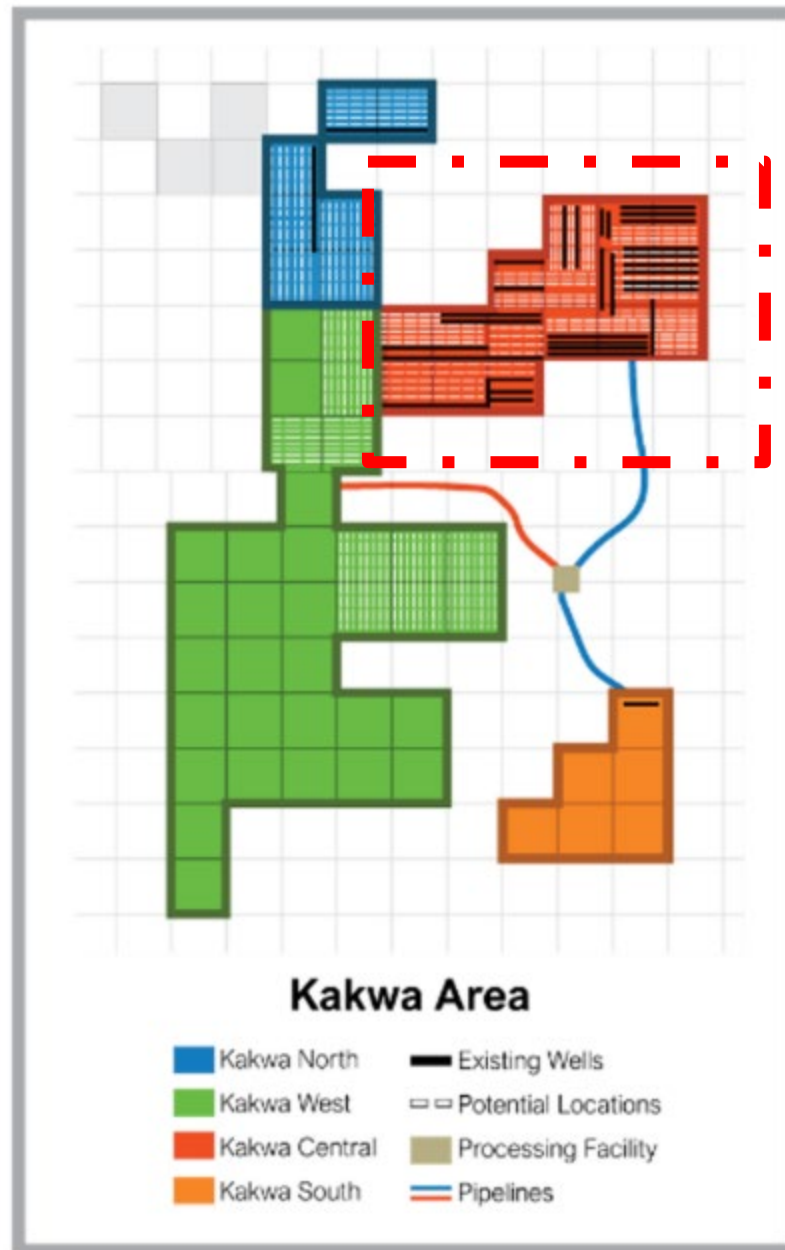
(1) There is no certainty that it will be commercially viable to produce any portion of the resources. Please reference the Annual Information Form for the year ended December 31, 2016, and dated March 24, 2017, as filed under the Corporation's profile on [www.sedarplus.ca](http://www.sedarplus.ca). Millcreek Resource Assessment effective September 30, 2016. See "Forward-Looking Information" and "Resource Disclosure".



# **Western Canada**

## **A base of production and cash flow**





## Current Production

- 1,300 boe per day mainly from condensate rich Montney at Kakwa, Alberta
- Follows divestiture of 650 boe per day for \$23.5 million in cash effective May 1, 2026

## Capital Discipline

- Operators maintaining pace of development within existing cash flow
- Future drilling at Kakwa North could resume in 2027 with between 3 and 5 (1.5 and 2.5 net) well program

## Funding

- Existing cash flow and unutilized credit facility secured by producing assets



# St. Lawrence Lowlands, Quebec

# Seeking full value for a giant discovery

## Giant natural gas resource

- Independent assessment of 7 Tcf (risked contingent resources of 1.6 Tcf and prospective resources of 5.4 Tcf)<sup>(1)</sup>
- Engineered to reduce GHG emissions and includes carbon recycling and storage and low-emissions gas production<sup>(2)</sup>

## Government Actions

- Attempting to revoke licenses and discovery without just compensation

## Pursuing a business and political solution while protecting legal rights



(1) See Annual Information Form for the year ended December 31, 2020, and dated March 24, 2021, under the Corporation's profile at [www.sedarplus.ca](http://www.sedarplus.ca). There is no certainty that any portion of the prospective resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources. See "GLJ Resource Report" under Forward Looking Information. **An estimate of risked net present value of future net revenue of contingent and prospective resources is preliminary in nature and is provided to assist the reader in reaching an opinion on the merit and likelihood of the company proceeding with the required investment. It includes contingent resources and prospective resources that are considered too uncertain with respect to the chance of development and chance of discovery, respectively, to be classified as reserves. There is uncertainty that the risked net present value of future net revenue will be realized.**

(2) <https://www.sedarplus.ca/csa-party/records/document.html?id=f576b2c078d275fb83606361d54c432449a3008342dfce7d5dddc7a50e0c7aea>

# A Shovel-Ready **Solution** to the Energy Crisis



## Growing electricity energy shortage – increasing imports and risk of rising prices

- Provincial energy company has become a net importer in a reversal from past years<sup>(1)</sup>
- Rising rate concerns for small and medium sized businesses <sup>(2)</sup>

## Questerre discovery – a shovel-ready and scalable solution

- Frees up high value hydro-electricity for local consumption and exports
- Existing wells less than 10 kms from Becancour Industrial Park and TC Energy thermal power plant
  - Capacity to supply plant with 100% of its requirements to mitigate electricity shortages

(1) <https://www.theglobeandmail.com/business/article-hydro-quebec-electricity-net-importer-water-reservoirs-demand/>  
(2) <https://montreal.citynews.ca/2025/07/31/hydro-quebec-hike-electricity-rates/>

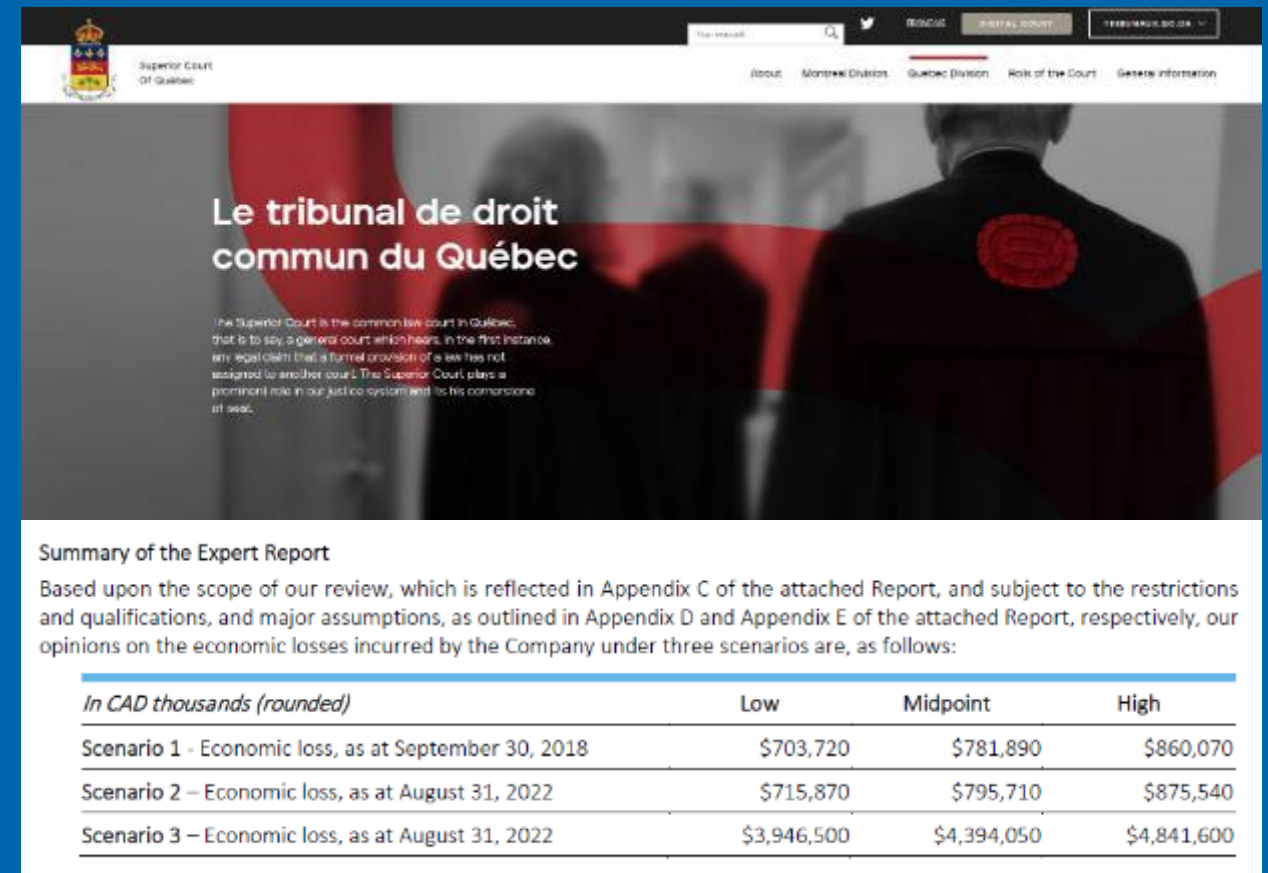
# Protecting Shareholder Rights

## Following the legal process

- Justice agrees to Questerre advancing as a 'test case' to expedite legal process
- Establishing a trial date for hearing on the merits of the case following remaining procedural matters

## Government assessing Questerre expert witness report

- Economic losses estimated to range between \$700 million and \$4.8 billion <sup>(1)</sup>



The screenshot shows the website of the Superior Court of Québec. The main heading is "Le tribunal de droit commun du Québec". Below this, there is a section titled "Summary of the Expert Report". The text states: "Based upon the scope of our review, which is reflected in Appendix C of the attached Report, and subject to the restrictions and qualifications, and major assumptions, as outlined in Appendix D and Appendix E of the attached Report, respectively, our opinions on the economic losses incurred by the Company under three scenarios are, as follows:"

<i>In CAD thousands (rounded)</i>	Low	Midpoint	High
Scenario 1 - Economic loss, as at September 30, 2018	\$703,720	\$781,890	\$860,070
Scenario 2 - Economic loss, as at August 31, 2022	\$715,870	\$795,710	\$875,540
Scenario 3 - Economic loss, as at August 31, 2022	\$3,946,500	\$4,394,050	\$4,841,600

(1) <https://www.sedarplus.ca/csa-party/records/document.html?id=0d7b8ac478f14ffe9708f2062307c3daab55dda71aeb344b17bbfbd094ca9a5c>



## Next Steps

### **Increase awareness of Questerre discovery as a solution to the energy shortage and emissions challenge**

- Potential to develop LNG exports from Quebec

### **Pursuing claim for unjust enrichment and breach of contract against Government**

- Establish trial date for hearing on merits
- Work with other stakeholders to protect their legal rights

## Corporate Outlook

**Continue cost-cutting initiatives** at PX Energy and sale market diversification initiatives

**Fund future development** in Western Canada with operating cash flow and unutilized credit facility

**Complete listing** for Preferred Shares

## Investment Summary

**Rare exposure** to transformational oil shale opportunity backstopped by existing production assets



# Management and Board

## Board of Directors

**Michael Binnion, President & Chief Executive Officer**

**Bjorn Inge Tonnessen, Chairman**

- Former CEO & President, Edge Petroleum AS
- Former CEO & President, Spike Exploration AS, now part of Var Energi

**Hans Jacob Holden**

- Former Business Development, AF Gruppen, civil engineering and construction company
- Formerly Corporate Finance at Pareto Securities

**Jauvonne Kitto**

- Extensive experience with Indigenous businesses, corporate governance and advocacy
- Chief Executive of Saa Dene Group, holding company for Indigenous-owned or controlled businesses

**Dennis Sykora, Chairman of Audit Committee**

- Businessman, lawyer and Chartered Professional Accountant

## Management

**Michael Binnion, President & Chief Executive Officer**

**Filippo Segatori, VP Oil Shale**

**Jason D'Silva, Chief Financial Officer**

**Jyoti Parmar, VP Finance**

**David Pellegrin, VP Operations**

**Dana Shepherdson, Controller**

**Rick Tityk, VP Land**

# Forward Looking Information

This presentation contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "project", "should", "believe", "plans", "intends", "outlook", "strategy", "potential", "forward", "defer" and similar expressions are intended to identify forward-looking information or statements. In particular, but without limiting the foregoing, this presentation may contain forward-looking information and statements pertaining to the following: pursuing a business and political solution while pursuing legal rights in Quebec; seeking value for Questerre's Quebec natural gas discovery; restructuring of PX Energy to achieve positive cash flow; the development through PX Energy of a platform to prove new Red leaf technology through a scale commercial pilot and ultimately full commercial scale; growth of value added processing by PX Energy; debt restructuring of PX Energy; cost cutting targets at PX Energy; 2026 operating and financial targets at PX Energy; near-term growth prospects at PX Energy, including monetizing limestone, expansion of oil sludge processing and strategic joint ventures with a major fuel distributor; cost cutting while prioritizing safety and operational effectiveness; advance a small scale demonstration project of Red Leaf Technology in Brazil of Kingdom of Jordan; a future opportunity to apply Red Leaf Technology in Jordan and in Utah; operators maintaining pace of development at Kakwa within existing cash flow; future drilling at Kakwa North in 2026; the legal process in Quebec, including the establishment of a trial date and working with other stakeholders to protect their legal rights; economic loss estimates in Quebec; potential to develop LNG exports from Quebec; cost cutting initiatives at PX Energy; and the funding of future development in Western Canada through existing cash flow and unutilized credit facility.

Certain information, including information set out under the heading "2026 Operating and Financial Targets", is "financial outlook" within the meaning of applicable securities laws. Financial outlook has been prepared by Management to provide readers with disclosure regarding the Corporation's reasonable expectations as to the anticipated results of its proposed business activities for 2026 and beyond. Readers are cautioned that this financial outlook is based upon numerous assumptions, including the assumptions discussed herein and may not be appropriate for other than indicative purposes. The actual results of operations and the resulting financial results will likely vary from the amounts set forth in the analysis presented in this presentation, and such variation may be material.

Questerre and its management believe that the financial outlook information herein has been prepared on a reasonable basis, reflecting the best estimates and judgments, and represent, to the best of management's knowledge and opinion, Questerre's expected expenditures and results of operations. However, because this information is highly subjective and subject to numerous risks including the risks discussed herein, it should not be relied on as necessarily indicative of future results. Except as required by applicable Canadian securities laws, Questerre undertakes no obligation to update any such financial outlook information. The recovery and reserve estimates of Questerre's reserves and resources provided herein are estimates only and there is no guarantee that the estimated reserves or resources will be recovered. In addition, forward-looking statements or information are based on a number of material factors, expectations or assumptions of Questerre which have been used to develop such statements and information, but which may prove to be incorrect. Although Questerre believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because Questerre can give no assurance that such expectations will prove to be correct.

In addition to other factors and assumptions which may be identified herein, assumptions have been made regarding, among other things: the timing and extent of capital programs by Questerre and its partners in Alberta, the scale and scope of its investment in Red Leaf and developments with Red Leaf and its assets, the impact of increasing competition; the general stability of the economic and political environment in which Questerre operates; the timely receipt of any required regulatory approvals; the ability of Questerre to obtain qualified staff, equipment and services in a timely and cost efficient manner; drilling results; the ability of the operator of the projects in which Questerre has an interest in to operate the field in a safe, efficient and effective manner; the ability of Questerre to obtain financing on acceptable terms; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development and exploration; the timing and cost of pipeline, storage and facility construction and expansion and the ability of Questerre to secure adequate product transportation; future commodity prices; currency, exchange and interest rates; regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which Questerre operates; and the ability of Questerre to successfully market its oil and natural gas products.

Past performance of Questerre or other entities referred to in this presentation is shown for illustrative purposes only, does not guarantee future results of Questerre and is not meant to forecast, imply or guarantee the future performance of Questerre, which will vary.

The forward-looking information and statements included in this presentation are not guarantees of future performance and should not be unduly relied upon. Such information and statements, including the assumptions made in respect thereof, involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information or statements including, without limitation: changes in commodity prices; changes in the demand for or supply of Questerre's products; unanticipated operating results or production declines; changes in tax or environmental laws, royalty rates or other regulatory matters; changes in development plans of Questerre or by party operators of Questerre's properties; increased debt levels or debt service requirements; inaccurate estimation of Questerre's oil and gas reserve volumes; limited, unfavorable or a lack of access to capital markets; increased costs; a lack of inadequate insurance coverage; the impact of competitors; and certain other risks detailed from time-to-time in Questerre's public disclosure documents, (including, without limitation, those risks identified in this presentation and Questerre's Annual Information Form).

The forward-looking information and statements contained in this presentation speak only as of the date of this presentation, and Questerre does not assume any obligation to publicly update or revise any of the included forward-looking statements or information, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

### **Oil & Gas Advisories**

A boe conversion ratio of six thousand cubic feet per barrel (6 mcf/bbl) of natural gas to barrels of oil equivalent is based upon an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency for the individual products at the wellhead. Such disclosure of boe's may be misleading, particularly if used in isolation. Additionally, given the value ratio based on the current price of crude oil compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion ratio at 6:1 may be misleading as an indication of value.

### **Reserves Disclosure**

#### **McDaniel Reserve Report**

McDaniel & Associates Consultants Ltd. ("McDaniel"), independent petroleum engineers of Calgary, Alberta prepared an Evaluation of Oil & Gas Reserves dated March 4, 2026 (the "McDaniel Reserve Report") which evaluation is effective December 31, 2025. The McDaniel Reserve Report is in respect of Questerre's conventional oil and gas properties and excludes its assets in the Quebec Lowlands and its oil shale assets to which no reserves are currently assigned.

The McDaniel Reserve Report was prepared in accordance with the standards contained in the COGE Handbook and the reserves definitions contained in National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities. The reserve estimates of crude oil, NGLs and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil, NGLs and natural gas reserves may be greater than or less than the estimates provided herein. All of the Company's crude oil, NGLs and natural gas reserves are located in Canada. The estimates of reserves for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation.

The process of estimating reserves is complex. It requires significant judgments and decisions based on available geological, geophysical, engineering and economic data. 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 reserve estimates contained herein are based on current production forecasts, commodity prices and economic conditions. Estimates made are reviewed and revised, either upward or downward, as warranted by the new information. Revisions are often required due to changes in well performance, commodity prices, economic conditions and governmental restrictions. Although every reasonable effort is made to ensure that reserve estimates are accurate, reserve estimation is an inferential science. Questerre's actual production, revenues, taxes, development and operating expenditures with respect to its reserves may vary from such estimates, and such variances could be material. Specifically, recent production data from wells drilled and placed on production or wells recently equipped with gas lift facilities in the Kakwa area may result in changes to the estimates of reserves.

Furthermore, recent production data from wells that may be worked over in the Antler area could also result in changes to the estimates of reserves. Changes to Questerre's drilling programs, both on an operated and non-operated basis, may also result in changes to reserve estimates. As the majority of Questerre's reserves in the Kakwa joint venture acreage are currently non-operated, any changes to the operator's drilling program could impact reserve estimates. Questerre may amend the allocation of capital investment between its areas of operation, particularly Kakwa and Antler based on results and commodity prices.

## **Millcreek Report**

In October 2016, Questerre commissioned an independent assessment of its oil shale resources in Jordan (the "Millcreek Report"). The Millcreek Report was conducted by Millcreek Mining Group, an independent qualified reserves evaluator, as defined by NI 51-101 with an effective date of September 30, 2016. The assessment was prepared in accordance with NI 51-101 and the COGE Handbook. The assessment indicated a best estimate of discovered petroleum initially in place of between 7.8 billion barrels to 12.2 billion barrels. Given the preliminary nature of the Millcreek Report, it does not contain any estimates regarding the timing or cost to obtain commercial development nor has Questerre finalized the specific technology to be used. For more information, please refer to Questerre's press release dated October 27, 2016 and Questerre's Annual Information Form dated March 24, 2017 available on its website at [www.questerre.com](http://www.questerre.com) or on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Questerre is in the process of completing a conceptual study, however, at this time, given the preliminary nature of the Jordan Resource Assessment, it does not contain any estimates regarding the timing or cost to obtain commercial development nor has Questerre finalized the specific recovery technology to be used. Questerre is conducting an economic feasibility analysis, which involves assessing multiple retorting processes, including two processes that have been proven at commercial scale. Also under evaluation is the Eco-Shale process. In conjunction with the assessment of retorting processes, Questerre has commissioned and finalized three engineering studies for the mining, preparation of ore and upgrading of the produced oil and other products. Questerre anticipates incorporating the results from these studies in a subsequent update of the Jordan Resource Assessment. DPIIP and UPIIP are the most specific assignable categories of resources at this time given the preliminary nature of the Jordan Resource Assessment, the nature of recovery of the hydrocarbons by means of mining and that a program of work to determine commercial viability using established technology has not yet been completed.

## **Resource Disclosure**

Questerre's resources are located in Canada, in the Province of Quebec, and in Jordan. Unless otherwise indicated, all volumes of Questerre's resources presented herein are on an unrisks basis, meaning that they have not been adjusted for the chance of commerciality, and all volumes are presented on a gross basis, meaning Questerre's working interest before deduction of royalties and without including any royalty interests of Questerre.

The estimates of Questerre's resources provided herein are estimates only and there is no guarantee that the estimated resources will be recovered. Actual resources may be greater than or less than the estimates provided herein and variances could be material. With respect to Questerre's discovered resources (including contingent resources), there is uncertainty that it will be commercially viable to produce any portion of the resources. With respect to Questerre's undiscovered resources (including prospective resources), there is no certainty that any portion of the resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources. Please see "Risk Factors" in the Annual Information Form dated March 21, 2024.

## **GLJ Resource Report (St, Lawrence Lowlands, Quebec)**

Questerre engaged GLJ Ltd. ("GLJ") to prepare the GLJ Resource Report, an independent resource assessment of its 1.2 million gross (1 million net acres) in the St. Lawrence Lowlands, Quebec that have potential for the Upper Utica Shale effective December 31, 2020 in a report dated March 17, 2021 (the "GLJ Resource Report"). The GLJ Resource Report was prepared in accordance with NI 51-101 and the standards contained in the COGE Handbook. The GLJ Resource Report did not include any of the Corporation's other properties. All anticipated results disclosed herein were prepared by GLJ, which is an independent qualified reserves evaluator. For more information, please refer to Appendix "A" of Questerre's Annual Information Form for the year ended December 31, 2020 and dated March 24, 2021 available on its website at [www.questerre.com](http://www.questerre.com) or on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

The GLJ Report used probabilistic methods to generate low, best and high estimates of total petroleum initially in place ("TPIIP"), both discovered and undiscovered. Recoverable Contingent and Prospective Resources over Questerre's acreage were estimated by analogy and based on available well data over the Quebec Utica and public data from US Utica and Marcellus shale plays. The evaluation consisted of the Upper Utica which includes the Indian Castle and Dolgeville members as well as the Flat Creek. The Flat Creek, the lower most member, was only evaluated to estimate undiscovered petroleum initially-in-place ("UPIIP"). No recoverable resources were assigned to the Flat Creek given the lack of test data showing established technology can support commercial development at this time.

The GLJ Report is based on the results from several vertical and horizontal wells on Questerre's acreage that have all encountered pay in the Utica. Test data from these wells in conjunction with offset development and studies of the analogous US Utica supports the prospective commercial development of these resources. Significant positive factors relevant to the estimate of Questerre's resources include the importation of all natural gas consumed in Quebec creating demand for local production, premium realized pricing due to the transportation costs associated with importing natural gas for consumption, production test data from Questerre's existing wells and the development of the analogous Utica shale in the United States. Significant negative factors include the limited number of wells on Questerre's acreage, lack of a developed service sector providing uncertainty regarding estimates of capital and operating costs, developing hydrocarbon regulations and environmental legislation and the requirement to obtain social acceptability for oil and gas operations. While Questerre believes it will have sufficient financial capability to fund its share of costs associated with the development program in the Quebec Resource Assessment, it may not have access to the necessary capital when required.



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