

Annual Information Form

For the year ended
December 31, 2025

February 24, 2026

TABLE OF CONTENTS

Page

ABOUT TOPAZ....1
THE COMPANY'S BUSINESS....3
THE COMPANY'S STRATEGIC COUNTERPARTIES....8
THE COMPANY'S ASSETS....8
RESERVES AND OTHER OIL AND GAS INFORMATION....13
AGREEMENTS WITH TOURMALINE....25
THE INDUSTRY....35
RISK FACTORS....43
DIVIDENDS....64
MARKET FOR SECURITIES....66
ESCROWED SECURITIES....69
DIRECTORS AND EXECUTIVE OFFICERS....71
AUDIT COMMITTEE....75
LEGAL PROCEEDINGS AND REGULATORY ACTIONS....76
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS....77
AUDITORS, TRANSFER AGENT AND REGISTRAR....77
MATERIAL CONTRACTS....77
INTERESTS OF EXPERTS....78
ADDITIONAL INFORMATION....78
PRESENTATION OF INFORMATION....79
THIRD-PARTY INFORMATION....82
FORWARD-LOOKING INFORMATION....82
NON-GAAP AND OTHER FINANCIAL MEASURES....87

SCHEDULES

SCHEDULE ″A″ – GLOSSARY OF TERMS
SCHEDULE ″B″ – ABBREVIATIONS AND CONVERSIONS
SCHEDULE ″C″ – FORM 51-101F2 REPORTS ON RESERVES DATA BY INDEPENDENT QUALIFIED RESERVES EVALUATOR
SCHEDULE ″D″ – FORM 51-101F3 REPORT OF MANAGEMENT AND DIRECTORS ON OIL AND GAS DISCLOSURE
SCHEDULE ″E″ – AUDIT COMMITTEE TERMS OF REFERENCE

ABOUT TOPAZ

Topaz Energy Corp. ("**Topaz**" or the "**Company**") is a unique royalty and infrastructure energy company focused on generating free cash flow growth and paying reliable and sustainable dividends to its shareholders, through its strategic relationship with Canada's largest and most active natural gas producer, Tourmaline Oil Corp. (**"Tourmaline"**), an investment grade senior Canadian E&P company, and leveraging industry relationships to execute complementary acquisitions from other high-quality energy companies. Topaz focuses on top quartile energy resources and assets best positioned to attract capital in order to generate sustainable long-term growth and profitability.

The Common Shares are listed and posted for trading on the TSX under the trading symbol "TPZ" and it is included in the S&P/TSX Composite Index. This is the headline index for Canada and is the principal benchmark measure for the Canadian equity markets, represented by the largest companies on the TSX.

See *"The Company's Business"* and www.topazenergy.ca for further information about Topaz. Topaz's SEDAR+ filings are available at www.sedarplus.ca.

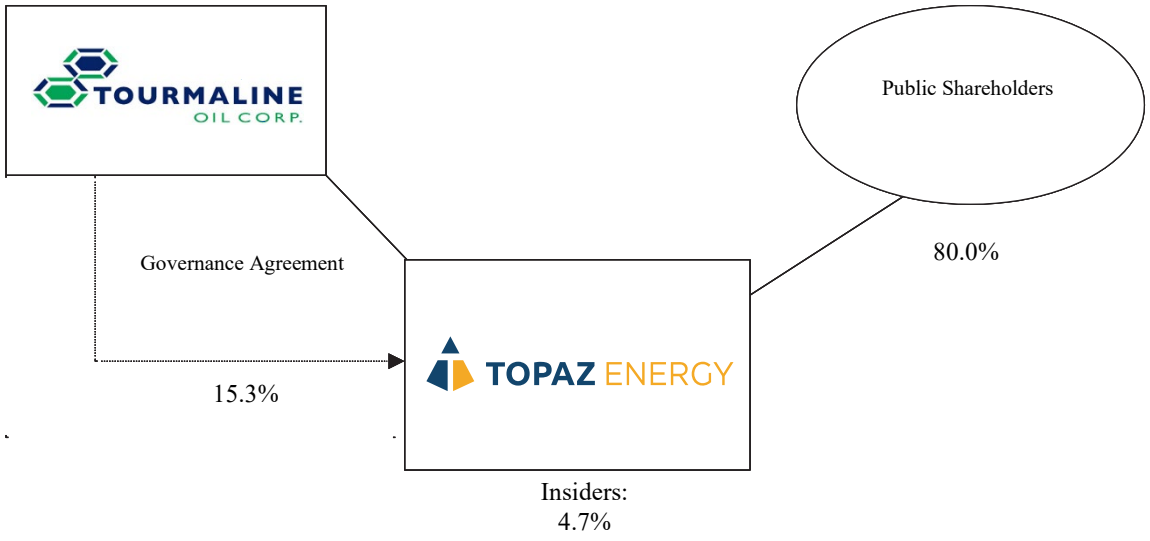
NOTE TO READER

Capitalized terms used but not defined in this Annual Information Form have the meanings ascribed to them in the Glossary of Terms attached as Schedule "A" to this Annual Information Form or elsewhere in this Annual Information Form and certain abbreviations and conversions are set forth in Schedule "B" – "Abbreviations and Conversions" attached hereto. See also *"Presentation of Information"*, *"Third-Party Information"*, *"Forward-Looking Statements"* and *"Non-GAAP and Other Financial Measures"*.

CORPORATE STRUCTURE

The Company was incorporated under the ABCA under the name "1274560 Alberta Ltd." on October 13, 2006 and on October 19, 2006, amended its articles to change its name to "Exshaw Oil Corp." On November 8, 2019, the Company amended its articles to change its name to "Topaz Energy Corp." and on November 12, 2019, amended and restated its articles to: amend the rights, privileges, restrictions and conditions of the Common Shares; amend the designation of its Preferred Shares, issuable in series, to "First Preferred Shares"; create a class of shares designated as "Second Preferred Shares", issuable in series; effect a consolidation of the Common Shares on a 74.48896:1 basis; and set the maximum number of directors at 12 (minimum three). The Company amalgamated with its wholly-owned subsidiary, Keystone Royalty Corp. on April 29, 2022 and its wholly-owned subsidiary DeltaTide Corporation on January 1, 2023, in each case continuing as Topaz Energy Corp.

The following diagram illustrates the organizational structure and approximate Common Share ownership of the Company as at December 31, 2025.



Note:

(1) As at December 31, 2025, Tourmaline held 15.3%, insiders held or represented 4.7% and public shareholders held 80.0% of the issued and outstanding Common Shares.

The Company's head office is located at Suite 2900, 250 6th Avenue SW, Calgary, Alberta T2P 3H7 and its registered office is located at Suite 2400, 525 8th Avenue SW, Calgary, Alberta T2P 1G1.

The Company presently has 13 full-time employees.

Significant Acquisitions

Topaz did not complete any significant acquisitions during its most recently completed financial year for which disclosure is required under Part 8 of National Instrument 51-102.

Potential Acquisitions, Issuance of Securities and Financings

Topaz continues to evaluate potential acquisitions of royalty interests and energy infrastructure related assets and/or companies and/or other strategic acquisitions as part of its ongoing acquisition program. Topaz regularly evaluates potential acquisitions, which individually or together could be material. As of the date hereof, Topaz has not reached agreement on the price or terms of any potential material acquisition. Topaz cannot predict whether any current or future opportunities will result in one or more acquisitions for Topaz. Topaz may, in the future, issue securities in connection with acquisitions or otherwise and complete financings of equity or debt (which may be convertible into equity) for purposes that may include financing of acquisitions, Topaz's operations and capital expenditures and repayment of indebtedness. See *"Risks Relating to Acquisitions and Competition for Acquisition Opportunities"* and *"Risk Factors – Equity Dilution."*

THE COMPANY'S BUSINESS

Overview

The Company's dynamic and scalable business model combines the best attributes from each of the royalty and energy infrastructure segments and is designed to provide investors with sustainable long-term shareholder returns by:

(i) focussing on disciplined capital allocation to capture best-in class assets having high-margin income streams with partners which includes: royalty production revenue generated from gross overriding royalty, fee mineral title and gross royalty trust royalty interests, together which are "**Royalty Interests**", which may be underpinned by operator capital development commitments in order to provide a transparent growth outlook and do not require Topaz to incur operating or capital costs or require day-to-day operational decisions, development execution or abandonments; processing revenue generated through its non-operated ownership interests in infrastructure assets whereby the Company has long-term fixed take-or-pay arrangements with high-quality counterparties and is only responsible for certain operating, capital and future abandonment costs; and other income which is generated by way of a contracted interest in third-party revenue generated through fee-for-service processing contracts with no underlying facility ownership and therefore no associated operating or capital costs;

(ii) integrating sustainability considerations into the Company's investment strategy in order to foster a strong and committed workforce, mitigate environmental-related risk, and uphold strong corporate governance and ethics;

(iii) having modest corporate general and administrative costs;

(iv) acquiring opportunistic growth projects with transparent and predictable financial returns; and

(v) providing our strategic partners with innovative non-dilutive financing alternatives to enhance their sustainability.

Topaz's investment criteria is focused on high-quality, long life assets, strong risk-adjusted economic returns and investments that facilitate enhanced environmental performance.

The Company's high-quality assets and associated income streams are comprised of:

(i) "**Royalty Assets**" – Royalty Interests on approximately nine million gross acres (over 60% of which are undeveloped) from which the Company receives royalty production revenue based on the associated natural gas, crude oil and natural gas liquids gross production revenue (the "**Royalty Production Revenue**"); and

(ii) "**Infrastructure Assets**" - non-operated ownership interests in nine natural gas processing & gathering facilities with cumulative net natural gas processing capacity of approximately 268 MMcf/d with associated crude oil and condensate handling facilities, and two water management facilities from which the Company is entitled to receive processing revenue from processing services provided to customers on a fee-for-service basis, the majority of which is contracted under long-term fixed-fee take-or-pay agreements (the "**Processing Revenue**"); and a contracted interest in a portion of third-party revenue generated from facilities owned and operated by Tourmaline through fee-for-service agreements with third parties (the "**Other Income**").

Topaz has two operating business segments that are reportable segments: the Royalty Assets and the Infrastructure Assets. The Royalty Production Revenue and Processing Revenue and Other Income for the years ended December 31, 2025 and 2024 are contained in the sub-sections "Royalty" and "Infrastructure" within the section "Financial Results of Operations" in the MD&A (as defined herein), which section is incorporated by reference herein, and note 19 of the Consolidated Financial Statements, which note is incorporated by reference herein.

Business Strategy

Topaz intends to use the majority of its free cash flow[(1)] to pay dividends to shareholders and the Company has a long-term payout ratio[(2)] target of 60-90%. The Board has established a dividend policy pursuant to which the Company paid $1.35 per Common Share in total dividends in 2025 which represented a payout ratio of approximately 66% for the year ended December 31, 2025.

On November 16, 2025, Topaz published its 2024 Sustainability Report which highlights the Company's commitment to deliver superior investment returns to shareholders through its sustainable investment strategy and by fostering a strong and committed workforce, mitigating climate-related risk, and upholding strong corporate governance and ethics. The 2024 Sustainability Report provides Topaz's performance metrics, including zero scope 1 and 2 emissions under the Company's operational control reporting boundary. Topaz's sustainability reporting also incorporates third-party verification of certain performance data. The report is available on the Company's website at www.topazenergy.ca.

Notes:

(1) Defined as a capital management measure. Refer to *"Non-GAAP and Other Financial Measures"*.

(2) Defined as a supplementary financial measure. Refer to *"Non-GAAP and Other Financial Measures"*.

GENERAL DEVELOPMENT OF TOPAZ'S BUSINESS

The general development of Topaz's business since 2023 and up to the date of this Annual Information Form which includes events, such as acquisitions or dispositions, or conditions that have had an influence on that development, are described below.

2023

On July 31, 2023, Topaz completed a royalty and infrastructure acquisition for consideration of $39.5 million, funded through the Syndicated Credit Facility, which added a 49.9% non-operated working interest in a newly constructed and commissioned 15 MMcf/d sweet natural gas processing facility and associated 1,500 bbl/d crude oil battery in the Wembley area along with a long-term fixed take-or-pay commitment (the "**Wembley Facility**"), royalty interests on approximately 17,000 gross acres, and amendment of certain contractual terms under an existing royalty agreement between Tamarack and Topaz.

On July 31, 2023, Topaz increased its dividend by 3% resulting in a $0.31 per share quarterly dividend ($1.24 per share annually) for the third quarter of 2023 which was the Company's sixth dividend increase since the inaugural quarterly dividend in the first quarter of 2020.

On October 25, 2023, Topaz entered into definitive agreements with Headwater for total consideration of $26.3 million, that provided for a new gross overriding royalty interest and a 99% working interest in a planned natural gas gathering system in the Clearwater operating area (the "**Clearwater Gathering System**") with funding for the gathering system advanced upon final commissioning.

On November 20, 2023, Topaz elected to participate in an expansion of the Glacier Gas Plant, where Topaz currently owns a 12.5% working interest, and invested $2.5 million, before customary closing adjustments, which generates long-term fixed processing fees to Topaz and provides incremental processing capacity ownership (the "**2023 Glacier Gas Plant Expansion**").

In 2023, Topaz's average royalty production was 18,853 Boe/d and the Company generated total cash flow of $286.3 million and net income of $121.1 million.[3] Topaz paid $176.3 million in dividends in 2023 and invested $46.4 million in royalty and infrastructure acquisitions, excluding decommissioning obligations.[2] Topaz ended 2023 with net debt[1] of $342.7 million and 144.7 million common shares outstanding.

2024

On March 4, 2024, Topaz increased its dividend by 3% resulting in a $0.32 per share quarterly dividend ($1.28 per share annually) for the first quarter of 2024 which was the Company's seventh dividend increase since the inaugural quarterly dividend in the first quarter of 2020.

On June 24, 2024, Topaz completed the acquisition of a 50% non-operated working interest in Whitecap's newly commissioned natural gas and condensate facility, which includes natural gas compression capacity of 43 MMcf/d and condensate stabilization capacity of 12,500 bbl/d, located in the Musreau area of the Alberta Montney (the "**Musreau Facility**"), pursuant to the Musreau Facility Agreements, for total cash consideration of $100.0 million before customary closing adjustments, funded through the Syndicated Credit Facility.

On July 29, 2024, Topaz increased its dividend by 3% resulting in a $0.33 per share quarterly dividend ($1.32 per share annually) for the third quarter of 2024 which was the Company's eighth dividend increase since the inaugural quarterly dividend in the first quarter of 2020.

On October 22, 2024, Topaz completed a bought deal equity financing whereby Topaz issued 8,050,000 Common Shares at a price of $25.05 per Common Share for total gross proceeds of approximately $201.7 million. Concurrent with the closing of the financing, certain directors, officers, employees and their associates of the Company purchased a total of 209,177 Common Shares at a price of $25.05 per Common Share on a private placement basis for gross proceeds of approximately $5.2 million. The aggregate gross proceeds of $206.9 million funded a portion of the acquisition of the Tourmaline 2024 Core Area GORR Interest.

On November 1, 2024, Topaz acquired from Tourmaline a newly created gross overriding royalty interest on approximately 3.0 million gross acres of developed and undeveloped lands in Topaz's NEBC Montney, Alberta Deep Basin and Peace River High core areas, including a follow-on, tuck-in acquisition completed December 1, 2024 (the "**Tourmaline 2024 Core Area GORR Interest**"), for aggregate cash consideration before closing adjustments of $301.7 million.

On December 11, 2024, Topaz completed a secondary offering of Common Shares whereby Tourmaline sold 12,420,000 Common Shares at a price of $27.80 per Common Share for total gross proceeds to Tourmaline of $345.3 million. The Company did not receive any of the proceeds of the offering. Following the closing, Tourmaline held 32,729,494 Common Shares, representing approximately 21.3% of the issued and outstanding Common Shares.

On December 17, 2024, Topaz completed the 2023 Clearwater Transaction and paid cash consideration of $31.2 million, before customary closing adjustments, for a 99% interest in the newly commissioned Clearwater natural gas gathering system, pursuant to the Clearwater Gathering System Agreements.

In 2024, Topaz's average royalty production was 19,227 Boe/d and the Company generated total cash flow of $279.3 million and net income of $105.7 million.[3] Topaz paid $191.2 million in dividends in 2024 and invested $430.6 million in royalty and infrastructure acquisitions, excluding decommissioning obligations.[2] Topaz ended 2024 with net debt[1] of $492.0 million and 153.5 million common shares outstanding.

2025

On January 31, 2025, Topaz acquired from Logan a newly created gross overriding royalty interest on approximately 0.1 million gross acres of developed and undeveloped lands in the Alberta Montney operating area (the "**Logan GORR Interest**") for total cash consideration of $17.0 million before customary closing adjustments, and entered into a definitive agreement to acquire a 35% working interest in a 40 MMcf/d natural gas processing and condensate handling facility (the "**Pouce Coupe Facility**") along with a long-term fixed take-or-pay commitment (the "**2025 Logan Transaction**").

On April 30, 2025, the Company amended its credit facility (a covenant-based, unsecured, operating credit facility with a syndicate of Canadian banks in the amount of $700.0 million which provides for a permitted increase to $1.0 billion, subject to agent consent) (the "**Syndicated Credit Facility**"), whereby the maturity date was extended to April 30, 2029. The covenants, pricing structure and credit capacity were primarily unchanged. At the request of the Company and with consent of the lender, the Syndicated Credit Facility can be extended on an annual basis.

On May 5, 2025, Topaz increased its second quarter dividend by 3% resulting in a $0.34 per share quarterly dividend ($1.36 per share annualized) which was the Company's ninth dividend increase since the inaugural quarterly dividend in the first quarter of 2020.

On May 30, 2025, Topaz completed the 2025 Logan Transaction and paid cash consideration of $26.0 million, before customary closing adjustments, for a 35% interest in the newly commissioned Pouce Coupe Facility, pursuant to the Pouce Coupe Facility Agreements.

On September 30, 2025, Topaz acquired from Tourmaline, a newly created gross overriding royalty interest on approximately 134,000 gross acres of developed and undeveloped lands in the NEBC core royalty area for total cash consideration of $71.7 million, before customary closing adjustments (the ″Tourmaline 2025 Tuck-In NEBC Montney GORR Acquisition″).

On October 28, 2025, Topaz completed a secondary offering of Common Shares whereby Tourmaline sold 9,200,000 Common Shares at a price of $25.10 per Common Share for total gross proceeds to Tourmaline of $230.9 million. The Company did not receive any of the proceeds of the offering. Following the closing, Tourmaline held 23,529,494 Common Shares, representing approximately 15.3% of the issued and outstanding Common Shares.

On December 22, 2025, Topaz acquired gross overriding and fee mineral title royalty interests, on approximately 28,000 gross acres of developed and undeveloped lands for total cash consideration of $7.8 million, before customary closing adjustments.

In 2025, Topaz's average royalty production was 22,417 Boe/d and the Company generated total cash flow of $312.8 million and net income of $128.7 million. Topaz paid $207.7 million in dividends in 2025 and invested $125.4 million in royalty

and infrastructure acquisitions, excluding decommissioning obligations.[2] Topaz ended 2025 with net debt[1] of $517.5 million and 154.0 million common shares outstanding.

Notes:

(1) Defined as a capital management measure. Refer to *"Non-GAAP and Other Financial Measures"*.

(2) Defined as a non-GAAP financial measure. Refer to *"Non-GAAP and Other Financial Measures"*.

(3) During the fourth quarter of 2025, the Company voluntarily changed its accounting policy (retroactively) with respect to the Company's royalty assets subject to depletion. As a result, certain comparative information including net income have been adjusted in this AIF. Further discussion regarding the voluntary change in accounting policy is contained in the section entitled *"Voluntary Change in Accounting Policy"* in the MD&A and note 3 to the Consolidated Financial Statements, both of which sections are incorporated by reference herein.

THE COMPANY'S STRATEGIC COUNTERPARTIES

The Company has strategic relationships with high-quality counterparties that have medium to large-scale, low-cost and reliable business models, significant growth potential, strong capital discipline, and continue to demonstrate active stewardship of environmental, social and governance practices including investment in technological innovation.

A key component of Topaz's long-term business strategy is seeking alignment with counterparties who are low-cost operators with significant land holdings and long-term growth prospects in top quartile, prolific exploration and production regions or plays which are resilient to lower commodity prices. The Company's counterparties are characterized by owning strategic acreage and long-term drilling inventory, meaningful size, concentration, and other attributes in order to achieve operating cost, reserve recovery, deliverability and production efficiencies through repeatable capital exploration and development programs. Topaz's unique, low-risk, income-oriented business model positions the Company to be a partner of choice for high-quality operators seeking to access capital to achieve their business plans. The Company's strategic counterparties include Advantage, Headwater, Logan, Tamarack, Tourmaline and Whitecap.

THE COMPANY'S ASSETS

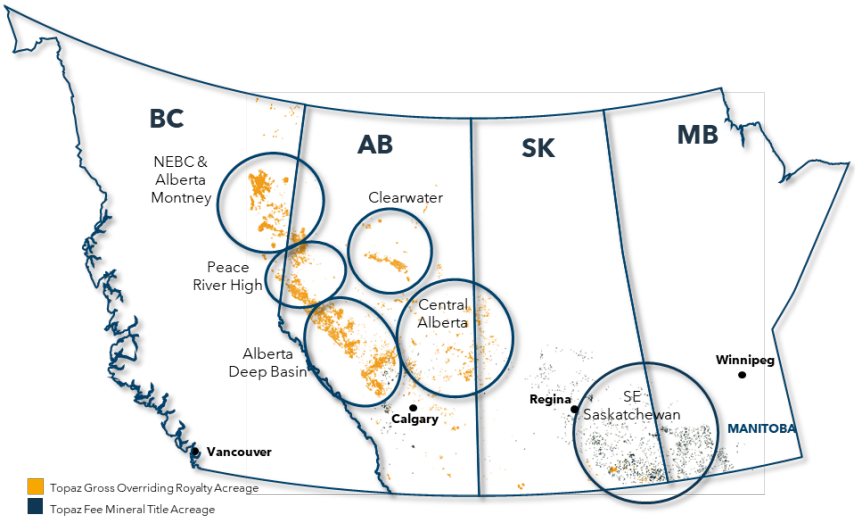
Description of the Royalty Assets

Overview

The Company's assets are strategically located in the most geologically prolific areas within the WCSB which include: the NEBC and Alberta Montney, the Alberta Deep Basin, the Peace River High, the Clearwater, and Southeast Saskatchewan. The Company also owns other royalty interests across the WCSB, including fee mineral title and gross royalty trust interests situated across the WCSB, predominantly focused in Southeast Saskatchewan. Topaz's royalty production is sourced from these areas, with natural gas contributing approximately 70% of its total royalty production volume. Topaz's Infrastructure Assets are situated in NEBC and Alberta Montney, the Alberta Deep Basin, the Peace River High, and the Clearwater. Topaz has significant exposure to liquids-rich natural gas assets, complemented by the remainder of its production volume which is comprised of crude oil, heavy oil, and natural gas liquids.

The Royalty Production Revenue provides the Company with high-margin free cash flow as the Company is entitled to receive a royalty on production from the Royalty Lands without incurring the related operating, exploration and development, maintenance and other capital costs, environmental liabilities or reclamation obligations typically associated with petroleum and natural gas development. As a result, Topaz's recorded reserves are limited to proved plus probable developed properties and do not include any future development capital attributed to undeveloped royalty acreage. Refer to the respective working interest operators' most recent Annual Information Form for additional information.

Set forth below is a map outlining the location of the Company's royalty assets.



NEBC Montney

The NEBC Montney exploration and production area is situated on the west flank of the Peace River High in NEBC and is focused on liquids-rich natural gas in the Triassic Montney formation. Topaz owns significant NEBC Montney royalty acreage, all of which is operated by Tourmaline. Industry participants have been pursuing Triassic Montney plays and reservoirs in the WCSB for over four decades. Exploration and production of the Montney has evolved over time from conventional reservoirs pursued with vertical wells in the southeast portion of the play area in Alberta to unconventional Montney reservoirs in the Peace River Arch area of Alberta and NEBC. Technological developments, including the drilling of horizontal multi-stage fracture stimulation wells, have allowed access to the thickest, highest pressured and highest deliverability fine grained sandstone reservoirs of the Montney in the NEBC play area.

The NEBC Montney is well known as the most prolific liquids-rich natural gas resource in Western Canada due to its vast geographic coverage and significant reserve potential. Topaz estimates that the B.C. Montney is expected to provide the largest natural gas production growth in the WCSB over the next decade. In recent years, leading industry participants have made significant multi-year capital investments which continue to unlock the resource potential of the NEBC Montney including: (i) LNG Canada's LNG export project, the first phase (2.0 Bcf/d of natural gas supply came online during 2025), and if expanded would require up to 4.0 Bcf/d of natural gas supply (″LNG Canada″); (ii) TC Energy's Coastal GasLink natural gas pipeline project which delivers natural gas across Northern B.C. to LNG Canada; (iii) TC Energy's North Montney Mainline, a significant extension of the NGTL system in the North Montney; and (iv) Enbridge's significant pipeline expansion of the northern section of its critical pipeline infrastructure in B.C.

For additional information regarding Tourmaline's NEBC Montney assets and reserves, refer to Tourmaline's most recent Annual Information Form on SEDAR+ at www.sedarplus.ca.

At December 31, 2025 Topaz holds approximately 1.7 million gross royalty acres in the NEBC Montney Topaz's year-end 2025 proved plus probable reserves were 28.8 MMboe in the NEBC Montney.

Alberta Montney

The Alberta Montney exploration and production area is known for its prolific reserves. The formation's extensive horizontal drilling and multi-stage fracture stimulation technology have been instrumental in unlocking the resource. Topaz's Alberta Montney royalty acreage is primarily operated by Logan. For additional information, refer to Logan's most recent Annual Information Form on SEDAR+ at www.sedarplus.ca.

At December 31, 2025 Topaz holds approximately 0.1 million gross royalty acres in the Alberta Montney. Topaz's year-end 2025 proved plus probable reserves were 0.3 MMboe in the Alberta Montney.

Alberta Deep Basin

The Alberta Deep Basin exploration and production area is a multi-objective tight natural gas sand play area with up to 15 separate lower Cretaceous liquids-rich natural-gas-charged sand reservoirs, located in an area within the WCSB which straddles the Alberta and British Columbia border, approximately 250 km west of Edmonton, Alberta. Topaz owns significant Alberta Deep Basin royalty acreage, which is predominantly operated by Tourmaline. For additional information regarding Tourmaline's Deep Basin assets and reserves, refer to Tourmaline's most recent Annual Information Form on SEDAR+ at www.sedarplus.ca.

At December 31, 2025 Topaz holds approximately 3.7 million gross royalty acres in the Alberta Deep Basin. Topaz's year-end 2025 proved plus probable reserves were 19.6 MMboe in the Alberta Deep Basin.

Peace River High

The Peace River High exploration and production area is focused on the crude oil and natural gas-charged reservoirs of the Triassic Charlie Lake and Montney formations as well as the Wapiti Cardium formation. The Peace River High spans an area from Fort St. John, British Columbia to Lesser Slave Lake, Alberta from west to east, and from Grande Prairie, Alberta to Manning, Alberta from south to north. The majority of Topaz's Peace River High royalty acreage is operated by Tourmaline and Tamarack, in addition to other minor royalty assets located across the Peace River High. For additional information regarding Tourmaline and Tamarack's Peace River High assets and reserves, refer to each respective company's most recent Annual Information Form on SEDAR+ at www.sedarplus.ca.

At December 31, 2025 Topaz holds 0.7 million gross royalty acres in the Peace River High. Topaz's year-end 2025 proved plus probable reserves were 1.9 MMboe in the Peace River High.

Clearwater

The greater Clearwater exploration and production area in Alberta is focused on heavy oil production from the Clearwater formation. The Clearwater ranks amongst the strongest and fastest growing oil plays in the WCSB and is characterized by appealing economic and environmental characteristics including low well costs, high-quality large oil-in-place resource, moderate initial decline profiles, competitive netbacks, decreased land usage with the use of multi-leg drilling, and minimal water and no sand requirements, as the completion operations do not require fracture stimulation. Drilling technology uses closely spaced open hole multi-lateral wells produced through one production string therefore not having to use hydraulic fracturing or thermal technologies. With multiple legs, the relatively high permeability Clearwater reservoirs are capable of producing economic volumes of 14–24° API gravity oil on primary production. The total recoverable resource in the Clearwater continues to expand with success from exploration drilling and waterflood or enhanced recovery projects.

Topaz owns significant Clearwater royalty acreage predominantly operated by Headwater and Tamarack. For additional information regarding Headwater and Tamarack's Clearwater assets and reserves, refer to each respective company's most recent Annual Information Form on SEDAR+ at www.sedarplus.ca.

At December 31, 2025 Topaz holds approximately 0.7 million gross royalty acres in the Clearwater. Topaz's year-end 2025 proved plus probable reserves were 7.7 MMboe in the Clearwater.

Weyburn Unit (Southeast Saskatchewan)

The Weyburn Unit, discovered in the 1950's and currently operated by Whitecap (who holds a 65.33% working interest), is a conventional unitized oil field under carbon dioxide CO_2 enhanced oil recovery encompassing over 50,000 acres located in southeast Saskatchewan. The Unit is a self-sustaining, low base decline rate operation that generates strong free cash flow even in a low commodity price environment with production levels that can be maintained with relatively minimal capital investment. Topaz's royalty interest is on Whitecap's working interest in the Weyburn Unit.

The Weyburn Unit is the largest anthropogenic carbon capture, utilization, and storage CCUS project in the world and is internationally recognized as one of the most successful developments of its kind from a technical, economic and environmental perspective. The captured CO_2 acts like a solvent to enhance oil recoverability as it flushes otherwise unrecoverable oil from pores in the rock.

For additional information regarding Whitecap's Weyburn Unit, including the associated reserves, refer to Whitecap's most recent Annual Information Form on SEDAR+ at www.sedarplus.ca.

At December 31, 2025 Topaz holds approximately 0.1 million gross royalty acres in the Weyburn Unit which is operated by Whitecap. Topaz's year-end 2025 proved plus probable reserves were 4.1 MMboe in the Weyburn Unit.

Fee mineral title and GRT Focused Interests

Topaz owns fee mineral title, GRT and GORR Interests across approximately 1.0 million gross acres which were primarily acquired through the Reserve Royalty Acquisition and the Keystone Royalty Acquisition. Topaz's year-end 2025 proved plus probable reserves were 2.9 MMboe attributed to these assets.

Other Areas

Topaz owns other complementary royalty interests across approximately 1.0 million gross royalty acres diversified across the WCSB which are operated or leased by arm's length, third-party exploration and production companies. Topaz's year-end 2025 proved plus probable reserves were 0.4 MMboe attributed to its other royalty interests.

Description of the Infrastructure Assets
Overview

Topaz has identified value drivers for its energy infrastructure business which it believes to be important success factors for sustainability and profitability. These include fixed revenue contracts (guaranteed revenue streams which provide dividend sustainability), financially strong counterparties (creditworthiness to limit financial exposure and financial liquidity to fund future development and provide long-term asset utilization), attractive resources (economically viable petroleum and natural gas resources to ensure long-term asset utilization), quality assets (newly constructed, technologically advanced and low cost), growth potential (significant, economically viable underlying resources to support feedstock growth), and sustainability (low cost, commodity price resilient production). Topaz believes that its energy infrastructure business has unique competitive advantages that encompass each of these value drivers.

Topaz has (i) non-operated ownership interests in nine natural gas processing & gathering facilities in the WCSB with cumulative net natural gas processing capacity of approximately 268 MMcf/d and associated crude oil and condensate handling facilities, and two water management facilities in the WCSB which are all supported in part by long-term fixed-fee take-or-pay commitments, and (ii) a contracted interest in a portion of certain third-party revenue generated at facilities owned by Tourmaline pursuant to crude oil and natural gas processing and handling agreements with third parties to which Tourmaline is a party. These interests generate the Processing Revenue and Other Income, respectively.

Topaz incurs its proportionate share of operating and capital costs, environmental liabilities and reclamation obligations with respect to the Infrastructure Assets underlying the Processing Revenue, other than with respect to the following facilities for which the respective operator or producer has agreed to incur the operating and maintenance capital expenditures during the term of the volume commitment agreement: (a) the Glacier Gas Plant; (b) the Pipestone Assets; (c) the Gundy Gas Plant, as described further under *"Agreements with Tourmaline"*; (d) the Wembley Facility; (e) the Musreau Facility; (f) the Clearwater Gathering System; and (g) the Pouce Coupe Facility. Topaz is not responsible for operating or capital costs, environmental liabilities or reclamation obligations with respect to any of the facilities underlying the Other Income.

Tourmaline Musreau Gas Plant

The Company has a 45% non-operated ownership interest in the Tourmaline Musreau Gas Plant. The Tourmaline Musreau Gas Plant was commissioned by Tourmaline in 2010 and expanded in three phases to reach 120 MMcf/d raw gas and 4,600 Bbls/d liquids handling capacity by 2014. The plant consists of two processing trains and a separate compressor station that can offload any excess gas volumes to the Pembina Musreau facility.

The Musreau Gas Plant processes a portion of Tourmaline's Alberta Deep Basin gas production in the area gathered through a network of Tourmaline-owned pipelines. Additional third-party volumes are also processed at the Musreau Gas Plant pursuant to certain third-party contracts, for which Topaz is entitled to receive processing revenue in proportion to its ownership interest in the Musreau Gas Plant.

Tourmaline Brazeau Gas Plant

The Company has a 45% non-operated ownership interest in the Brazeau Gas Plant. The Brazeau Gas Plant was commissioned by Tourmaline in 2016 and has 70 MMcf/d raw gas and 2,200 Bbls/d liquids handling capacity. The plant consists of one processing train and a separate compressor station that can offload any excess gas volumes to the Keyera Brazeau East facility. There is additional space on the lease to accommodate a future processing train if required.

The Brazeau Gas Plant processes production from Tourmaline's Alberta Deep Basin area, including its assets at Columbia, Brazeau, Peco, and Stolberg through a network of Tourmaline-owned pipelines. Additional third-party volumes are also processed at the Brazeau Gas Plant, for which Topaz is entitled to receive processing revenue in proportion to its ownership interest in the Brazeau Gas Plant.

Glacier Gas Plant

The Company has a 12.5% non-operated ownership interest in the Glacier Gas Plant which is a relatively new, technologically advanced facility whereby staged construction began in 2010, and it was expanded in six phases to reach 400 MMcf/d raw gas and 6,800 Bbls/d of liquids capacity in 2018. Following a recent expansion, the Glacier Gas Plant's current natural gas throughput capability is 425 MMcf/d.

The Glacier Gas Plant is used to process Advantage's Montney production through a network of pipelines, compressor stations and liquids hubs.

Banshee Gas Plant

The Company has a 25% non-operated ownership interest in the Banshee Gas Plant. The Banshee Gas Plant was commissioned by Tourmaline in 2011 and expanded to reach 155 MMcf/d raw gas and 2,875 Bbls/d liquids handling capacity in 2014. The plant consists of two processing trains and the site can accommodate a third processing train in the future, if required.

The Banshee Gas Plant processes production from Tourmaline's Alberta Deep Basin assets at Basing, Minehead, Ansell and Lambert through a network of Tourmaline-owned pipelines. Additional third-party volumes are also processed at the Banshee Gas Plant, all of which are subject to the TPF Revenue Interest Agreement.

Gundy Gas Plant

The Company has a 10% non-operated ownership interest in the Gundy Gas Plant. The Gundy Gas Plant was commissioned by Tourmaline in 2018 and expanded to reach 400 MMcf/d raw gas and 30,000 Bbls/d liquids handling capacity in the first quarter of 2022. The plant consists of two processing trains, and the site can accommodate a third processing train in the future, if required. The Gundy Gas Plant processes production from Tourmaline's NEBC Montney assets surrounding the Gundy area through a network of Tourmaline-owned pipelines.

Pipestone Assets

The Company has a 49.5% non-operated ownership interest in certain mineral rights, tangible assets and miscellaneous interests comprised of pipeline-connected water sourcing, storage and disposal infrastructure located in the Pipestone area of Alberta which service Montney resource development in Alberta.

Wembley Facility

The Company has a non-operated ownership interest of approximately 50% in the Wembley Facility. The Wembley Facility was commissioned by Tamarack in 2023 and includes a natural gas processing facility with nameplate capacity of 15 MMcf/d and an associated crude oil battery with capacity of approximately 1,500 bbl/d, located in the Peace River High.

Musreau Facility

The Company has a 50% non-operated ownership interest in the Musreau Facility. The facility was commissioned by Whitecap in 2024 and includes natural gas compression capacity of approximately 43 MMcf/d and condensate stabilization capacity of 12,500 bbl/d, located in the Alberta Montney.

Pouce Coupe Facility

The Company has a 35% non-operated ownership interest in the Pouce Coupe Facility, a 40 MMcf/d natural gas processing and condensate handling facility in the Alberta Montney that was commissioned by Logan in 2025.

Clearwater Gathering System

The Company has a 99% non-operated working interest in a natural gas gathering system in the Marten Hills area of the Clearwater, with natural gas capacity of approximately 8 MMcf/d.

Assets Relating to the Other Income

The Company is entitled to receive third-party revenue, including but not limited to, processing, compression, and water handling revenue, generated at multiple facilities owned by Tourmaline pursuant to the TPF Handling Agreements. These facilities include natural gas processing plants, crude oil batteries, pipelines, water disposal facilities, compressor stations and other miscellaneous facilities associated with the handling of crude oil, natural gas and NGLs. The facilities are located across all three of Tourmaline's core operating areas and are operated by Tourmaline. Topaz does not have an ownership interest in the underlying assets.

RESERVES AND OTHER OIL AND GAS INFORMATION

Disclosure of Reserves Data

In accordance with NI 51-101, the reserves data associated with the Royalty Lands set forth below is based upon an evaluation by GLJ Ltd. ('GLJ') and McDaniel and Associates Consultants Ltd. ('McDaniel') (together the 'Reserve Engineers') as set forth in the Topaz Reserve Report. An average of the GLJ Price Forecast, Sproule Price Forecast and McDaniel Price Forecast was used in the Topaz Reserve Report. The effective date of the information provided in the Topaz Reserve Report is December 31, 2025 and the Topaz Reserve Report has a preparation date of February 4, 2026.

The Topaz Reserve Report evaluated, as at December 31, 2025, the crude oil, heavy oil, natural gas and NGLs reserves associated with the Royalty Lands, as well as the Processing Revenue attributed to the Infrastructure Assets, operating expenses, turnaround maintenance expenses, abandonment and reclamation costs and Other Income attributed to its energy infrastructure assets and contractual agreements, respectively. The tables below summarize the reserves and the net present value of future net revenue attributable to the reserves as evaluated in the Topaz Reserve Report based on an equal weighted average of the January 1, 2026 price forecasts for GLJ, Sproule Associates Ltd. and McDaniel and Associates Consultants Ltd. The tables summarize the data contained in the Topaz Reserve Report and, as a result, may contain slightly different numbers than such report due to rounding. In addition, certain columns may not add exactly due to rounding.

The net present value of future net revenue attributable to the reserves and Infrastructure Assets is stated without provision for interest costs, but after providing for Processing Revenue, operating expenses, turnaround maintenance expenses, abandonment and reclamation costs and Other Income. It should not be assumed that the undiscounted or discounted net present value of future net revenue attributable to the reserves estimated by Topaz Reserve Report represent the fair market value of the reserves. Other assumptions and qualifications relating to costs, prices for future production and other matters are summarized herein. The recovery estimates of the reserves provided herein are estimates only and there is no guarantee that the reserves, as estimated, will be recovered. Actual reserves may be greater than or less than the estimates provided herein.

In preparing the Topaz Reserve Report, the Reserve Engineers relied on certain information provided by the Company, Tourmaline and third parties associated with the Royalty Lands, which included working and net revenue interest data, public data, well information, geological information, reservoir studies, estimates of on-stream dates, contract information, current hydrocarbon product prices, operating cost data, financial data and future development and operating plans, as applicable. Other engineering, historical production, geological or economic data required to conduct the evaluations and upon which the Topaz Reserve Report is based was obtained from public records and from non-confidential files. The extent and character of ownership and the accuracy of all factual data supplied for the independent evaluation, from all sources, was accepted by the Reserve Engineers as represented.

The Report on Reserves Data by each of GLJ and McDaniel in Form 51-101F2 and the Report of Management and Directors on Oil and Gas Disclosure in Form 51-101F3 are attached to this Annual Information Form as Schedule ″C″ and Schedule ″D″, respectively.

All evaluations and reviews of future net cash flow are stated prior to any provision for interest costs or general and administrative costs and after the deduction of estimated future capital expenditures for wells to which reserves have been assigned. It should not be assumed that the estimated future net cash flow shown below is representative of the fair market value of properties. There can be no assurance that such price and cost assumptions will be attained and variances could be material. The recovery and reserve estimates of crude oil, heavy oil, natural gas and NGLs reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered.

GLJ and McDaniel were engaged by the Company to provide an evaluation of proved and probable reserves. All of the reserves associated with the Royalty Lands are located in Alberta, British Columbia, Saskatchewan, Manitoba, Ontario, Quebec and the Northwest Territories. Additionally, as the Company does not hold any working interests in the Royalty Lands, the Company will not be responsible for any capital costs associated with the Royalty Lands and, as such, the evaluation of reserves data does not include any undeveloped reserves.

Summary of Reserves

Summary of Oil and Gas Reserves and Net Present Values of Future Net Revenue as of December 31, 2025 Forecast Prices and Costs[1]

	Light & Medium Crude Oil		Heavy Crude Oil		Conventional Natural Gas		Shale Natural Gas		Natural Gas Liquids		Total Oil Equivalent[3]	
Reserves Category	**Company Gross[1] (Mbbls)**	**Company Net[2] (Mbbls)**	**Company Gross[1] (Mbbls)**	**Company Net[2] (Mbbls)**	**Company Gross[1] (Mbbls)**	**Company Net[2] (MMcf)**	**Company Gross[1] (MMcf)**	**Company Net[2] (MMcf)**	**Company Gross[1] (Mbbls)**	**Company Net[2] (Mbbls)**	**Company Gross[1] (MBoe)**	**Company Net[2] (MBoe)**
Proved Producing	—	4,810	—	6,023	—	100,227	—	111,780	—	3,354	—	49,521
Proved Developed Non-Producing	—	2	—	6	—	2,129	—	5,281	—	85	—	1,327
Proved Undeveloped	—	—	—	—	—	—	—	—	—	—	—	—
Total Proved	—	**4,812**	—	**6,029**	—	**102,356**	—	**117,062**	—	**3,438**	—	**50,849**
Total Probable	—	1,269	—	1,831	—	26,394	—	37,683	—	1,059	—	14,839
Total Proved Plus Probable	—	**6,081**	—	**7,860**	—	**128,750**	—	**154,745**	—	**4,498**	—	**65,688**

* Numbers may not add due to rounding.

Notes:

(1) The Company differs from typical oil and natural gas producers in that all of its interests in reserves are royalty interests with no associated working interests. As a result, there is no gross production associated with the Royalty Lands, which may hinder comparison of the Company's reserves with others in the oil and natural gas industry.

(2) Net production represents the Company's royalty interests.

(3) Tight oil is not disclosed as a separate product type in the above table as it represents less than 1% of the Company's total proved plus probable reserves. The tight oil figures are however included in the Company's total oil equivalent figures above.

Summary of Net Present Values of Future Net Revenue

	Net Present Value of Future Net Revenue Before Income Taxes Discounted at (%/year)				
	0%	**5%**	**10%**	**15%**	**20%**
Reserves Category			*($ thousands)*		
Proved					
Developed Producing	2,839,058	2,049,650	1,613,240	1,337,100	1,146,823
Developed Non-Producing	40,771	28,371	21,593	17,439	14,669
Undeveloped	—	—	—	—	—
Total Proved Developed	**2,879,829**	**2,078,021**	**1,634,833**	**1,354,539**	**1,161,492**
Total Probable Developed	**900,045**	**407,102**	**240,128**	**164,947**	**124,104**
Total Proved Plus Probable Developed	**3,779,874**	**2,485,123**	**1,874,961**	**1,519,487**	**1,285,596**

	Net Present Value of Future Net Revenue After Income Taxes Discounted at (%/year)				
	0%	**5%**	**10%**	**15%**	**20%**
Reserves Category			*($ thousands)*		
Proved					
Developed Producing	2,646,871	1,929,574	1,532,270	1,279,618	1,104,486
Developed Non-Producing	30,894	21,776	16,817	13,794	11,785
Undeveloped	—	—	—	—	—
Total Proved Developed	**2,677,766**	**1,951,350**	**1,549,088**	**1,293,412**	**1,116,272**
Total Probable Developed	**712,916**	**328,447**	**196,812**	**137,017**	**104,325**
Total Proved Plus Probable Developed	**3,390,682**	**2,279,797**	**1,745,900**	**1,430,430**	**1,220,597**

* Numbers may not add due to rounding.

Additional Information Concerning Future Net Revenue (Undiscounted) as of December 31, 2025

Reserves Category	**Revenue ($000)**	**Royalties ($000)**	**Oper. Costs ($000)**	**Capital Development Costs ($000)[(1)]**	**Aband. and Reclamation Costs ($000)[(1)]**	**Future Net Revenue Before Income Tax ($000)**	**Income Tax ($000)[(2)]**	**Future Net Revenue After Income Tax ($000)**
Proved Producing	2,981,052	881	127,802	–	13,311	2,839,058	192,186	2,646,871
Proved Developed Non-Producing	41,154	–	383	–	–	40,771	9,877	30,894
Proved Undeveloped	–	–	–	–	–	–	–	–
Total Proved	**3,022,206**	**881**	**128,185**	–	**13,311**	**2,879,829**	**202,064**	**2,677,766**
Total Probable	**919,532**	**288**	**19,199**	–	–	**900,045**	**187,129**	**712,916**
Total Proved Plus Probable	**3,941,738**	**1,169**	**147,384**	–	**13,311**	**3,779,874**	**389,193**	**3,390,682**

* Numbers may not add due to rounding.

Notes:

(1) No development costs or abandonment and reclamation costs are associated with the estimated future net revenue from the reserves attributed to the Royalty Lands as the Company does not hold any working interests in the Royalty Lands and will not be responsible for such costs.

(2) See *"Tax Horizon"*.

Future Net Revenue by Production Group as of December 31, 2025

Reserves Category	Production Type	Future Net Revenue Before Income Taxes (discounted at 10%/year) ($000)[3]	Unit Value (discounted at 10%/year)[1] ($/Boe)	Unit Value (discounted at 10%/year)[1] ($/Mcfe)
Proved Producing	Light and Medium Crude Oil	246,806	38.68	6.45
	Heavy Oil	290,527	45.42	7.57
	Conventional Natural Gas	255,752	15.89	2.65
	Shale Natural Gas	339,852	16.46	2.74
	Other Revenue	480,303	—	—
	Total	**1,613,240**	**32.58**	**5.43**
Proved	Light and Medium Crude Oil	246,915	38.69	6.45
	Heavy Oil	290,858	45.42	7.57
	Conventional Natural Gas	261,769	15.90	2.65
	Shale Natural Gas	353,826	16.38	2.73
	Other Revenue	481,463	—	—
	Total	**1,634,833**	**32.15**	**5.36**
Proved Plus Probable	Light and Medium Crude Oil	284,653	35.25	5.87
	Heavy Oil	352,665	42.30	7.05
	Conventional Natural Gas	303,996	14.70	2.45
	Shale Natural Gas	420,218	14.70	2.45
	Other Revenue[2]	513,429	—	—
	Total	**1,874,961**	**28.54**	**4.76**

Notes:

(1) The unit value is calculated by dividing the discounted Future Net Revenue by net reserves for the principal product of the production group. Presented as $/Mcf for natural gas and $/Bbl for crude oil. Other revenue costs not related to a specific production group have been allocated proportionately to production groups.

(2) Other company revenue costs not related to a specific production group have been allocated proportionately to production groups. Unit values are based on Company Net Reserves.

(3) For future net revenue of the total proved reserves, discounted at 10%, 33% of the revenue is from light, medium, heavy and tight crude oil; 38% is from conventional and shale natural gas; and 29% is from other revenue. For the total proved plus probable reserves, 34% of the revenue is from light, medium, heavy, and tight crude oil; 39% is from conventional and shale natural gas; and 27% is from other revenue.

Reconciliation of Company Gross Reserves[(1)]
by Principal Product Type
Forecast Prices and Costs

	Light and Medium Crude Oil			Heavy Oil		
Factors	**Gross Proved (Mbbl)**	**Gross Probable (Mbbl)**	**Gross Proved Plus Probable (Mbbl)**	**Gross Proved (Mbbl)**	**Gross Probable (Mbbl)**	**Gross Proved Plus Probable (Mbbl)**
December 31, 2024	4,651	1,225	5,876	3,849	1,548	5,397
Discoveries	—	—	—	—	—	—
Extensions and Improved Recovery*	319	95	414	1,636	474	2,110
Technical Revisions	532	(51)	481	1,782	(183)	1,599
Acquisitions	118	30	149	—	—	—
Dispositions	—	—	—	—	—	—
Economic Factors	(88)	(31)	(118)	(19)	(8)	(26)
Production	(721)	—	(721)	(1,220)	—	(1,220)
December 31, 2025	4,812	1,269	6,081	6,029	1,831	7,860

	Conventional Natural Gas			Shale Natural Gas		
Factors	**Gross Proved (MMcf)**	**Gross Probable (MMcf)**	**Gross Proved Plus Probable (MMcf)**	**Gross Proved (MMcf)**	**Gross Probable (MMcf)**	**Gross Proved Plus Probable (MMcf)**
December 31, 2024	98,569	29,610	128,179	99,773	35,946	135,719
Discoveries	—	—	—	—	—	—
Extensions and Improved Recovery*	16,189	5,464	21,653	15,519	5,993	21,512
Technical Revisions	7,281	(8,376)	(1,095)	10,595	(6,025)	4,570
Acquisitions	1,341	255	1,596	7,876	2,534	10,411
Dispositions	—	—	—	—	—	—
Economic Factors	(1,400)	(560)	(1,959)	(1,929)	(766)	(2,694)
Production	(19,625)	—	(19,625)	(14,773)	—	(14,773)
December 31, 2025	102,356	26,394	128,750	117,062	37,683	154,745

	Total Oil			Total Natural Gas		
Factors	**Gross Proved (Mbbl)**	**Gross Probable (Mbbl)**	**Gross Proved Plus Probable (Mbbl)**	**Gross Proved (MMcf)**	**Gross Probable (MMcf)**	**Gross Proved Plus Probable (MMcf)**
December 31, 2024	8,500	2,773	11,273	198,342	65,556	263,898
Discoveries	—	—	—	—	—	—
Extensions and Improved Recovery*	1,955	569	2,524	31,708	11,457	43,165
Technical Revisions	2,314	(233)	2,081	17,876	(14,401)	3,476
Acquisitions	118	30	149	9,217	2,790	12,007
Dispositions	—	—	—	—	—	—
Economic Factors	(106)	(38)	(145)	(3,328)	(1,325)	(4,654)
Production	(1,941)	—	(1,941)	(34,398)	—	(34,398)
December 31, 2025	10,841	3,100	13,941	219,418	64,077	283,495

	Total Natural Gas Liquids			Total BOE		
Factors	**Gross Proved (Mbbl)**	**Gross Probable (Mbbl)**	**Gross Proved Plus Probable (Mbbl)**	**Gross Proved (Mbbl)**	**Gross Probable (Mbbl)**	**Gross Proved Plus Probable (Mbbl)**
December 31, 2024	3,209	1,059	4,268	44,767	14,758	59,524
Discoveries	—	—	—	—	—	—
Extensions and Improved Recovery*	461	163	624	7,701	2,641	10,342
Technical Revisions	132	(207)	(75)	5,425	(2,840)	2,585
Acquisitions	199	66	265	1,853	561	2,414
Dispositions	—	—	—	—	—	—
Economic Factors	(55)	(22)	(76)	(716)	(281)	(997)
Production	(508)	—	(508)	(8,182)	—	(8,182)
December 31, 2025	3,438	1,059	4,498	50,849	14,839	65,688

* The above change categories correspond to standards set out in the Canadian Oil and Gas Evaluation Handbook. For reporting under NI 51-101, reserves additions under Infill Drilling, Improved Recovery and Extensions are combined and reported as ″Extensions and Improved Recovery″.

Note:

(1) Under NI 51-101, gross reserves include only working interests before the deduction of royalties payable and do not include royalties receivable. Net reserves are comprised of working interests minus royalties payable plus royalties receivable. Since all of the Company's interests in reserves are royalty interests with no associated working interests, they would be excluded from a reconciliation table of gross reserves. Therefore, Topaz provides a reconciliation table based on net reserves which is comparable disclosure provided by peers in the royalty business.

Notes and Definitions

The reserves information presented in this Annual Information Form has been summarized from the Topaz Reserve Report.

In the tables set forth above and elsewhere in this Annual Information Form, the following notes and other definitions are applicable.

Reserve Categories

The determination of crude oil, heavy oil, natural gas and NGLs 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 require the application of professional judgment combined with geological and engineering knowledge to assess whether or not specific reserves classification criteria have been satisfied. Knowledge of concepts including uncertainty and risk, probability and statistics, and deterministic and probabilistic estimation methods are required to properly use and apply reserves definitions.

″**Reserves**″ are estimated remaining quantities of crude oil, heavy oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on:

- analysis of drilling, geological, geophysical, and engineering data;
- the use of established technology; and
- specified economic conditions, which are generally accepted as being reasonable, and shall be disclosed. Reserves are classified according to the degree of certainty associated with the estimates.

″**Proved reserves**″ are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

″**Probable reserves**″ are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

Each of the reserves categories may be divided into developed and undeveloped categories.

″**Developed reserves**″ are those reserves that are expected to be recovered from existing wells and installed facilities, or, if facilities have not been installed, that would involve a low expenditure (e.g., when compared to the cost of drilling a well) to put the reserves on production. The developed category may be subdivided into producing and non-producing.

″**Developed producing reserves**″ are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.

″**Developed non-producing reserves**″ are those reserves that either have not been on production or have previously been on production but are shut-in and the date of resumption of production is unknown.

"**Undeveloped reserves**" are those reserves expected to be recovered from known accumulations where a significant expenditure (e.g., when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves category (proved or probable) to which they are assigned.

In multi-well pools, it may be appropriate to allocate total pool reserves between the developed and undeveloped categories or to sub-divide the developed reserves for the pool between developed producing and developed non-producing. This allocation is based on the estimator's assessment as to the reserves that will be recovered from specific wells, facilities and completion intervals in the pool and their respective development and production status.

Levels of Certainty for Reported Reserves

The qualitative certainty levels referred to in the definitions above are applicable to "individual reserves entities", which refers to the lowest level at which reserves calculations are performed, and to "reported reserves", which refers to the highest-level sum of individual entity estimates for which reserves estimates are presented. Reported reserves should target the following levels of certainty under a specific set of economic conditions:

- at least a 90% probability that the quantities actually recovered will equal or exceed the estimated proved reserves;
- at least a 50% probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable reserves; and
- at least a 10% probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable plus possible reserves.

A quantitative measure of the certainty levels pertaining to estimates prepared for the various reserves categories is desirable to provide a clearer understanding of the associated risks and uncertainties. However, the majority of reserves estimates are prepared using deterministic methods that do not provide a mathematically derived quantitative measure of probability. In principle, there should be no difference between estimates prepared using probabilistic or deterministic methods.

Pricing Assumptions — Forecast Prices and Costs

The Reserve Engineers employed the following pricing, inflation rate and exchange rate assumptions based on an average of the GLJ Price Forecast, Sproule Price Forecast and McDaniel Price Forecast in estimating reserves data using forecast prices and costs.

Summary of Pricing and Inflation Rate Assumptions
Forecast Prices and Costs[1]

Crude Oil and Natural Gas Liquids Pricing

Year	Inflation[2] %	CAD/USD Exchange Rate $US/$Cdn[3]	NYMEX WTI Near Month Futures Contract Crude Oil at Cushing, Oklahoma		Brent Blend Crude Oil FOB North Sea	MSW, Light Crude Oil (40 API, 0.3%S) at Edmonton	AWB* Crude Oil (22 API, 3.93%S) at Edmonton	WCS Crude Oil Stream Quality at Hardisty	Heavy Crude Oil Proxy (12 API) at Hardisty	Cold Lake Crude Oil (21.3 API, 3.61%S) at Hardisty	Light Sour Crude Oil (35 API, 1.2%S) at Cromer	Medium Crude Oil (29 API, 2.0%S) at Cromer	Alberta Natural Gas Liquids (Then Current Dollars)			
			Constant 2026 $US/Bbl	Then Current $US/ Bbl	Then Current $US/Bbl	Then Current $Cdn/Bbl	Then Current $Cdn/Bbl	Then Current $Cdn/Bbl	Then Current $Cdn/Bbl	Then Current $Cdn/Bbl	Then Current $Cdn/Bbl	Then Current $Cdn/Bbl	Spec Ethane $Cdn/Bbl	Edm. Propane $Cdn/Bbl	Edm. Butane $Cdn/Bbl	Edm. C5+ Stream Quality $Cdn/Bbl
2026	0.0	0.728	59.92	59.92	63.92	77.54	65.12	60.09	63.82	63.48	76.59	75.60	9.59	25.10	36.95	80.01
2027	2.0	0.737	63.82	65.10	69.13	83.60	70.43	64.94	69.02	69.25	82.58	81.51	10.64	27.28	39.79	86.19
2028	2.0	0.740	67.55	70.28	74.36	90.18	76.90	71.16	75.36	75.19	89.09	87.92	11.34	29.67	42.87	92.83
2029	2.0	0.740	67.78	71.93	76.10	92.32	78.71	72.84	77.14	77.10	91.20	90.01	11.66	30.37	43.89	95.05
2030	2.0	0.740	67.79	73.37	77.62	94.17	80.29	74.30	78.68	78.64	93.03	91.82	11.89	30.98	44.77	96.94
2031	2.0	0.740	67.79	74.84	79.17	96.06	81.90	75.80	80.26	80.22	94.89	93.65	12.14	31.60	45.67	98.89
2032	2.0	0.740	67.79	76.34	80.76	97.98	83.53	77.32	81.86	81.82	96.79	95.53	12.39	32.23	46.58	100.87
2033	2.0	0.740	67.79	77.87	82.37	99.93	85.20	78.87	83.50	83.45	98.72	97.44	12.64	32.87	47.51	102.88
2034	2.0	0.740	67.79	79.42	84.01	101.93	86.91	80.46	85.17	85.12	100.70	99.38	12.90	33.53	48.46	104.94
2035	2.0	0.740	67.79	81.01	85.70	103.97	88.65	82.07	86.87	86.83	102.72	101.37	13.17	34.20	49.43	107.04
2036	2.0	0.740	67.79	82.63	87.41	106.05	90.42	83.71	88.61	88.57	104.77	103.40	13.43	34.89	50.42	109.18
2037	2.0	0.740	67.79	84.29	89.16	108.17	92.23	85.39	90.38	90.34	106.87	105.47	13.70	35.58	51.43	111.36
2038	2.0	0.740	67.79	85.97	90.95	110.34	94.07	87.10	92.19	92.14	109.00	107.58	13.97	36.30	52.46	113.59
2039	2.0	0.740	67.79	87.69	92.77	112.54	95.95	88.84	94.03	93.99	111.18	109.73	14.25	37.02	53.51	115.86
2040	2.0	0.740	67.79	89.45	94.62	114.79	97.87	90.61	95.92	95.87	113.41	111.92	14.54	37.76	54.58	118.18
2041+	2.0	0.740	67.79	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr

*AWB – Access Western Blend

Natural Gas Pricing

Year	NYMEX Henry Hub Near Month Contract		Midwest Price @ Chicago	AECO/NIT Spot	Dawn Price @ Ontario	Alberta Plant Gate			Saskatchewan Plant Gate			British Columbia			
						Spot									
	Constant 2026 $US/ MMbtu	Then Current $US/MMbtu	Then Current $US/ MMbtu	Then Current $Cdn/ MMbtu	Then Current $US/MMbtu	Constant 2026 $Cdn/ MMbtu	Then Current $Cdn/ MMbtu	ARP $Cdn/ MMbtu	SaskEnergy $Cdn/ MMbtu	Spot $Cdn/ MMbtu	Huntingdon/ Sumas Spot $US/ MMbtu	Westcoast Station 2 $Cdn/ MMbtu	Spot Plant Gate $Cdn/ MMbtu	Sulphur FOB Vancouver USD/lt	Sulphur @ Alberta Plant Gas CAD/lt
2026	3.74	3.74	3.47	3.00	3.51	2.78	2.78	2.78	3.19	2.81	2.41	2.66	2.25	260.19	115.70
2027	3.70	3.78	3.55	3.30	3.54	3.02	3.08	3.08	3.50	3.11	3.56	3.07	2.65	181.39	77.20
2028	3.70	3.85	3.63	3.49	3.61	3.13	3.26	3.26	3.68	3.30	3.64	3.25	2.83	147.15	67.75
2029	3.71	3.93	3.70	3.58	3.69	3.16	3.35	3.35	3.78	3.39	3.72	3.34	2.92	123.30	66.14
2030	3.70	4.01	3.78	3.65	3.77	3.16	3.42	3.42	3.85	3.46	3.80	3.41	2.98	125.76	68.46
2031	3.70	4.09	3.85	3.72	3.85	3.16	3.49	3.49	3.93	3.53	3.89	3.47	3.04	128.28	70.83
2032	3.70	4.17	3.94	3.80	3.93	3.17	3.57	3.57	4.00	3.61	3.97	3.54	3.11	130.84	73.25
2033	3.70	4.26	4.01	3.88	4.02	3.17	3.64	3.64	4.08	3.69	4.06	3.62	3.18	133.46	75.72
2034	3.70	4.34	4.10	3.95	4.10	3.17	3.72	3.72	4.16	3.76	4.14	3.69	3.25	136.13	78.23
2035	3.70	4.43	4.17	4.03	4.18	3.17	3.79	3.79	4.24	3.84	4.23	3.77	3.32	138.85	80.79
2036	3.70	4.52	4.26	4.11	4.27	3.17	3.87	3.87	4.32	3.92	4.32	3.84	3.39	141.63	82.41
2037	3.70	4.61	4.34	4.20	4.35	3.17	3.95	3.95	4.41	4.00	4.40	3.92	3.46	144.46	84.06
2038	3.70	4.70	4.43	4.28	4.44	3.17	4.02	4.02	4.50	4.08	4.49	4.00	3.52	147.35	85.74
2039	3.70	4.79	4.52	4.36	4.53	3.17	4.11	4.11	4.59	4.16	4.58	4.08	3.60	150.30	87.45
2040	3.70	4.89	4.61	4.45	4.62	3.17	4.19	4.19	4.68	4.24	4.67	4.16	3.67	153.30	89.20
2041+	3.70	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	3.27	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr

Notes:

(1) Crude oil, heavy oil and natural gas benchmark reference pricing, inflation and exchange rates utilized by GLJ and McDaniel in the Topaz Reserve Report, were an average of forecast prices and costs published by Sproule, GLJ and McDaniel as at January 1, 2026 (each of which is available on their respective websites at www.sproule.com, www.gljpc.com, and www.mcdan.com).

(2) Inflation rates used for forecasting prices and costs.

(3) Exchange rates used to generate the benchmark reference prices in this table.

(4) Material reserve changes relate to technical revisions, extensions and improved recovery and acquisitions. Technical revisions relate to improved performance and probable reserves shifting to proved reserves as the assets mature. Extensions relate to new wells drilled on the Royalty Lands in 2025. Improved recovery relates to supplemental undeveloped locations added to the evaluation effective December 31, 2025. For more information about acquisitions see "*General Development of Topaz's Business*".

Significant Factors or Uncertainties

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 crude oil and natural gas prices and costs change. The reserve estimates contained herein are based on current production forecasts, prices, and economic conditions. The reserves were evaluated by GLJ and McDaniel, both of which are independent qualified reserves evaluators.

As circumstances change and additional data becomes available, reserve estimates also change. 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, 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. As a result, the subjective decisions, new geological or production information and a changing economic or regulatory environment may impact these estimates. Revisions to reserve estimates can arise from changes in year-end crude oil and natural gas prices and reservoir performance. Such revisions can be either positive or negative. See *"Risk Factors — Risks Relating to the Company's Business, Industry and Operating Environment — Reserves Estimates"*.

Future Development Costs

As funding for future development costs will be the responsibility of the working interest owners on the applicable properties, and as the Company does not hold any working interests in the Royalty Lands, the Company will not be responsible for any development costs on the Royalty Lands and cannot advise as to the sources and costs of funding future development or the impact thereof on disclosed reserves or future net revenue.

Abandonment and Reclamation Costs

The Company has no reclamation obligations in respect of the Royalty Lands as these are the responsibility of the working interest owner.

Additional information related to Topaz's estimated share of future abandonment and reclamation obligations for its working interest share associated with the Infrastructure Assets can be found in Topaz's consolidated financial statements for the year ended December 31, 2025, which are available on SEDAR+ at www.sedarplus.ca.

Oil and Natural Gas Properties and Wells

The following table summarizes the gross number of wells located on the Royalty Lands in which the Company holds a royalty interest, all of which are located in Alberta, British Columbia, Saskatchewan, and Manitoba and all of which are onshore. As the Company does not hold any working interests in the Royalty Lands, the net number of wells located on the Royalty Lands is nil.

	Natural Gas		Oil	
Area	**Producing[1]**	**Non-Producing[2]**	**Producing[1]**	**Non-Producing[2]**
Alberta	4,963	–	2,991	–
British Columbia	1,691	–	19	–
Saskatchewan	3	–	671	–
Manitoba	–	–	30	–
TOTAL	**6,657**	**–**	**3,711**	**–**

Notes:

(1) Certain of the Company's royalty production is derived from unitized production and the Company does not have information with respect to the number of producing wells within the unitized production therefore the information includes unitized production as one producing well per unit on the Royalty Lands.

(2) As royalty revenue payable is based on producing wells located on the Royalty Lands, the Company does not have information from third parties on non-producing wells located on the Royalty Lands.

Properties with No Attributed Reserves

The following table summarizes the gross acres with no attributed reserves that form part of the Royalty Lands as at December 31, 2025 and the net acres with no attributable reserves for which the working interest owners' rights to explore, develop and exploit are expected to expire within one year. All such lands are located in Alberta, British Columbia, Saskatchewan, Manitoba, Ontario and the Northwest Territories.

	Royalty Lands[1][2]	
(thousands of acres)	**Gross Acres[2]**	**Gross Acres expiring within one year[2]**
Alberta	3,272	618
British Columbia	1,129	71
Saskatchewan	490	2
Manitoba	256	–
Ontario	1	–
Northwest Territories	32	–
Quebec	377	–
Total	**5,557**	**691**

Notes:

(1) Properties with different formations under the same surface area and subject to separate leases have been calculated on an aerial basis, and as such have only been counted once.

(2) As the Company does not hold any working interests in the Royalty Lands, the net acres associated with the Royalty Lands and net acres expiring within one year are nil.

The maximum area for which the Company expects the rights to explore, develop and exploit to expire within the next year is 618,118 acres in Alberta, 70,680 acres in British Columbia, 1,759 acres in Saskatchewan, and NIL in Manitoba, Ontario the Northwest Territories or Quebec. The expiring acreage is continuously being evaluated by the respective working interest owner, and it is expected that attempts will be made by the respective working interest owner to maintain their rights on the acreage and mitigate expiries through land swaps, asset dispositions or drilling to maintain the lease. There are no material work commitments necessary to maintain these properties.

Tax Horizon

As at December 31, 2025, the Company had federal tax pools of $1.6 billion which include non-capital losses of approximately $67.3 million. The statutory corporate income tax rate applicable to the Company is approximately 25%. A company's taxable income is based on total revenue, other income and expenses. The Company does not expect to pay any material Canadian income tax prior to 2026. This estimate will be impacted by, among other factors, royalty production volumes, commodity prices, development activities on the properties in which it holds royalty interests, processing volume, processing fees, amount and term of fixed take-or-pay commitments, third-party processing and handling volumes and fees, operating costs, interest rates, changes in tax laws and the Company's other business activities. Changes in these factors from estimates used by Topaz could result in the Company paying income taxes earlier than expected.

Costs Incurred

The following table discloses the Company’s capital expenditures and costs incurred in respect of acquisitions of Royalty Lands and Infrastructure Assets for the year ended December 31, 2025.

	Year Ended December 31, 2025 *($ thousands)*		
Expenditure	**Royalty Assets**	**Infrastructure Assets**	**Total**
Property Acquisition Costs:			
Proved Properties	56,137	29,484	85,621
Unproved Properties	40,042	–	40,042
Total	**96,179**	**29,484**	**125,663**

Production Estimates

The following table discloses for each product type the gross and net volume of production estimated by the Reserve Engineers for the year ended December 31, 2025 in the estimates of gross and net proved and gross probable reserves disclosed above under the heading *"Reserves and Other Oil and Gas Information — Disclosure of Reserves Data"*.

Reserves Category	Light and Medium Crude Oil		Heavy Crude Oil[3]		Conventional Natural Gas		Shale Natural Gas		Natural Gas Liquids		Oil Equivalent Total	
	Gross[1]	Net[2]	Gross[1]	Net[2]	Gross[1]	Net[2]	Gross[1]	Net[2]	Gross[1][4]	Net[2]	Gross[1]	Net[2]
	(Bbls/d)	*(Bbls/d)*	*(Bbls/d)*	*(Bbls/d)*	*(Mcf/d)*	*(Mcf/d)*	*(Mcf/d)*	*(Mcf/d)*	*(Bbls/d)*	*(Bbls/d)*	*(Boe/d)*	*(Boe/d)*
Total Proved	–	1,457	–	2,876	–	45,375	–	42,258	–	1,336	–	20,274
Total Probable	–	52	–	171	–	2,056	–	2,210	–	74	–	1,008
Total Proved Plus Probable	–	1,509	–	3,047	–	47,431	–	44,467	–	1,410	–	21,282

Notes:

(1) All of the Company's interests in reserves are royalty interests with no associated working interests. As a result, there is no gross production associated with the Royalty Lands.

(2) Net production represents the Company's royalty interests.

(3) No field accounts for more than 20% of the production estimate.

Topaz Production History (Royalty Production) Relating to the Royalty Lands

The following tables summarize certain information in respect of Topaz's average royalty production, product prices received, marketing expenses and administrative expenses and resulting netback from the Royalty Lands for the periods indicated below:

	Three Months Ended March 31, 2025	Three Months Ended June 30, 2025	Three Months Ended Sept. 30, 2025	Three Months Ended Dec. 31, 2025
Average Daily Royalty Production[1]				
Light and Medium Crude Oil (Bbl/d)	1,925	2,133	1,910	1,928
Heavy Oil (Bbl/d)	3,154	3,314	3,386	3,515
Conventional Natural Gas (Mcf/d)	56,360	55,345	53,784	58,597
Shale Natural Gas (Mcf/d)	38,835	37,784	35,812	40,455
Natural Gas Liquids (Bbl/d)	1,434	1,320	1,365	1,446
Combined (Boe/d)	**22,380**	**22,290**	**21,596**	**23,399**
Average Product Price Received[3]				
Light and Medium Crude Oil ($/Bbl)	$91.39	$79.45	$81.64	$74.92
Heavy Oil ($/Bbl)	$82.61	$72.31	$73.43	$63.00
Conventional Natural Gas ($/Mcf)	$2.18	$1.72	$0.65	$2.08
Shale Natural Gas ($/Mcf)	$1.90	$0.87	$0.54	$2.09
Natural Gas Liquids (Bbl/d)	$90.78	$78.97	$80.18	$73.87
Combined ($/Boe)	**$34.10**	**$28.78**	**$26.32**	**$29.02**
Administrative Costs				
Light and Medium Crude Oil ($/Bbl)	$1.28	$1.14	$1.17	$1.05
Heavy Oil ($/Bbl)	$0.25	$0.21	$0.18	$0.22
Conventional Natural Gas ($/Mcf)	$0.06	$0.05	$0.04	$0.06
Shale Natural Gas ($/Mcf)	$0.06	$0.04	$0.04	$0.06
Natural Gas Liquids (Bbl/d)	$0.98	$0.88	$0.90	$0.86
Combined ($/Boe)	$0.25	$0.21	$0.18	$0.22
Netback Received ($/Boe)[4]	**$33.86**	**$28.57**	**$26.14**	**$28.80**

Notes:

(1) Represents Topaz's royalty share of production.

(2) Numbers may not add due to rounding.

(3) No royalties are attributable to Topaz's share of royalty production.

(4) Netbacks are calculated by subtracting marketing expenses and estimated administrative costs from revenues. Topaz does not incur production or operating costs however Topaz pays a 1% marketing fee to certain royalty payors as the Company's royalty production is marketed with the respective royalty payor's production and administrative costs include estimated expenses associated with accounting functions necessary to administer and collect royalty payments and are allocated to conventional and shale natural gas, light and medium crude oil, heavy oil and NGLs based on each product's share of total product revenue.

AGREEMENTS WITH TOURMALINE

Agreements Relating to the E&P Asset Disposition

In conjunction with the E&P Asset Disposition, the Company and Tourmaline entered into the E&P Asset Disposition Agreement pursuant to which the Company sold the E&P Assets to Tourmaline for cash consideration of $285.0 million.

The purchase by Tourmaline of the E&P Assets was on an ″as is, where is″ basis, except for the express and limited representations, warranties and indemnities contained in the E&P Asset Disposition Agreement.

Subject to certain limitations, the Company and Tourmaline are liable to and indemnified one another for losses and liabilities suffered, sustained, paid or incurred as a direct result of any act, omission, circumstance or other matter arising out of, resulting from, attributable to or connected with any representations or warranties contained in the E&P Asset Disposition Agreement being untrue or incorrect or of a breach by either party of any of its respective covenants contained in the E&P Asset Disposition Agreement that were required to be performed or complied with at the closing time, provided that, no party will have any liability under the E&P Asset Disposition Agreement for any losses and liabilities or claims in respect of which a party, absent fraud, does not provide written notice thereof in reasonable detail to the other party within the 12-month period immediately following closing of the E&P Asset Disposition. As of the date hereof, no such notice has been provided or received by the Company.

In addition, Tourmaline agreed in the E&P Asset Disposition Agreement to be liable for, and indemnify the Company and its related persons, for all direct losses and liabilities of whatsoever nature or kind suffered, sustained, paid or incurred by Topaz or any of Topaz's related persons: (i) arising out of, resulting from, attributable to or connected with the E&P Assets, including the ownership or operation of the E&P Assets or under or in respect of the title and operating documents and any and all accounts receivable, accounts payable and any adjustments or prior period adjustments thereunder; or (ii) pertaining to the lands, wells, pipelines or any other tangibles, including any and all environmental liabilities, in each case whether any such losses and liabilities or claims arise out of, result from, are attributable to or are connected with events occurring before, on or after the effective time of the E&P Asset Disposition, whether known or unknown, except in respect of any losses and liabilities or claims arising out of, resulting from, attributable to or connected with taxes on income or capital gains accruing, attributable to or connected with events occurring prior to the effective time of the E&P Asset Disposition. The foregoing assumption of liability and indemnity of Tourmaline applies without limit and without regard to the negligence of Topaz or any of Topaz's related persons.

Agreements Relating to the Initial Acquisition

Initial Acquisition Agreements

In conjunction with the Initial Acquisition, the Company and Tourmaline entered into the Initial Acquisition Agreements pursuant to which the Company acquired all of the Initial Assets from Tourmaline.

The Initial Acquisition Agreements are comprised of: (i) the Initial Assets Purchase and Sale Agreement and (ii) the Initial Assets Ancillary Agreements, which include the Initial GORR Agreement, the TPF Revenue Interest Agreement, the Initial Facilities Volume Commitment Agreements and the Initial Facilities CO&O Agreements.

Initial Assets Purchase and Sale Agreement

Pursuant to the Initial Assets Purchase and Sale Agreement, Topaz acquired the Initial GORR Interest, the Initial Facility Interests and the TPF Revenue. Interest from Tourmaline for consideration consisting of $194.5 million in cash and 58,049,494 Common Shares.

The purchase by Topaz of the Initial Assets was on an ″as is, where is″ basis, except for the express representations, warranties and indemnities contained in the Initial Assets Purchase and Sale Agreement.

Subject to certain limitations, the Company and Tourmaline have agreed to be liable to and indemnify each other for claims that may be brought against the other or losses and liabilities that the other suffers a result of a breach of a representation or warranty or covenant of such party in the Initial Assets Purchase and Sale Agreement provided that Topaz is not liable or required to indemnify Tourmaline in respect of claims or losses and liabilities which are caused by the gross negligence or

willful misconduct of Tourmaline or its representatives or are matters or things for which Topaz is entitled to indemnification by Tourmaline under the Initial Assets Purchase and Sale Agreement.

In addition, Topaz agreed that, subject to certain exceptions, from and after closing of the Initial Acquisition, it will be liable and indemnify Tourmaline for all claims or losses and liabilities that Tourmaline suffers, sustains, pays or incurs which arise out of any matter or thing occurring, accruing or arising on and after the closing date of the Initial Acquisition and which relates to the Initial Facility Interests and in respect of all past, present and future environmental liabilities related to the Initial Facilities, provided that a party is not liable for a breach of a representation and warranty in the Initial Assets Purchase and Sale Agreement unless notice of such breach was provided prior to November 14, 2020 (no notices of breach were sent or received prior to such date) or to the extent the loss is reimbursed by insurance carried by such party.

Tourmaline GORR Interests

Description of the Tourmaline GORR Interests

The commodity prices for natural gas, crude oil and condensate are based on market index prices in the month of production. Specifically, the Company's royalty share of natural gas production is priced using the AECO (5A) or Station 2 index; its share of crude oil production is priced using the Peace Sour (PSO) or Edmonton Light (MSW) benchmark; and condensate production is priced using the Namao/Peace C5+ benchmark. The royalty production volumes derived from the Tourmaline GORR Interests are currently marketed with Tourmaline's volume and the Company pays a marketing fee to Tourmaline in an amount equal to 1% of the royalty share proceeds. Revenue is generally received by the Company two months after the natural gas, crude oil and condensate are produced. The Company can elect to take its share of the royalty production volume in-kind, if desired. The Company expects that the free cash flow margin[(1)] attributed to the Tourmaline GORR Interests will continue to be 99%, after taking into account the marketing fee paid to Tourmaline to market its royalty production volume. Refer to “Tourmaline GORR Interests” and the definitions ascribed thereto in *Schedule “A” Glossary of Terms*.

Note:

(1) Defined as a supplementary financial measure. Refer to *"Non-GAAP and Other Financial Measures".*

Description of the Tourmaline GORR Agreements

Pursuant to the Initial GORR Agreement, the Tourmaline January 2021 Deep Basin GORR Agreement, the Tourmaline July 2021 NEBC Montney GORR Agreement, the Tourmaline August 2021 NEBC Montney GORR Agreement, the Tourmaline 2022 Peace River and Deep Basin GORR Agreement, the Tourmaline 2024 Core Area GORR Agreement, and the Tourmaline 2025 Tuck-In NEBC Montney GORR Agreement (collectively, the “Tourmaline GORR Agreements”), Tourmaline granted the Tourmaline GORR Interests to Topaz out of Tourmaline's working interest in the Tourmaline GORR Lands, being an undivided interest in and to the petroleum substances within, upon or under the Tourmaline GORR Lands as described for each acquisition under *Schedule “A” Glossary of Terms.*

Insofar as Topaz does not take its royalty share of petroleum substances in-kind, Topaz has appointed Tourmaline as its agent for the handling and disposition of its royalty share. Tourmaline has agreed to dispose of those petroleum substances on behalf of Topaz by selling them at market price (defined in the respective Tourmaline GORR Agreement by reference to third-party market indices and price quotations), or purchasing them for its own account, and in either case deducting therefrom a marketing fee of 1% of the proceeds. The market price, for the purposes of the Tourmaline GORR Agreements, is reflective of current month market indices in Alberta or British Columbia, as applicable. Specifically, the Company's royalty share of natural gas production is priced using the AECO (5A) or Station 2 index, its royalty share of crude oil production is priced using Peace Sour (PSO) benchmark or Edmonton Light (MSW) benchmark, and its royalty share of condensate production is priced using the Namao/Peace C5+ benchmark.

Tourmaline has agreed to hold the petroleum substances attributable to the Tourmaline GORR Interests and the royalty share proceeds therefrom, net of a marketing fee of 1% of the royalty share proceeds, as trustee for Topaz and subject to the terms of the Tourmaline GORR Agreements. If not taken in-kind by Topaz, the royalty share of petroleum substances produced from the Tourmaline GORR Lands will be free and clear of any and all deductions whatsoever for costs and expenses incurred to the point of sale, other than the marketing fee.

Subject to the provisions of the Tourmaline GORR Agreements, Topaz may, on a minimum of 120 days' notice to Tourmaline, revoke the agency established in the Tourmaline GORR Agreements and elect to take delivery of all or a portion of its royalty share of petroleum substances and separately dispose of the same.

Unless otherwise agreed to by Topaz, to the extent Topaz elects to take delivery of all or a portion of its royalty share of petroleum substances in-kind but fails to take possession of the same, Tourmaline may sell such royalty share as agent for Topaz; however, in such circumstance Tourmaline may only sell the petroleum substances comprised of Topaz's royalty share under an arrangement that, as it affects those petroleum substances, is terminable at any time on not greater than one month's notice by Topaz to Tourmaline without an early termination penalty or other cost or such other notice period as is common for the nature of the transaction.

Tourmaline may commingle the royalty share of proceeds with its own funds, but notwithstanding such commingling, Tourmaline is deemed to be holding the royalty share proceeds in trust for Topaz. Tourmaline must remit to Topaz all funds accruing to Topaz on account of the Tourmaline GORR Interests on or before the 25th day of the calendar month next following the calendar month in which those funds were received by Tourmaline.

Topaz has a lien on Tourmaline's working interest in the Tourmaline GORR Lands, the wells and equipment thereon and the petroleum substances within, upon or under the Tourmaline GORR Lands or produced therefrom. Both the Tourmaline GORR Interests and the liens are interests in land that attach to Tourmaline's title documents and the liens are a charge and encumbrance against Tourmaline's working interest, and its successors and assigns with respect to all or any portion of Tourmaline's working interest. The lien does not preclude a party entering into any *bona fide* financing that requires a pledge or the granting of security.

In the event of the failure by Tourmaline to pay the Tourmaline GORR Interests or any other amounts owing to Topaz under the Tourmaline GORR Agreements within 5 business days of receiving notice of such default, in addition to any other right or remedy that Topaz may have under the Tourmaline GORR Agreements or at law, Topaz has the right to: (a) charge interest on any unpaid amounts at the prime rate of Tourmaline's primary bank plus 2%; (b) set-off against any amount unpaid by Tourmaline, any sums due or accruing to Tourmaline or any affiliate from Topaz under any agreement between Topaz and Tourmaline or any affiliate of Tourmaline; (c) maintain an action or actions for such unpaid amounts and interest thereon on a continuing basis as such amounts are payable, but not paid, as if the obligation to pay such amounts and the interest thereon were liquidated demands due and payable on the relevant date such amounts were due to be paid, without any right or resort to set-off or counter-claim by Tourmaline; (d) immediately commence to take in-kind all or a portion of the petroleum substances comprising the Tourmaline GORR Interests; and (e) exercise Topaz's lien and treat the payment default as an immediate and automatic assignment to Topaz of the proceeds of sale attributed to its royalty share of the petroleum substances from the Tourmaline GORR Lands, and give notice to purchasers of petroleum substances from Tourmaline requiring them to pay the proceeds of sale of its royalty share of petroleum substances from Tourmaline GORR Lands directly to Topaz's agent, which may be Topaz, and such purchasers of petroleum substances will be entitled to rely upon notice from Topaz to such effect and to thereafter pay the proceeds of sale accordingly.

If Tourmaline becomes subject to an insolvency event, Topaz may immediately commence to take in-kind all or a portion of the petroleum substances comprising the Tourmaline GORR Interests in accordance with the provisions of the Tourmaline GORR Agreements.

Tourmaline has agreed to keep and maintain true and correct books, records and accounts showing credits and charges under the Tourmaline GORR Agreements and the kind and quantity of petroleum substances produced from and attributed to the Tourmaline GORR Lands, and the disposition of Topaz's royalty share and Topaz has the right to audit Tourmaline's books, records and accounts, including production accounting and marketing records, with respect to the production, disposition or sale of the Tourmaline GORR Interests within 24 months next following the end of the applicable calendar year.

The Tourmaline GORR Agreements provide that except for Topaz's rights and obligations in the Tourmaline GORR Agreements with respect to Topaz's right to take its royalty share in-kind, Topaz is not liable for any of the duties and obligations arising in respect of the Tourmaline GORR Lands or under any of Tourmaline's title documents.

Pursuant to the Tourmaline GORR Agreements, Tourmaline has agreed to conduct operations on the Tourmaline GORR Lands in accordance with good operating practices but has the exclusive control and authority over development of, and recovery of petroleum substances from, the Tourmaline GORR Lands and lands pooled or unitized therewith, including, without limitation, making all decisions respecting whether, when and how to drill, complete, equip, produce, suspend, abandon and shut-in wells, whether and when to conduct maintenance activities and whether to elect to convert royalties to

working interests. Nothing contained in the Tourmaline GORR Agreements imposes any obligation, expressed or implied, on Tourmaline to explore or develop the Tourmaline GORR Lands.

Tourmaline has agreed to indemnify and save Topaz, its affiliates and each of their respective directors, officers, employees, servants and agents, harmless from and against, all claims that may be brought against any of them or any and all losses and liabilities that any of them may suffer, sustain, pay or incur, by reason of any matter or thing arising out of or in any way attributable to the operations carried on by or on behalf of Tourmaline on or in connection with the Tourmaline GORR Lands, including in respect of any and all Environmental Liabilities (as defined in the Tourmaline GORR Agreements).

Tourmaline has agreed to: (a) not discriminate against petroleum substances produced or producible from the Tourmaline GORR Lands in the production and marketing thereof for the reason that they are subject to the Tourmaline GORR Interests and to use reasonable efforts to produce petroleum substances from a well subject to the Tourmaline GORR Interests equitably with production from any diagonally or laterally offsetting well producing from the same pool as such well, insofar as Tourmaline or an affiliate has an interest in the offsetting well; and (b) at its own cost, subject to the provisions of the Tourmaline GORR Agreements, take such actions as may be reasonably necessary to maintain its title documents pertaining to the Tourmaline GORR Lands in good standing provided that this does not, however, obligate Tourmaline to conduct any drilling, geophysical or geological operation for the Tourmaline GORR Lands or to pay compensatory royalty to maintain a title document, as it pertains to the Tourmaline GORR Lands, in full force and effect where the requirement to conduct such operation or to pay compensatory royalty may be avoided by the surrender of lands subject to the affected title document to the issuer thereof. Tourmaline may surrender, terminate or let expire any title documents pertaining to the Tourmaline GORR Lands that Tourmaline, in its sole discretion, determines not to develop or that Tourmaline determines are not capable of producing petroleum substances in paying quantities.

Topaz may transfer or assign the Tourmaline GORR Interests in whole or part, with the consent of Tourmaline not to be unreasonably withheld, conditioned or delayed. If Tourmaline disposes of all or any part of its working interest in the Tourmaline GORR Lands or any of them, it continues to be bound by, and is required to observe and perform all of the covenants and terms of the Tourmaline GORR Agreements as if there had been no disposition until such time as the party acquiring such interest is bound by, or deemed to be bound by the Tourmaline GORR Agreements insofar as they relate to the interest transferred or assigned. Upon the party acquiring such interest being bound or deemed to be bound by the Tourmaline GORR Agreements with respect to the interest transferred or assigned, Tourmaline shall be released and discharged from any and all liability and obligations thereafter accruing under the Tourmaline GORR Agreement relating to the Tourmaline GORR Lands, insofar as they relate to the interest so transferred or assigned.

TPF Revenue Interest Agreement

Pursuant to the TPF Revenue Interest Agreement, Tourmaline has agreed to contribute and dedicate the TPF Revenue received by Tourmaline to Topaz for each calendar year during the term of the TPF Revenue Interest Agreement as follows: (a) 100% of the first $16,000,000 of TPF Revenue received by Tourmaline; and (b) 70% of the TPF Revenue received by Tourmaline in excess of the $16,000,000 (the "**TPF Revenue Interest**").

Subject to certain limitations, Tourmaline is only required to account to Topaz for TPF Revenue actually received by Tourmaline. In connection therewith, Tourmaline agrees to use reasonable commercial efforts to realize, demand, recover, collect and enforce the payment by third parties of amounts owing to Tourmaline under the TPF Handling Agreements.

Tourmaline has agreed not to compromise, settle or waive the payment obligations of any third-party under a TPF Handling Agreement if the amount owing thereunder exceeds an agreed amount without the prior written consent of Topaz, which consent may not be unreasonably withheld, conditioned or delayed.

Tourmaline has the right to commingle the TPF Revenue with its own funds, but notwithstanding such commingling, Tourmaline is deemed to hold such TPF Revenue in trust for Topaz. Tourmaline will remit to Topaz all funds received by Tourmaline and accruing to Topaz on account of the TPF Revenue Interest on or before the 25th day of the calendar month next following the calendar month in which those funds were received by Tourmaline.

In the event of the failure by Tourmaline to pay the TPF Revenue or any other amounts owing to Topaz under the TPF Revenue Interest Agreement within 5 business days of receiving notice of such default, in addition to any other right or remedy that Topaz may have under the TPF Revenue Interest Agreement or at law, Topaz has the right to: (a) charge interest on any unpaid amounts at the prime rate of Tourmaline's primary bank plus 2%; (b) set-off against any amount unpaid by Tourmaline, any sums due or accruing to Tourmaline or any affiliate (other than Topaz) from Topaz under the TPF Revenue

Interest Agreement or any other agreement between Topaz and Tourmaline or any affiliate of Tourmaline (other than Topaz); (c) maintain an action or actions for such unpaid amounts and interest thereon on a continuing basis as such amounts are payable, but not paid, as if the obligation to pay such amounts and the interest thereon were liquidated demands due and payable on the relevant date such amounts were due to be paid, without any right or resort to set-off or counter-claim by Tourmaline;

Tourmaline has agreed to keep and maintain true and correct books, records and accounts of the TPF Revenue under the TPF Revenue Interest Agreement and Topaz has a number of audit and inspection rights thereunder.

Pursuant to the TPF Revenue Interest Agreement, Tourmaline has exclusive control and authority over the operation and maintenance of the TPF Facilities, the administration of the TPF Handling Agreements and the negotiation and entry into new TPF Handling Agreements at the TPF Facilities. Accordingly, Topaz is not liable for any of the duties and obligations arising in respect of the TPF Handing Agreements, the provision of handling services thereunder or the administration thereof, the TPF Facilities or the operation thereof, Tourmaline's financial obligations pertaining to the TPF Facilities or the operation thereof or any environmental liabilities pertaining to the TPF Facilities or the operation thereof.

The TPF Revenue Interest Agreement provides that: (a) the TPF Handling Agreements are short-term contracts that may be terminated by either party thereto with notice; (b) Tourmaline has no obligation to maintain the TPF Handling Agreements in place or provide handling services to third parties under the TPF Handling Agreements beyond the date of expiration or termination of such TPF Handling Agreements; and (c) the TPF Revenue Interest relates solely to Tourmaline's interest in the TPF Facilities from time to time, and there are no restrictions on the ability of Tourmaline to reduce its interest in the TPF Facilities or otherwise, to require a third-party assignee of any of Tourmaline's interest in the TPF Facilities to assume any obligations of Tourmaline under TPF Revenue Interest Agreement.

In accordance with the TPF Revenue Interest Agreement, Tourmaline has agreed to indemnify and save Topaz, its directors, officers, employees, servants and agents, harmless from and against, all claims that may be brought against any of them or any and all losses and liabilities that any of them may suffer, sustain, pay or incur, by reason of any matter or thing arising out of or in any way attributable to: (i) the TPF Handling Agreements, (ii) the provision of handling services thereunder and the administration thereof; (iii) the TPF Facilities and the operation thereof; (iv) all financial obligations pertaining to the TPF Facilities and the operation thereof; and (v) all environmental liabilities pertaining to the TPF Facilities and the operation thereof.

Topaz may transfer or assign its interest in the TPF Revenue Interest Agreement in whole or part. Tourmaline may assign all or any portion of its interest in any of the TPF Facilities, in its sole discretion, without assigning a corresponding interest in the TPF Revenue Interest Agreement to the assignee and without the consent of Topaz.

Unless otherwise agreed to by both parties, the TPF Revenue Interest Agreement remains in effect until a date that is the earliest of: (a) with respect to any particular TPF Handling Agreement or TPF Facility, upon the termination or expiry of that TPF Handling Agreement in accordance with its terms or the date on which Tourmaline no longer has an ownership interest in that TPF Facility (whichever occurs earlier); and (b) in its entirety, the date that Tourmaline no longer has an ownership interest in any of the TPF Facilities.

Initial Facilities Volume Commitment Agreements

Pursuant to the Initial Facilities Volume Commitment Agreements, Tourmaline has agreed, during each year of the term of the agreements, to deliver prescribed volumes of petroleum substances produced from wells in which Tourmaline has a beneficial ownership interest to the applicable Initial Facility. The take-or-pay volume commitment for each year is equal to a daily committed volume (which varies by facility) multiplied by the number of operational days in that year. Tourmaline has agreed to pay a fixed-fee per MMcf in respect of the annual volume commitment. The daily committed volume and fixed-fee in respect of each Initial Facility are as follows: Brazeau: 17.5 MMcf/d - $0.70/Mcf; and Musreau: 32.5 MMcf/d - $0.70/Mcf. If the volumes actually delivered by Tourmaline to the applicable facility in any month are less than the monthly volume commitment, Tourmaline is required to pay to Topaz an amount equal to the fixed-fee per MMcf for the applicable facility multiplied by the amount of the deficit volumes.

For the purposes of calculating the annual volume commitment, the number of days in a given year will be reduced to account for days on which Tourmaline is unable to deliver the daily committed volume to the applicable facility as a result of force majeure or outage (subject to a maximum of 15 outage days per year).

Topaz has the right to audit Tourmaline's books, records and accounts with respect to payments made to Topaz and deductions taken from the volumes received by Topaz under the Initial Facilities Volume Commitment Agreements.

The Initial Facilities Volume Commitment Agreements commenced on November 14, 2019 and terminate on November 14, 2034.

If either party assigns an interest in the applicable Initial Facility, such party must assign a corresponding interest in the applicable Initial Facilities Volume Commitment Agreement to the same assignee. Neither party may otherwise assign the Initial Facilities Volume Commitment Agreements or any interest in the Initial Facilities Volume Commitment Agreement to any third-party.

Initial Facilities CO&O Agreements

The Initial Facilities CO&O Agreements have substantially similar terms. These agreements outline, among other things, the operating procedure for the applicable facility, which is the operating procedure contained in the 1999 Petroleum Joint Venture Association (PJVA) Model Construction, Ownership and Operating Agreement, subject to the elections and modification made to such document as stipulated in the applicable Initial Facilities CO&O Agreements. The purpose of the Initial Facilities CO&O Agreements is to document the terms of ownership of the Initial Facilities, the allocation of facility costs, provide terms for the operation of the facility and set out the basis upon which a share of the facility products will be allocated and distributed to each person delivering petroleum substances to the facility. Tourmaline and Topaz are the only parties to the Initial Facilities CO&O Agreements, as they are the only owners of the Initial Facilities.

Pursuant to the Initial Facilities CO&O Agreements, Tourmaline has been designated as the initial operator of the Initial Facilities.

The Initial Facilities CO&O Agreements also specify the order of capacity utilization within the facilities. In particular, all petroleum substances delivered to the applicable facility by Tourmaline are allocated to Topaz's ownership share of capacity up to a maximum volume equal to the committed volume specified in the applicable Initial Facilities Volume Commitment Agreement. Thereafter, petroleum substances delivered by Tourmaline and third parties are allocated to both Topaz and Tourmaline in proportion to their respective ownership interests, and Topaz is entitled to a processing fee applicable to all volumes delivered to the facility that utilize its ownership capacity (including those volumes delivered by Tourmaline and by third parties). As a result of this volume allocation methodology, Topaz earns Processing Revenue on all volume delivered to the applicable facility until its share of the capacity in the facility is full. The Initial Facilities CO&O Agreements also set out the order of cutbacks in the event that the applicable facility cannot handle all inlet substances delivered on a day and specify that the volumes delivered by Tourmaline pursuant to the Initial Facilities Volume Commitment Agreements and which utilize Topaz's capacity have the highest priority and are last to be cutback.

Pursuant to the Initial Facilities CO&O Agreements, Topaz and Tourmaline are responsible for capital and operating costs in proportion to their ownership interest, which for Topaz is 45%.

The full text of the Initial Acquisition Agreements are available on SEDAR+ at www.sedarplus.ca under the Company's profile.

Agreements Relating to the Banshee Gas Plant Acquisition

In conjunction with the Banshee Gas Plant Acquisition the Company and Tourmaline entered into the Banshee Gas Plant Acquisition Agreement, the Banshee Volume Commitment Agreement and the Banshee CO&O Agreement. These agreements are substantially similar to the Initial Assets Purchase and Sale Agreement (as it relates to the Initial Facilities), the Initial Facilities Volume Commitment Agreements and the Initial Facilities CO&O Agreements except: (a) the purchase price for the Banshee Gas Plant was cash consideration of $52.5 million, before customary adjustments; (b) the Banshee Volume Commitment Agreement commenced on September 1, 2020 and terminates on August 31, 2035; (c) the daily committed volume and fixed-fee in respect of the Banshee Gas Plant are 25 MMcf/d and $0.60/Mcf, respectively; (d) interruptible volume utilizing Topaz's remaining share of capacity is subject to a processing fee of $0.50/Mcf; and (e) pursuant to the Banshee CO&O Agreement, Topaz and Tourmaline are responsible for capital and operating costs in proportion to their respective ownership interests, which for Topaz is 25%. Tourmaline has been designated as the initial operator of the Banshee Gas Plant. All revenue generated from natural gas processing services provided to third parties (excluding Tourmaline) at the Banshee Gas Plant is allocated to Topaz pursuant to the TPF Revenue Interest Agreement.

Agreements Relating to the Gundy Gas Plant Acquisition

In conjunction with the Gundy Gas Plant Acquisition the Company and Tourmaline entered into the Gundy Gas Plant Acquisition Agreement, the Gundy Volume Commitment Agreement and the Gundy CO&O Agreement. These agreements are substantially similar to the Initial Assets Purchase and Sale Agreement (as it relates to the Initial Facilities), the Initial Facilities Volume Commitment Agreements and the Initial Facilities CO&O Agreements except: (a) the purchase price for the Gundy Gas Plant was cash consideration of $90.0 million, before customary adjustments; (b) the Gundy Volume Commitment Agreement commenced on July 1, 2021 and terminates on June 30, 2031; (c) the daily committed volume and fixed-fee in respect of the Gundy Gas Plant are 40 MMcf/d and $0.70/Mcf (before any inflationary adjustment), respectively; (d) pursuant to the Gundy CO&O Agreement, Topaz and Tourmaline are responsible for capital costs in proportion to their respective ownership interests, which for Topaz is 20% attributable to Phase I and 10% once Phase II is in-service; and (e) pursuant to the Gundy CO&O Agreement, Tourmaline is responsible for operating costs until June 30, 2031; after which Tourmaline and Topaz will be responsible for operating costs in proportion to their respective ownership interests, which for Topaz is 10%. Tourmaline has been designated as the initial operator of the Gundy Gas Plant.

Governance Agreement

In conjunction with the Initial Acquisition, the Company and Tourmaline entered into the Governance Agreement, which governs various aspects of their relationship.

Under the Governance Agreement, Tourmaline is entitled to nominate the greater of two and 33.33% of the members of the Board (rounded up to the next whole number, if applicable) for so long as the percentage of outstanding Common Shares (on a non-diluted basis) beneficially owned directly or indirectly by Tourmaline is not less than 10% of the issued and outstanding Common Shares. The nominees of Tourmaline to the Board may be directors, officers or employees of Tourmaline or its affiliates, or other persons, at Tourmaline's discretion. Subject to any requirements of the ABCA, Tourmaline is entitled to nominate for appointment or election to the Board a replacement director for any vacancy on the Board, provided Tourmaline remains, at that time, entitled to appoint such director.

If an individual nominated by Tourmaline fails to be elected by the shareholders as a director of the Board, Tourmaline shall have the right to designate such individual as an observer of the Board (a "**Board Observer**"). The Board Observer shall be entitled to: (i) receive notice of and to attend meetings of the Board; (ii) take part in discussions and deliberations of matters brought before the Board; (iii) receive notices, consents, minutes, documents and other information and materials that are sent to members of the Board; and (iv) receive copies of any written consent resolutions proposed to be adopted by the Board, including any resolution as approved, each at substantially the same time and in substantially the same manner as the members of the Board, except that the Board Observer shall not be entitled to vote on any matters brought before the Board. The Board Observer will also not be entitled to any compensation from the Company, except that reasonable out-of-pocket expenses of the Board Observer shall be reimbursed by the Company.

To the fullest extent permitted by law, the Company will indemnify all current and former nominees of Tourmaline appointed to the Board and Board Observers and their heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle any action or satisfy a judgment, reasonably incurred by him or her in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of that association with the Company if he or she: (i) acted honestly and in good faith with a view to the best interests of the Company; and (ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, had reasonable grounds for believing that his or her conduct was lawful.

Under the Governance Agreement, the Company has also provided Tourmaline with certain rights to participate in future offerings of securities by the Company. Provided Tourmaline beneficially owns, directly or indirectly, not less than 10% of the issued and outstanding Common Shares and subject to limited exceptions, if the Company proposes to, or reasonably anticipates that it will, issue any Common Shares (the "**Offered Securities**") or other securities convertible into or exercisable or exchangeable for Offered Securities (the "**Convertible Securities**"), the Company will promptly first offer Tourmaline the opportunity to subscribe for and acquire that number of Offered Securities or Convertible Securities equal in amount to Tourmaline's then outstanding proportionate interest in the Common Shares or any such lesser amount as Tourmaline may elect to subscribe for at the subscription price as determined by the Board. If any of the Offered Securities or Convertible Securities are not subscribed for by Tourmaline within the applicable periods provided for in the Governance Agreement, the Company may proceed to offer such unsubscribed Offered Securities or Convertible Securities within the period of 60 days after the expiration of such applicable period to any person, provided the price at which such Offered Securities or Convertible Securities are issued is not less than the subscription price offered to Tourmaline and the terms of

payment for such Offered Securities or Convertible Securities are not more favourable to such person than the terms of payment offered to Tourmaline.

The foregoing rights will also apply to any debt securities or securities convertible into debt securities issued by the Company on the basis that Tourmaline shall be offered the right to subscribe for up to that percentage of the total aggregate principal amount of debt securities or number of securities, convertible into debt securities to be issued equal to the percentage of outstanding Common Shares then beneficially owned by Tourmaline. Furthermore, such rights will apply to any Offered Securities issued by the Company for proceeds other than cash, including in connection with any acquisition, business combination or similar transaction, and Tourmaline shall be offered the right to subscribe for such number of Common Shares or Convertible Securities, at a market-based price, to entitle Tourmaline to maintain its proportionate ownership of Common Shares, or such lesser amount as Tourmaline may elect. Tourmaline will also be entitled to subscribe for, no more than once per fiscal quarter and at a market-based price, such number of additional Common Shares to allow Tourmaline to maintain its proportionate ownership of Common Shares, or such lesser amount as Tourmaline may determine, after giving effect to issuances of Common Shares by the Company pursuant to compensation plans or similar plans.

The Governance Agreement provides that, for so long as Tourmaline beneficially owns not less than 35% of the issued and outstanding Common Shares and subject to certain exceptions, the Company will be required to seek Tourmaline's prior written consent to: (i) issue any Common Shares, other equity or voting securities of the Company or any Convertible Securities, or to otherwise modify the capitalization of the Company; (ii) undertake a material change in the business of the Company; (iii) increase the size of the Syndicated Credit Facility, create additional credit facilities or incur alternative indebtedness, in each case in aggregate in excess of $20 million in any one fiscal year; or (iv) become party to or engage in any hedging, swap, derivative or similar agreements or activities.

For so long as Tourmaline is required to consolidate the results of operations and financial position of, or account for its investment in the Company, the Company will provide Tourmaline with certain financial, reserves and resources and other information and data with respect to the Company and its business, properties, financial position, results of operations and prospects, as may reasonably be required by Tourmaline to meet its reporting obligations. In addition, the Company will be obligated to, among other things: (i) maintain effective disclosure controls and procedures and to comply with applicable securities laws; (ii) provide financial reports to Tourmaline in connection with each meeting of the board of directors of Tourmaline and meeting of the audit committee and reserves committee of Tourmaline; (iii) prepare all financial, reserves and resources and other information to be provided by the Company to Tourmaline or filed with any securities regulatory authority, in accordance with applicable securities laws; (iv) consult with Tourmaline as to the timing of any financial guidance or any updates to reserves or resources information in respect of the Company for a current or future period that the Company intends to publish or otherwise make public, and give Tourmaline the opportunity to review the information therein relating to the Company and to comment thereon; (v) provide Tourmaline with drafts of all reports, notices and proxy and information statements to be filed with any securities regulatory authorities and consult with Tourmaline regarding changes thereto, particularly with respect to any changes that would have an effect upon the financial statements, reserves information or related disclosure of Tourmaline; (vi) propose for appointment by its shareholders KPMG LLP and appoint GLJ Ltd. to serve as the Company's auditors and independent qualified reserves evaluators, respectively, unless Tourmaline provides its prior written consent to the appointment of any other party as the Company's auditors or independent qualified reserves evaluators, such consent to not be unreasonably withheld; and (vii) cooperate fully, and use commercially reasonable efforts to cause the auditors and independent qualified reserves evaluators of the Company to reasonably cooperate, with Tourmaline to the extent reasonably requested by Tourmaline in the preparation of any filings made by Tourmaline with any securities regulator pursuant to applicable securities laws.

The Governance Agreement will continue in force until the earlier of (i) the date on which the Governance Agreement is terminated by the written agreement of Tourmaline and the Company; or (ii) the date on which Tourmaline beneficially owns directly or indirectly less than 10% of the issued and outstanding Common Shares (on a non-diluted basis). Certain of the rights and obligations under the Governance Agreement, other than the requirements for the Company to provide certain information to Tourmaline as described in the foregoing paragraph and certain tax-related provisions, may be assignable to a transferee of Common Shares, upon notice to the Company, other than in respect of transfers made pursuant to a public prospectus offering. See *"Risk Factors – Risks Relating to the Company's Relationship with Tourmaline – Future Changes in Relationship with Tourmaline"*.

The full text of the Governance Agreement is available on SEDAR+ at www.sedarplus.ca under the Company's profile.

Investor Liquidity Agreement

In conjunction with the Initial Acquisition, Tourmaline and the Company entered into the Investor Liquidity Agreement. The Investor Liquidity Agreement provides that Tourmaline and any direct or indirect transferee of Tourmaline who shall become party to the Investor Liquidity Agreement (each a "**Holder**") may, at any time and from time to time, make a written request to the Company to file a prospectus in any jurisdiction or jurisdictions of Canada (a "**Demand Registration**") in respect of the distribution of all or part of the Common Shares then held by the Holder ("**Registrable Securities**"), subject to certain restrictions as discussed below. Upon receipt by the Company of a Demand Registration, the Company will be required to use its reasonable commercial efforts to file a prospectus in order to permit the offer and sale or other disposition or distribution in Canada of all or any portion of the Registrable Securities. The Company may satisfy its obligations through the use of a shelf prospectus and applicable shelf prospectus supplements or, in the case of a private placement, a private placement memorandum, and, in connection therewith, each Holder agrees to reasonably cooperate with the Company in connection with the filing of such shelf prospectus.

The Demand Registration rights are subject to certain limitations, including that: (i) other than in respect of a shelf prospectus, the Company shall not be obligated to file a prospectus in respect of a Demand Registration within 60 days after the effective date of a previously filed prospectus; and (ii) the Company shall not be obligated to file a prospectus in respect of a Demand Registration unless the request is for a number of Registrable Securities with a market value that is equal to at least $50 million as of the date of such request for Demand Registration. If the Company declines to effect a Demand Registration pursuant to (i) or (ii) above, and if the Holder within 30 days after receipt of a notice from the Company advises that it has determined to withdraw such request for a Demand Registration, then such Demand Registration and the request therefor will be deemed to be withdrawn and such request will be deemed not to have been given for purposes of determining whether such Holder has exercised its right to a Demand Registration permitted to such Holder.

In the event that a majority of the members of the Board who have not been nominated by Tourmaline (the "**Independent Directors**") determine, in their good faith judgment, that any Demand Registration should not be made or continued because it would materially adversely affect a pending or proposed material acquisition, merger, amalgamation, recapitalization, consolidation, reorganization, business combination, or similar transaction, or negotiations, discussions or pending proposals with respect thereto, or would require the disclosure of material non- public information that, in the good faith judgment of a majority of the Independent Directors would have a material adverse effect on the Company and its subsidiaries taken as a whole (a "**Valid Business Reason**") then: (i) the Company will have the right to postpone the filing of a prospectus (or prospectus supplement, as applicable) until such Valid Business Reason no longer exists, provided that such postponement shall not extend for a period of more than 90 days after receipt of the request for such Demand Registration; or (ii) the Company may a prospectus (or prospectus supplement, as applicable) that has been filed pursuant to a Demand Registration request to be withdrawn, or a majority of the Independent Directors may postpone amending or supplementing any previously filed prospectus pursuant to a Demand Registration request until such Valid Business Reason no longer exists, provided that such withdrawal or postponement shall not extend for a period of more than 90 days. The Company may not exercise its rights pursuant to (i) or (ii) above more than once in any 12-month period, and the Company will give written notice of both its determination to defer filing, postpone the amendment of or withdraw a prospectus (or prospectus supplement, as applicable) and of the fact that the Valid Business Reason for such deferral, postponement or withdrawal no longer exists, in each case, promptly after the occurrence thereof.

Under certain circumstances, the Holder may revoke or withdraw a request for a Demand Registration, in whole or in part, and such Demand Registration and the request therefor may, subject to certain limitations, be deemed to be revoked or withdrawn and deemed not to have been given for purposes of determining whether such Holder has exercised its right to a Demand Registration permitted to such Holder. Further, the Company may not propose to qualify for distribution any authorized but unissued Common Shares in connection with a Demand Registration if the Holder, with the assistance of its underwriter or agent, if applicable, determines, acting reasonably, that qualifying such Common Shares for distribution exceeds the number of Common Shares that can be sold in an orderly manner in such offering within a price range acceptable to the Holder ("**Demand Registration Orderly Sale Number**"). The Company shall then include in such distribution: (i) first, the number of Registrable Securities requested to be included in the Demand Registration; and (ii) second, such Common Shares equal to (X) the Demand Registration Orderly Sale Number less (Y) the number of Registrable Securities requested to be included in the Demand Registration, subject to certain conditions.

If at any time the Company proposes to, or reasonably contemplates that it will, file a preliminary prospectus with respect to the distribution of any Common Shares to the public, then the Company will, at that time, give prompt notice of the proposed distribution to each Holder, which notice will offer each Holder the opportunity to qualify for distribution such number of Registrable Securities as such holder may request. The Company will use commercially reasonable efforts to

include in such prospectus such Registrable Securities as the Holders may request (a "**Piggy-Back Registration**"), unless the Company, with the assistance of its underwriter or agent, if applicable, determines, acting reasonably, that qualifying such Piggy-Back Registration exceeds the number of Common Shares that can be sold in an orderly manner in such offering within a price range acceptable to the Company ("**Piggy-Back Registration Orderly Sale Number**"). The Company shall then include in such distribution: (i) first, the number of Common Shares that is proposed to be qualified for distribution by such preliminary prospectus by the Company as specified in its notice to the Holder; and (ii) second, such Registrable Securities that are equal to (X) the Piggy-Back Registration Orderly Sale Number less (Y) the number of Common Shares that are proposed to be qualified for distribution by such preliminary prospectus by the Company as specified in its notice to the Holder, subject to certain conditions.

In the case of a prospectus filed in connection with a Demand Registration, the Holder will pay all applicable fees and expenses incidental to the Company's performance of, or compliance with, the terms of the Demand Registration customarily paid by issuers or sellers of securities. In the case of a Piggy-Back Registration or the Company's participation in a Demand Registration, such fees and expenses will be allocated between the Holder(s), as applicable, and the Company in an equitable manner having regard to the proportion of the number of Common Shares sold by each relative to the total number of Common Shares sold pursuant to the prospectus.

All underwriting discounts and fees and transfer taxes attributable to a sale of Registrable Securities, and any out-of-pocket expenses of the underwriters in connection with each prospectus filed in connection with a Demand Registration or Piggy-Back Registration, other than the fees and expenses described in the preceding paragraph, will be borne by the Holder(s), as applicable, and any other participating sellers (including the Company, if applicable) in proportion to the number of Registrable Securities sold by each relative to the total number of Common Shares sold pursuant to the prospectus.

The Investor Liquidity Agreement will continue in force until the earlier of the date on which: (i) there are no longer any outstanding Registrable Securities; (ii) the Holders, beneficially own, directly or indirectly, 10% or less of the issued and outstanding Common Shares; or (iii) the Investor Liquidity Agreement is terminated by written agreement of all parties to the Investor Liquidity Agreement. Tourmaline or its assignees may assign its rights and obligations under the Investor Liquidity Agreement to a transferee of Common Shares, upon notice to all parties to the Investor Liquidity Agreement, other than in respect of transfers made pursuant to a public prospectus offering.

The full text of the Investor Liquidity Agreement is available on SEDAR+ at www.sedarplus.ca under the Company's profile.

THE INDUSTRY

Companies operating in the Canadian oil and gas industry are subject to extensive regulation and control of operations (including matters related to land tenure, exploration, development, production, refining and upgrading, transportation, and marketing). Legislation has been enacted by, and agreements have been entered into between various levels of government regarding the pricing and taxation of petroleum and natural gas, all of which should be carefully considered by investors in the Company. All current legislation is a matter of public record, however the Company is unable to predict what additional legislation or amendments governments may enact in the future.

The Company's assets and operations are regulated by administrative agencies that derive their authority from legislation enacted by the applicable level of government. Regulated aspects of the Company's upstream oil and natural gas business include all activities associated with the exploration and production of oil and natural gas, including, among other matters: (i) permits for drilling wells and construction of related infrastructure; (ii) technical drilling and well requirements; (iii) permitted locations and access to operation sites; (iv) operating standards regarding conservation of produced substances and avoidance of waste, such as restricting flaring and venting; (v) minimizing environmental impacts, including by reducing emissions; (vi) storage, injection and disposal of substances associated with production operations; and (vii) abandonment and reclamation of impacted sites. To conduct oil and natural gas operations and remain in good standing with the applicable regulatory regimes, producers must comply with applicable legislation, regulations, orders, directives and other directions (all of which are subject to governmental oversight, review and revision, from time to time). Compliance can be costly and breaches may result in fines or other sanctions.

The discussion below outlines some of the principal aspects of the legislation, regulations, agreements, orders, directives and a summary of other pertinent conditions that impact the oil and gas industry in Western Canada where the Company's assets and interests are primarily located. While these matters do not affect the Company's operations in any manner that is materially different than the manner in which they affect other similarly sized industry participants with similar assets and operations, investors should consider such matters carefully.

Unique Features of the Company's Business

The unique nature of the Royalty Lands is expected to allow the Company to benefit from the upside potential of such properties at a reduced risk relative to traditional E&P companies. This advantage is a result of collecting royalty payments in respect of the Royalty Lands rather than directly conducting operations to explore for, develop or produce petroleum or natural gas, which has a higher regulatory burden. However, legislation and regulations, including those outlined below, may impact the royalties received by the Company as an indirect participant in the development of petroleum and natural gas on its Royalty Lands. In addition, if the strategy of the Company were to change in the future such that it becomes a direct participant in the development of its properties, whether as working interest owner, operator or otherwise, industry regulations would become the burden of the Company in respect of such development.

The Company also has non-operated interests in the Infrastructure Assets, comprised of processing facilities, and from which the Company receives fixed-fee revenues from the processing and handling services that the Infrastructure Assets provide to customers. Processing facilities purify hydrocarbons by removing contaminants from hydrocarbon streams, some of which—NGLs, in particular—have independent value and are an important source of revenue for producers and marketers of petroleum products. The profitability of NGLs extracted from natural gas is based on the products extracted being of greater economic value as separate commodities than as components of natural gas. NGLs are heavier components of natural gas (such as ethane, propane, butanes, and pentanes) that are separated from a hydrocarbon stream (typically in a vapor phase) in liquid form. This can occur in a field plant or processing facility through condensation or absorption, among other methods. Once separated, NGLs can be stored and shipped in a liquid state and have many important uses, including use as an input for petrochemical plants, heating, and fuels. There are many different contractual arrangements that support the business of processing, and the duration of processing contracts may vary from short-term to multiple years. In addition, the operator of a processing facility can provide processing services on cost-of-service, fee, or commodity specific bases, each of which would have a different impact on a facility's profit margins. The Infrastructure Assets, and any other similar assets in which Topaz may, in the future, obtain an interest are subject to legislation and regulation in the provinces in which they are situated, including certain of the legislation and regulations outlined below, and such legislation and regulations may impact the revenues ultimately received by the Company as a working interest owner in such facilities.

Exports of Crude Oil, Natural Gas and NGLs from Canada

Over the past year, U.S. tariffs on certain Canadian products, including energy, along with Canada's reciprocal measures, have added complexity to cross-border energy trade. The U.S.-Canada tariff environment remains volatile, with duties affecting products that do not qualify for United States-Mexico-Canada Agreement ("USMCA") exemptions. Pending U.S. Supreme Court rulings on tariff authority and the upcoming 2026 USMCA review add further uncertainty for crude oil, natural gas, and NGL exports to the U.S. These dynamics influence export costs, market access, and demand for Canadian energy products. The precise effects of continued tariffs on the Canadian economy and Canadian energy producers remain undetermined.

In recent years, Canada has expanded oil and gas exports beyond the U.S. The completion of the Trans Mountain Expansion has enabled crude shipments to Asia and Europe, with China, South Korea, and India emerging as major buyers. Seaborne exports to Europe have also increased. In natural gas, Canada's first large-scale liquefied natural gas ("**LNG**") terminal began operations in mid-2025, opening access to global markets. These developments mark a strategic shift toward diversified energy export destinations; however, the U.S. remains the largest customer of Canadian energy products. As a result, actions taken by the U.S. administration or other events impacting U.S. demand for Canadian energy products can result in a significant impact on the pricing the Company and other Canadian producers receive for their energy products.

Pricing and Marketing in Canada

The price of crude oil, natural gas, and NGLs is negotiated between buyers and sellers. Various factors may influence prices, including global supply and demand, product quality, distance to market, availability of transportation, value of refined products, prices of competing products, price of competing stock, contract terms, weather conditions, supply/demand balance, and other contractual provisions.

Transportation Constraints and Market Access

Despite having significant capacity to move crude oil, natural gas, and NGLs from Western Canada, much of this transportation infrastructure is oriented toward the United States. As a result, even though Western Canada possesses the ability to transport large volumes, market access remains constrained because limited capacity is available for deliveries to Eastern Canada and overseas markets. This reliance on U.S.-bound infrastructure continues to restrict Canada's ability to diversify export destinations. Many proposed projects that could broaden access, particularly those aimed at enabling greater movement to other international markets, have been cancelled or delayed due to regulatory hurdles, court challenges, and economic or socio-political factors.

Oil Pipelines

In Canada, producers negotiate with pipeline operators to transport their products to market on a firm, spot or interruptible basis depending on the specific pipeline and the specific substance. Transportation availability is highly variable across different jurisdictions and regions. This variability can determine the nature of transportation commitments available, the number of potential customers and the price received.

Under Canadian constitutional law, the development and operation of interprovincial and international pipelines fall within federal jurisdiction and, under the Canadian Energy Regulator Act, new interprovincial and international pipelines require a federal regulatory review and Cabinet approval before they can proceed. In recent years, however, there has been a perceived lack of policy and regulatory certainty in this regard such that, even when projects are approved, they often face delays due to actions taken by provincial and municipal governments and legal opposition related to issues such as Indigenous rights and title, the government's duty to consult and accommodate Indigenous peoples and the sufficiency of relevant environmental review processes. Export pipelines from Canada to the United States face additional unpredictability as such pipelines also require approvals from several levels of government in the United States.

In June 2025, Bill C-5 (the *One Canadian Economy Act*) came into force, granting the federal government authority to expedite approval of "national interest" infrastructure projects, including pipelines. While the legislation aims to reduce regulatory delays, it has drawn mixed reactions: industry stakeholders generally support its streamlining measures, whereas certain rights holders, particularly Indigenous groups, have expressed concerns regarding its implications. The federal government is currently engaged in consultations with provinces, territories, and Indigenous communities regarding implementation.

On November 27, 2025, the governments of Canada and Alberta signed a Memorandum of Understanding (**MOU**) to collaborate on supporting the development of oil and gas resources, renewable energy, critical minerals, and other resource sectors in Western Canada. The MOU includes a federal government commitment to not implement the Oil and Gas Sector Greenhouse Gas Emissions Cap Regulations ("**Oil and Gas Emissions Cap**") and the commitment of both levels of government to design and commit to sector-specific stringency factors for large Alberta emitters under Alberta's Technology Innovation and Emissions Reduction Regulation ("**TIER**"), and to continue the annual carbon tax rate increase up to $130 per tonne.

The agreements to be established under the MOU are expected to be finalized in 2026 and 2027.

Natural Gas and LNG

Natural gas prices in Western Canada have been constrained in recent years, reaching record lows in 2025 due to increasing North American supply, limited market access, and restricted storage capacity. Companies that secure firm access to infrastructure for transporting natural gas out of Western Canada may be able to access additional markets and achieve better pricing. Companies without firm access may be forced to accept spot pricing in Western Canada, which is generally lower than prices in other North American regions.

In October 2020, TC Energy Corporation ("**TC**") received federal approval to expand the Nova Gas Transmission Line system (the "**NGTL System**"). The NGTL system is currently implementing a $9.9 billion infrastructure program. In July 2024, TC announced an historic equity interest purchase agreement with an Indigenous-owned investment partnership which will enable up to 72 Indigenous communities to become equity owners of the network of infrastructure assets spanning Western Canada, however as of September 2024, the deal has been delayed.

In 2025, LNG Canada became fully operational as the country’s first large-scale LNG export terminal, marking a significant milestone in Canada’s emergence as a global LNG supplier. The project exported its first cargo from the Kitimat terminal in July 2025, and by September had already shipped ten cargoes to international markets, with export volumes continuing to rise thereafter. In addition, on August 6, 2025, JGC and Fluor were awarded a contract to update the Front-End Engineering and Design for the proposed Phase 2 expansion, which aims to double the facility’s annual LNG production capacity.

A wide range of energy infrastructure projects, including natural gas pipelines, oil pipelines, LNG export facilities, and related transmission upgrades, remain in various stages of development across Canada. These include projects that are under construction, as well as others that are proposed, awaiting regulatory approvals, or still pending final investment decisions. Together, these projects reflect a significant pipeline of potential development subject to evolving market conditions, regulatory processes, and investment decisions.

Land Tenure

Mineral Rights

Except in Manitoba, each provincial government in Western Canada owns most of the mineral rights to oil and natural gas located within its borders. Provincial governments grant rights to explore for and produce oil and natural gas through leases, licences, and permits (collectively referred to as "**leases**") for varying terms and subject to conditions set forth in provincial legislation, including requirements to perform specific work or make payments in lieu thereof. Provincial governments in Western Canada conduct land sales where oil and natural gas companies bid for leases necessary to explore for and produce provincially owned oil and natural gas. These leases generally have fixed terms but may be continued beyond their initial terms if the required conditions are satisfied.

Private ownership of oil and natural gas (i.e., freehold mineral lands) also exists in Western Canada, as well as rights to explore for and produce privately owned oil and natural gas are granted by a lease or other contract on terms and conditions negotiated between the mineral rights holder and companies seeking to explore for and/or develop oil and natural gas reserves.

The GORR Interests are royalty interests that are granted or carved out of leasehold interests (created through the issuance of a lease by the Crown or fee simple mineral title owner). As such, the continued existence and value of the GORR Interests is dependent upon the validity and terms of the leasehold interest out of which they were granted.

Surface Rights

To develop oil and natural gas resources, producers must also secure access rights to the surface lands required to conduct operations. For Crown lands, surface access rights can be obtained directly from the government. For private lands, access rights are typically negotiated with the landowner. Where an agreement cannot be reached, each province has developed its own process that producers can follow to obtain and maintain the surface access necessary to conduct operations.

Royalties and Incentives

Each province has legislation and regulations in place to govern Crown royalties and establish the royalty rates that producers must pay for the production of Crown resources. Provincial royalty regimes operate in conjunction with applicable federal and provincial taxes and are a significant factor in the profitability of oil sands projects and oil, natural gas, and NGL production.

Royalties payable on production from lands where the Crown does not hold the mineral rights are negotiated between the mineral freehold owner and the lessee, although certain provincial taxes and other charges on production or revenues may still apply. Royalties from production on Crown lands are determined by provincial regulation and are generally calculated as a percentage of the value of production.

Producers and working interest owners of oil and natural gas rights may create additional royalties or royalty-like interests, such as overriding royalties, net profits interests, and net carried interests, through private transactions, the terms of which are subject to negotiation.

From time to time, the federal and provincial governments create incentive programs for businesses operating in specific industries, such as oil and gas. These programs are often introduced when commodity prices are low to encourage exploration and development activity. They may provide volume-based incentives, royalty rate reductions, royalty holidays, or royalty tax credits. Governments may also introduce incentive programs to encourage producers to prioritize certain kinds of development or to utilize technologies that enhance recovery of oil, natural gas, and NGLs, or improve environmental performance.

Regulatory Authorities and Environmental Regulation

The Canadian oil and gas industry is subject to environmental regulation under a variety of federal, provincial, territorial, and municipal laws and regulations, all of which are subject to governmental review and revision from time to time. These regulations provide for, among other things, restrictions and prohibitions on the spill, release, or emission of substances produced in association with certain oil and gas operations, such as sulphur dioxide and nitrous oxide. Regulatory regimes also establish requirements for oilfield waste handling and storage, habitat protection, and the proper operation, maintenance, abandonment, and reclamation of well, facility, and pipeline sites.

Compliance with these regulations can require significant expenditures, and breaches may result in suspension or revocation of licences and authorizations, civil liability, and the imposition of material fines and penalties. In addition, future changes to environmental legislation, including legislation related to air pollution and greenhouse gas ("**GHG**") emissions (typically measured in terms of global warming potential and expressed as carbon dioxide equivalent ("**CO2e**")), may impose further requirements on operators and other companies in the oil and gas industry. Companies engaged in hydraulic fracturing operations are subject to additional operational, regulatory, and reporting requirements.

Liability Management

The Alberta Energy Regulator ("**AER**") administers several liability management programs to manage liability for most conventional upstream oil and natural gas wells, facilities, and pipelines in Alberta. The province continues to transition from a prescriptive framework toward a more holistic approach under its Liability Management Framework.

Alberta maintains an orphan fund to cover the costs of suspending, abandoning, remediating, and reclaiming wells, facilities, or pipelines included in certain AER programs if a licensee or working interest participant becomes insolvent or is otherwise unable to meet its obligations. The orphan fund is financed through levies imposed on industry participants and provincial loans. In March 2025, the Alberta government approved a $144.45 million levy for the Orphan Well Association’s 2025/26 operating budget.

The Supreme Court of Canada's ("**SCC**") decision in *Orphan Well Association v. Grant Thornton* (often referred to as the "Redwater" decision) continues to shape Alberta's liability management regime. As a result of the Redwater decision, receivers and trustees can no longer avoid the AER's legislated authority to impose abandonment orders or require security deposits before approving licence transfers during insolvency proceedings. Insolvent estates can no longer disclaim assets that have reached the end of their productive lives to prioritize valuable assets without first satisfying abandonment and reclamation obligations. The burden of a defunct licensee's obligations first falls on its working interest partners; thereafter, the AER may direct the orphan fund to assume care and custody and accelerate clean-up of wells or sites which do not have a responsible owner.

To address abandonment and reclamation liabilities, the AER periodically implements programs to encourage the decommissioning, remediation, and reclamation of inactive or marginal oil and natural gas infrastructure. In late 2025, the AER introduced mandatory annual closure spending requirements effective in 2026, reinforcing proactive liability reduction measures.

Similar to Alberta, British Columbia's regulator has moved away from formulaic liability management toward a holistic assessment of a permit holder's ability to meet abandonment and reclamation obligations. B.C. also maintains an orphan site program. The British Columbia Dormancy and Shutdown Regulation, amended effective April 1, 2025, establishes legally binding timelines for restoring oil and natural gas wells, aiming for 100% reclamation of currently dormant sites by 2036, with additional timelines for sites that became dormant between 2019 and 2023 and those becoming dormant after 2024.

Saskatchewan administers liability management through its Licensee Liability Rating program and the Inactive Liability Reduction Program, which mandates annual decommissioning expenditures. Saskatchewan's orphan fund, funded entirely by industry, continues to reclaim orphaned wells and facilities, with over 1,000 inactive sites restored as of early 2025.

Manitoba has not implemented a formal liability management rating program like those in other Western Canadian provinces. However, the province has processes in place to sell or abandon wells or facilities when a licensee or permittee fails to comply with a shutdown order, including rehabilitating abandoned sites and addressing any adverse property impacts.

Climate Change Regulation

Climate change regulation is a significant aspect of the operating environment for Canada's oil and gas industry. International agreements, federal initiatives, and provincial programs continue to shape emissions reduction targets, carbon pricing mechanisms, and reporting requirements. Current frameworks include measures such as carbon taxes, emissions caps, and incentives for low-carbon technologies, with ongoing reviews aimed at tightening standards to meet Canada's climate commitments.

Federal

Canada is a signatory to the United Nations Framework Convention on Climate Change and ratified the Paris Agreement, committing to reduce greenhouse gas emissions by 30% below 2005 levels by 2030. In 2021, Canada strengthened this target to a 40–45% reduction by 2030 and net-zero emissions by 2050. Canada has also pledged to reduce methane emissions from the oil and gas sector by 75% from 2012 levels by 2030; cap emissions from the oil and gas sector; and phase out thermal coal exports by 2030. At the 2023 United Nations Climate Change Conference, Canada reaffirmed its commitment to transition away from fossil fuels and accelerate greenhouse gas reductions.

The Government of Canada launched the Pan-Canadian Framework on Clean Growth and Climate Change in 2016 and, in 2018, enacted the *Greenhouse Gas Pollution Pricing Act*. This legislation established a federal carbon pricing system composed of two key elements: a fuel charge applied to fossil fuels, and an Output-Based Pricing System ("**OBPS**") for large industrial emitters. The federal regime applied nationwide unless a province or territory implemented a system that met or exceeded federal benchmarks. However, effective April 1, 2025, the federal government introduced regulations that eliminated the federal fuel charge and removed the requirement for provinces and territories to maintain a consumer-facing carbon price.

Canada also regulates methane emissions under the Federal Methane Regulations, which came into force in 2020 and initially targeted a 40–45% reduction below 2012 levels by 2025. In December 2023, the federal government proposed amendments to achieve a 75% reduction by 2030, introducing stricter limits, new prohibitions, and continuous monitoring requirements. These amendments are expected to take effect in 2027.

Additional federal measures include the Multi-Sector Air Pollutants Regulation, which limits emissions of nitrogen oxides and sulphur dioxide from industrial equipment, and commitments to cap oil and gas sector emissions and phase out thermal coal exports.

The *Canadian Net-Zero Emissions Accountability Act* ("**CNEAA**"), in force since 2021, commits Canada to achieving net-zero emissions by 2050. It establishes rolling five-year emissions reduction targets, requires detailed plans to meet each target, and mandates annual progress reporting.

Under the CNEAA, Canada released its 2030 Emissions Reduction Plan in March 2022, outlining measures to cut emissions 40–45% below 2005 levels by 2030. The plan includes incentives for electric vehicles ("**EV**"), renewable electricity, and an emissions cap for the oil and gas sector.

The federal government continues to implement and revise measures aimed at reducing greenhouse gas emissions, creating ongoing regulatory uncertainty for industry. The Clean Fuel Regulations, effective July 2023, impose increasingly stringent carbon-intensity reduction requirements and operate through a compliance credit market, which may affect fuel supply costs and credit availability. The federal Greenhouse Gas Offset Credit System, launched in 2022, allows eligible projects to generate offset credits for use under the federal OBPS, but future protocol development, credit supply, and pricing remain uncertain.

In November 2024, the federal government released proposed Oil and Gas Emissions Cap, which would establish a sector-wide cap-and-trade system for upstream oil and gas emissions. Although originally expected to take effect in 2026, the November 2025 federal budget introduced significant changes to Canada's climate-policy framework, creating uncertainty about whether the emissions cap will be implemented as proposed, revised, or withdrawn. Changes to federal carbon-pricing requirements, compliance mechanisms and potential new reporting obligations may increase compliance costs and affect the Company's operations, investment decisions, and long-term planning.

Canada's Carbon Management Strategy aims to deploy technologies such as carbon capture to help achieve climate targets. As part of this strategy, the federal government has committed $319 million over seven years to research and development. In June 2024, the government enacted the Carbon Capture, Utilization, and Storage Investment Tax Credit, a refundable credit available for eligible projects from January 1, 2022, until December 31, 2040, with a 50% reduction in credit value beginning in 2031.

In February 2026, the federal government introduced an updated national automotive strategy that includes more than $3 billion in planned financial commitments to support industry expansion, modernization, and diversification into additional export markets. As part of this initiative, the federal government will implement a new program to lower the cost of EVs for Canadians, introduce new EV purchase and lease incentives for individuals and businesses, expand charging infrastructure, and advance a broader trade framework intended to enhance the competitiveness of the automotive sector. It also replaces the Electric Vehicle Availability Standard (which required automakers to sell an increasing percentage of zero emission light-duty vehicles, reaching 100% by 2035) with updated greenhouse gas emissions standards and new targets of achieving 75% EV sales by 2035 and 90% by 2040. The Company is unable to predict how this new automotive strategy will impact the demand for fossil fuels and Canadian energy products.

Provincial

In December 2016, the *Oil Sands Emissions Limit Act* (Alberta) came into force, establishing an annual 100 megatonne limit for GHG emissions from all oil sands sites, but the regulations necessary to enforce the limit have not yet been developed. The delay in drafting these regulations has been inconsequential thus far, as Alberta's oil sands emitted roughly 85 megatonnes of GHG in 2024, well below the 100 megatonne limit.

On January 1, 2020, Alberta's TIER came into effect for large emitters. It meets the federal benchmark's stringency requirements, allowing relevant facilities to remain under TIER rather than the federal OBPS. Since its introduction, TIER has undergone various amendments and program updates intended to refine compliance mechanisms and maintain alignment with federal benchmark stringency requirements.

In contrast, Saskatchewan and Manitoba do not have provincial equivalents, so the federal OBPS applies in full to their large industrial emitters. British Columbia, having implemented its own provincial OBPS on April 1, 2024, is exempt from the federal system as its program meets federal equivalency standards.

Alberta committed to reducing methane emissions by 45% from 2014 levels by 2025 and achieved this goal three years early. The province enacted the Methane Emission Reduction Regulation on January 1, 2020. Later that year, Alberta and Canada signed a five-year equivalency agreement exempting Alberta from the Federal Methane Regulations. In October 2025, the parties renewed the agreement, with some modifications, extending the exemption through 2030.

Indigenous Rights

Constitutionally mandated government-led consultation with, and if applicable, accommodation of the rights of, Indigenous groups impacted by regulated industrial activity, as well as proponent-led consultation and accommodation or benefit sharing initiatives, play an increasingly important role in the Western Canadian oil and gas industry. In addition, Canada is a signatory to the United Nations Declaration on the Rights of Indigenous Peoples ("**UNDRIP**") and the principles set forth therein may continue to influence the role of Indigenous engagement in the development of the oil and gas industry in Western Canada. For example, in November 2019, the *Declaration on the Rights of Indigenous Peoples Act* ("**DRIPA**") became law in British Columbia. The DRIPA aims to align British Columbia's laws with UNDRIP. In June 2021, the *United Nations Declaration on the Rights of Indigenous Peoples Act* ("**UNDRIP Act**") came into force federally in Canada. Similar to British Columbia's DRIPA, the UNDRIP Act requires the Government of Canada to take all measures necessary to ensure the laws of Canada are consistent with the principles of UNDRIP and to implement an action plan to address UNDRIP's objectives.

As of June 2022, the federal government has sought to implement the UNDRIP Act by, among other things, creating a Secretariat within the Department of Justice to support Indigenous participation in the implementation of UNDRIP (the "**Implementation Secretariat**"), consulting with Indigenous peoples to identify their priorities, drafting an action plan to align federal laws with UNDRIP's, and implementing efforts to educate federal departments on UNDRIP principles. On June 21, 2023, the Implementation Secretariat released Canada's UNDRIP Action Plan (the "**Action Plan**") with respect to aligning federal laws with UNDRIP, which has a 2023-2028 implementation timeframe. In August 2025, the federal government tabled its Fourth Annual Progress Report on the implementation of the UNDRIP Act, which provides various progress updates, including on the implementation of the Action Plan.

The federal government is in the process of developing various regulatory regimes that could create new requirements when doing business with Indigenous groups and on or near First Nation lands, for example, the *National Strategy Respecting Environmental Racism and Environmental Justice Act* which received royal assent in June 2024 and the new Indigenous co-administration agreement provisions of the *Impact Assessment Act* for which regulations, policy, guidance and procedures are forthcoming.

On June 29, 2021, the B.C. Supreme Court's *Yahey v. British Columbia* held that cumulative impacts of industrial development on the traditional territory of Blueberry River First Nation ("**BRFN**") breached BRFN's Treaty 8 rights. On January 18, 2023, B.C. and BRFN signed the Blueberry River First Nations Implementation Agreement ("**BRFN Agreement**"), introducing key measures such as a $200 million restoration fund, ecosystem-based land-use planning, limits on new oil and gas development, and revenue-sharing provisions. Under the agreement, BRFN will receive $87.5 million over three years, with potential for additional benefits. In July 2024, BRFN filed a civil claim challenging the first implementation plan, highlighting concerns about execution.

The BRFN Agreement has served as a template for other Treaty 8 arrangements. Later in January 2023, B.C. and four First Nations (Fort Nelson, Saulteau, Halfway River, and Doig River) reached consensus on a collaborative approach to land and resource planning, adopting similar principles to implement cumulative effects management, new land-use plans, and revenue-sharing. However, two of these Nations later sued the B.C. government, alleging deception, misrepresentation, and withholding of information during negotiations. These disputes underscore the implementation challenges of such agreements.

Similar claims have been brought by First Nations in Alberta, including Beaver Lake Cree Nation's ("**BLCN**") claim against the Government of Alberta in 2008 and Duncan's First Nation's lawsuit against the Government of Alberta in 2022. After years of litigation, the BLCN case led to an SCC decision which established a new legal test for advance costs in public interest litigation. This ruling clarified that First Nations should not have to exhaust community resources or impoverish themselves to pursue constitutional claims, setting an important precedent for access to justice in treaty rights cases. The long-term impacts of these lawsuits on the Canadian oil and gas industry remain uncertain.

Recent British Columbia court decisions have the potential to influence the interpretation of Aboriginal title and the duty to consult framework in the province. In *Cowichan Tribes v Canada (Attorney General)*, the Supreme Court of British

Columbia declared portions of the City of Richmond to be subject to Aboriginal title, a finding that raises unresolved questions regarding the interaction between Aboriginal title and existing fee simple ownership. In *Gitxaala v British Columbia (Chief Gold Commissioner)*, the British Columbia Court of Appeal held that British Columbia's DRIPA incorporates UNDRIP into domestic law and creates legally enforceable obligations on the Province, including positive duties to ensure that provincial laws are consistent with UNDRIP. Premier David Eby has since announced plans to amend DRIPA to limit judicial involvement in that process.

While these developments may have limited direct application in Alberta given Alberta's treaty landscape and the absence of province-level UNDRIP implementation legislation, they underscore the rapidly evolving nature of Indigenous rights jurisprudence. Indigenous rights claims may still arise in Alberta on different factual or legal grounds, and these decisions nonetheless highlight the increasing importance of early, proactive, and sustained engagement with Indigenous Nations in regulatory, land-use, and project-development contexts.

RISK FACTORS

Investing in the Common Shares involves risks. A shareholder or prospective investor should carefully consider the following risk factors together with all of the other information included in this Annual Information Form in evaluating an investment in the Common Shares. Additional risks not presently known to Topaz or that Topaz currently deems immaterial could also materially affect the Company's business. The risks set out below are not an exhaustive description of all the risks associated with the Company's business and the oil and natural gas business generally. This Annual Information Form includes forward-looking statements regarding, among other things, the Company's plans, strategies, prospects and projections, both business and financial. A prospective investor should not place undue reliance on any such statements included in this Annual Information Form or any other materials. See *"Forward-Looking Statements"* in this Annual Information Form.

If any of the following risks were to occur, the Company's business, financial condition and results of operations could be materially adversely affected. In that case, the trading price of the Common Shares could decline, and a prospective investor could lose all or part of their investment.

Even though Topaz does not directly conduct upstream petroleum and natural gas exploration and development operations, its business, financial condition, results of operations and prospects will be significantly impacted by factors and risks that impact the oil and natural gas industry generally, and affect the Company's counterparties, including Tourmaline. Oil and natural gas operations involve many risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome.

While some exposures may be reduced by the Company's risk management strategies, many risks are driven by external factors beyond its control or are of a nature which cannot be eliminated. Additional risks and uncertainties not currently known to management or that may currently not be considered material by management, could nevertheless also have an adverse effect on the Company's business.

Overview

In carrying out its business and operations, Topaz faces a number of risks. Generally, Topaz's risks fall into three principal categories: (i) risks relating to the Company's business, industry and operating environment including financial, legal, regulatory and strategic risks; (ii) risks relating to the Company's relationship with Tourmaline; and (iii) risks relating to the Common Shares. These categories are outlined below along with summaries of the specific risk factors within each general category. In some instances, risks may fall into multiple categories. In such cases, the Company has classified risks based on the primary category in terms of how they affect Topaz. To the extent Topaz's business or operations are affected by these risks, there could be an adverse effect on Topaz's financial performance and cash flow available to pay dividends.

Risks Relating to the Company's Business, Industry and Operating Environment

Operating Risk

Topaz's businesses are subject to the risks normally associated with the operation and development of natural gas, NGLs, crude oil and other products and facilities, including, without limitation, mechanical failure, transportation problems, physical degradation, operator error, manufacturer defects, constraints on natural resource development, delay of or restrictions for projects due to climate change policies and initiatives, protests, activist activity, sabotage, terrorism, failure of supply, weather, wind or water resource deviation, catastrophic events and natural disasters, fires, floods, explosions, earthquakes, and other similar events. These types of events could result in injuries to personnel, damage to property and the environment, as well as unplanned outages or prolonged downtime for maintenance and repair. Among other things, these events typically increase operation and maintenance expenses and reduce revenues. The occurrence or continuation of any of these events could increase Topaz's costs and reduce the ability of Topaz and its counterparties to produce, process, store, transport, deliver, or distribute natural gas, NGLs, crude oil, heavy oil and other products and result in significant losses for which insurance may not be sufficient or available. Environmental damage could also result in increased costs to operate and ensure Topaz's assets and have a negative impact on Topaz's reputation and its ability to work collaboratively with stakeholders.

As Topaz continues to grow and diversify its royalty and energy infrastructure businesses, the risk profile of Topaz may change.

Infrastructure Service Interruptions

If the Infrastructure Assets were to become unexpectedly unavailable for delivery of current or future volumes of natural gas because of repairs, damage, spills or leaks, or any other reason, it could have a material adverse impact on financial conditions and results of operation of the business. Although the costs of infrastructure replacement programs are typically recovered in rates, ongoing capital is required to fund such programs. In addition, operating issues resulting from maturing infrastructure such as leaks, equipment problems and incidents, including, without limitation, explosions and fire, could result in legal liability, repair and remediation costs, increased operating costs, increased capital expenditures, regulatory fines and penalties, and other costs and a loss of customer confidence. Any liabilities resulting from the occurrence of these events may not be fully covered by insurance or rates. Service interruption incidents that may arise through unexpected major power disruptions to Infrastructure Assets, third-party negligence or unavailability of critical replacement parts could cause its counterparties to be unable to safely and effectively operate these assets. This could adversely affect Topaz's business operations and financial results.

Reliance on Counterparty Activity and Long-Term Declines

The volumes of natural gas, NGLs, crude oil, heavy oil and other products produced from the Royalty Lands underlying the Royalty Assets and natural gas processed through the Infrastructure Assets depends on production. Without reserve additions, production will decline over time as reserves are depleted, and production costs may rise.

The Company's facilities are in or depend on the WCSB. As a mature basin, production is projected to decline over the long-term. Although new technology has allowed producers to access and produce reserves that were previously viewed as uneconomic, it is not clear the extent to which such advances in technology will offset the long-term overall production declines. As well, industry activity levels depend upon economic and regulatory conditions that permit and incent producers to explore for and develop reserves. Counterparties may not be successful in exploring for and developing additional reserves, and the Royalty Assets may not be able to maintain current production levels and the Infrastructure Assets may not be able to maintain existing volumes of throughput.

Commodity prices may not remain at a level that encourages producers to explore for and develop additional reserves or produce existing marginal reserves. Further, with current commodity pricing dynamics compounded by product egress challenges in the WCSB, some producers have slowed or modified their exploration and development plans in Western Canada. Lower production volumes will also increase the competition for natural gas supply at gas processing plants which could result in higher shrinkage gas premiums being paid to natural gas producers. The Company cannot predict the impact of future economic conditions on the energy and petrochemical industries or future demand for and prices of natural gas, NGLs, crude oil, heavy oil and other products. These and other factors, such as higher development costs or royalties, elevated global and North American commodity inventory levels and infrastructure constraints may discourage further producer exploration and development. A reduction in exploration and development activities or the curtailment of production (whether due to regulatory requirements, market constraints or voluntarily by producers) could result in declines in throughput at gas plants, pipelines, terminals and NGLs processing facilities.

The rate and timing of production from proven natural gas reserves tied in to the Infrastructure Assets are at the discretion of the producers and are subject to regulatory constraints. The producers have no obligation to produce natural gas from these lands. Producers may suspend their drilling programs or shut-in production as a result of lower product prices or higher production costs. Where possible, Topaz attempts to negotiate area dedications or take-or-pay arrangements with counterparties or negotiate drilling commitments.

The Infrastructure Assets are connected to various third-party pipeline systems. Operational disruptions or apportionment on those third-party systems may prevent the full utilization of the business.

There is also risk associated with Topaz's customers being able to perform their contracted obligations. For example, counterparties may not comply with their contracted obligations (counterparty risk) or may not deliver volumes consistent with their production profile (volume risk), all of which could adversely affect Topaz's financial results, including the returns on capital investments.

Over the long-term, business will depend, in part, on the level of demand for natural gas, NGLs, crude oil, heavy oil and other products in the geographic areas in which deliveries are made by pipelines and the ability and willingness of shippers having access or rights to utilize the pipelines to supply such demand. Topaz cannot predict the impact of future economic conditions, fuel conservation measures, alternative fuel requirements, governmental regulation or technological advances in

fuel economy and energy generation devices, all of which could reduce the demand for natural gas, NGLs, crude oil, heavy oil and other products.

Highly Dependent on the Operations of Counterparties and Contractual Arrangements

The Company is dependent on its counterparties to operate the Royalty Assets and the Infrastructure Assets. In addition, the Company has limited ability to exercise influence over the operations on the Royalty Assets and the Infrastructure Assets or the associated operating or capital costs, which could adversely affect the Company's financial performance. The Company's revenues, which are derived from the Royalty Assets and the Infrastructure Assets, depend upon a number of factors, most of which are outside of the Company's control. Such factors include: the petroleum production on the Royalty Assets; the timing and amount of capital expenditures directed or committed towards the development of the Royalty Assets and the operation of the Infrastructure Assets; the counterparties' expertise, production practices and financial resources; the approval of other participants or third-party customers, as the case may be; the selection of technology; risk management; and environmental compliance and remediation practices. For instance, Tourmaline manages and participates in a wide variety of projects in the conduct of its business, which may result in it diverting capital, development activity and expertise away from the Tourmaline GORR Lands. The deferral of development or capital projects conducted on the Tourmaline GORR Lands may delay or diminish expected royalty revenue. Further, the ability of Tourmaline to execute projects and market oil and natural gas from the Tourmaline GORR Lands depends upon numerous factors beyond the Company's control. Because of these factors, Tourmaline may be unable to execute projects on the Tourmaline GORR Lands on time, on budget, or at all, and may be unable to produce and market the oil and natural gas from the Tourmaline GORR Lands effectively, all of which would result in a reduction of the royalty revenue.

In addition, the Company's royalty and energy infrastructure operations rely on revenue from its counterparties under a number of contractual arrangements described elsewhere in the Annual Information Form under the heading *"Agreements with Tourmaline"*. There is a risk that the Company's counterparties may default under these agreements. Topaz cannot provide assurance that one or more counterparties will not default on their obligations to the Company or that such a default or defaults will not have a material adverse effect on the Company's operations, financial position, future results of operations, or future cash flows. Furthermore, the bankruptcy of one or more of Topaz's counterparties, or other similar proceeding or liquidity constraint, might make it unlikely that Topaz would be able to collect all or a significant portion of amounts owed by the distressed entity or entities. In addition, such events might force such counterparties to reduce or curtail their future business operations, which could have a material adverse effect on the Company's business, financial condition and results of operations.

With respect to its Infrastructure Assets, the Company endeavors to minimize risk wherever possible by structuring its contracts in a way that minimizes volume risk (e.g. minimum guaranteed volumes and ″take-or-pay″ arrangements), however, it is possible that such arrangements may not be fully effective. In addition, the contract terms are finite and in some cases the agreements contain termination or suspension rights for the benefit of the counterparty.

Certain of Topaz's assets with revenues under contracts will be subject to re-contracting risk in the future. The Company cannot provide assurance that it will be able to renegotiate these contracts once their terms expire or, even if the Company is able to do so, that it will be able to obtain the same prices or terms the Company currently receives. If the Company is unable to renegotiate these contracts, or unable to receive prices at least equal to the current prices it receives, the Company's business, financial condition, results of operation and prospects could be adversely affected.

The Company is dependent on its counterparties for the cash flow it receives and this cash flow is primarily derived from the performance of the underlying businesses of the counterparties. The amount of funds received from the Company's counterparties depends upon the amount of cash they in turn generate from their operations, which will fluctuate from time to time based on, among other things: production levels; prevailing commodity prices; the levels of operating, capital and maintenance expenses and general and administrative expenses; and prevailing economic conditions.

Counterparty Credit Risk

The Company is exposed to counterparty credit risk through its ownership of the Royalty Assets and Infrastructure Assets. In the event that any counterparty fails to meet their royalty, contractual or financial obligations to the Company, such failures could materially adversely affect the Company's business and financial condition. Further, poor credit conditions may impact a counterparty's ability to fund the development and capital programs conducted with respect to the Royalty Assets or fulfill its contractual or financial obligations with respect to the Infrastructure Assets, which in turn could result in a reduction of the Company's revenues.

Prices, Markets and Demand for Petroleum Products

Numerous factors beyond the Company's control do, and will continue to, affect the marketability and price of oil and natural gas acquired, produced, or discovered by the Company. The Company's ability to market its oil and natural gas may depend upon its ability to acquire capacity in pipelines that deliver oil and natural gas to commercial markets or contract for the delivery of oil by rail. Deliverability uncertainties related to the distance of the Company's reserves from pipelines, railway lines, processing and storage facilities; operational problems affecting pipelines, railway lines and processing and storage facilities; and government regulation relating to prices, taxes, tariffs, royalties, land tenure, allowable production, the export of oil and natural gas and many other aspects of the oil and natural gas business may also affect the Company.

Oil and natural gas prices may be volatile for a variety of reasons including market uncertainties over the supply and demand of these commodities due to the current state of the world economies, actions of the Organization of Petroleum Exporting Countries ("**OPEC**+"), political uncertainties, sanctions imposed on certain oil producing nations by other countries, the Russian Ukrainian war, conflicts in the Middle East, geopolitical developments in Venezuela or other adverse economic or political development in the United States, South America, Europe, or Asia. Additionally, the occurrence or threat of terrorist attacks in the United States or other countries could adversely affect the global economy. Prices of oil and natural gas are also subject to the availability of foreign markets and the Company's ability to access such markets.

A material decline in prices could result in a reduction of the Company's net production revenue. The economics of producing from some wells may change because of lower prices, which could result in reduced production of oil or natural gas and a reduction in the volumes and the value of the Company's reserves. The Company may also elect not to produce from certain wells at lower prices. Any substantial and extended decline in the price of oil and natural gas would have an adverse effect on the Company's carrying value of its reserves, borrowing capacity, revenues, profitability and cash flows from operations and may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Volatile oil and natural gas prices make it difficult to estimate the value of producing properties for acquisitions and often cause disruption in the market for oil and natural gas producing properties, as buyers and sellers have difficulty agreeing on such value. Price volatility also makes it difficult to budget for, and project the return on, acquisitions and development and exploitation projects.

The future growth and development prospects of the Company's royalty and energy infrastructure business is based in large part on assumptions about the future availability and price of petroleum products and, in particular, natural gas. Natural gas prices have at various times been and may become volatile due to one or more of the following factors: insufficient supply or oversupply of natural gas; weather conditions and natural disasters; reduced demand for natural gas; decreased oil and natural gas exploration activities, which may decrease the production and increase the price of natural gas; changes in supplies of, and prices for, alternative energy sources such as coal, oil, hydrogen, nuclear, hydroelectric, biomass, wind and solar energy, which may reduce the demand for natural gas; changes in regulatory, tax or other governmental policies regarding, natural gas or alternative energy sources, which may reduce the demand for natural gas; and political conditions in natural gas producing regions.

Fuel conservation measures, alternative fuel requirements, increasing consumer demand for alternatives to oil and natural gas and technological advances in fuel economy and renewable energy generation devices could reduce the demand for oil, natural gas and liquid hydrocarbons. Recently, certain jurisdictions have implemented policies or incentives to decrease the use of fossil fuels and encourage the use of renewable fuel alternatives and other alternative technologies, which may lessen the demand for petroleum products and put downward pressure on commodity prices. In addition, advancements in energy efficient products may have a similar effect on the demand for oil and natural gas products. The Company cannot predict the impact of changing demand for oil and natural gas products, and any major changes may have a material adverse effect on the Company's business, financial condition, results of operations and cash flow by decreasing the Company's profitability, increasing its costs, limiting its access to capital and decreasing the value of its assets.

Risks Relating to Acquisitions and Competition for Acquisition Opportunities

A key part of Topaz's business strategy involves seeking acquisition opportunities. The Company's ability to grow depends in part on its ability to make acquisitions that increase its free cash flow. The acquisition component of the Company's growth strategy is based, in large part, on its expectation of ongoing acquisitions from industry participants, including Tourmaline. While Management believes Tourmaline is incentivized through its ownership of Common Shares to offer Topaz the opportunity to acquire additional royalty interests and infrastructure assets should Tourmaline choose to sell such assets, there can be no assurance that any such offer will be made, and there can be no assurance that Topaz and Tourmaline

will reach agreement on the terms with respect to any acquisition opportunities that may be offered to the Company by Tourmaline or that the Company will be able to obtain financing for such acquisition opportunities. Furthermore, many factors could impair the Company's access to future acquisitions, including a change in control of Tourmaline or a reduction in its ownership interest in the Company including through sales of its Common Shares to the public or to a third-party. A material decrease in the sale of assets by Tourmaline or by third parties would limit the Company's opportunities for future acquisitions and could materially adversely affect its business, results of operations, financial condition and ability to pay dividends to shareholders. See *"Risks Relating to the Company's Relationship with Tourmaline — Future Changes in Relationship with Tourmaline"* and *"— Competition from Tourmaline "*.

Topaz has recently completed a number of acquisitions to establish its business and achieve a variety of benefits including increasing the scale, scope and diversity of the Company's operations. Achieving the benefits of such acquisitions depends in part on successfully consolidating functions and integrating operations, procedures and personnel in a timely and efficient manner, as well as Topaz's ability to realize the anticipated growth and development opportunities from the assets underlying such acquisitions. Acquisitions involve a number of other risks that may adversely affect Topaz's ability to achieve the anticipated benefits of such acquisitions, including: diversion of Management's attention; disruption to the Company's ongoing business; failure to retain key acquired personnel; difficulties in integrating acquired operations or personnel; unanticipated expenses, events or circumstances; and the assumption of disclosed and undisclosed liabilities.

While it is the Company's practice to conduct extensive due diligence investigations into businesses being acquired, it is possible that due diligence may fail to uncover all material risks in the business being acquired, or to identify a change of control trigger in a material contract or authorization, or that a contractual counterparty or government agency may take a different view on the interpretation of such a provision to that taken by the Company, thereby resulting in a dispute. The discovery of any material liabilities subsequent to an acquisition, as well as the failure of an acquisition to perform according to expectations, could have a material adverse effect on the Company's business, financial condition and results of operations. In addition, if returns are lower than anticipated from acquisitions, the Company may not be able to achieve growth in its dividends in line with the Company's stated goals and the market value of the Common Shares may decline.

Achieving the benefits of acquisitions depends on successfully consolidating functions and integrating operations and procedures in a timely and efficient manner and the Company's ability to realize the anticipated growth opportunities and synergies from combining the acquired businesses and operations with those of the Company. The integration of acquired businesses may require substantial management effort, time and resources diverting Management's focus from other strategic opportunities and operational matters. The Company may also enter into other industry related activities or new geographical areas or acquire different energy-related assets that may result in unexpected or significantly increased risk to the Company, which could materially adversely affect the Company's business and financial condition. Additionally, Management will continually assess the value and contribution of the various assets within its portfolio. In this regard, certain assets may be periodically disposed of so the Company can focus its efforts and resources more efficiently. Depending on the state of the market for such assets, certain assets of the Company, if disposed of, may realize less than what the market may expect for such disposition or their carrying value on the financial statements of the Company.

The Company's acquisition strategy is dependent to a significant extent on the ability of the Company to identify suitable acquisition opportunities. Topaz faces competition for acquisitions primarily from other royalty and energy infrastructure companies, investment funds, operating companies acting as strategic buyers, commercial and investment banks, and commercial finance companies. Many of these competitors are substantially larger and have considerably greater financial, technical and marketing resources than are available to the Company. Some of these competitors may also have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of acquisitions and to offer terms that the Company is unable or unwilling to match. Due to the capital-intensive nature of royalty and energy infrastructure acquisitions, in order to finance acquisitions the Company will need to compete for equity capital from institutional investors and other equity providers, and Topaz's ability to consummate acquisitions will be dependent on such capital continuing to be available. Increases in interest rates could also make it more difficult to consummate acquisitions because the Company's competitors may have a lower cost of capital which may enable them to bid higher prices for assets. These factors may create competitive disadvantages for the Company with respect to acquisition opportunities.

The Company cannot provide any assurance that the competitive pressures it faces will not have a material adverse effect on the Company's business, financial condition and results of operations or that Management will be able to identify and make acquisitions on its behalf that are consistent with the Company's objectives or that generate attractive returns for shareholders. The Company may lose acquisition opportunities if it does not match prices, structures and terms offered by competitors, if it is unable to access sources of equity or obtain indebtedness at attractive rates or if the Company becomes

subject to antitrust or competition laws. Alternatively, Topaz may experience decreased rates of return and increased risks of loss if it matches prices, structures and terms offered by competitors.

The Company's acquisitions, dispositions and other transactions are subject to a number of closing conditions, including, as applicable, security holder approval, regulatory approval (including competition authorities) and other third-party consents and approvals that are beyond its control and may not be satisfied. Consents and approvals may not be obtained, may be obtained subject to conditions which adversely affect anticipated returns, and/or may be delayed, thereby delaying or ultimately precluding the completion of acquisitions, dispositions and other transactions.

Risks Arising from Co-ownership

The gas plants comprising part of the Infrastructure Assets are jointly owned with operators. Approvals must be obtained from such joint owners for proposals to make capital expenditures regarding such facilities. These approvals generally require that a capital expenditure proposal be approved by at least two owners holding a specified majority percentage of the ownership interests in the relevant facility. Accordingly, as a minority owner in the gas plants it is not possible for the Company to pursue proposals for capital expenditures without the approval of the majority co-owners, which may adversely affect the Company's ability to expand or improve the gas plants. In addition, the agreements for the ownership and operation of the gas plants contain rights of first refusal which require a transferor who is proposing to transfer an ownership interest, to offer such interest on the same commercial terms to the other owners of the facility prior to completing the transfer. Such provisions may restrict the Company's ability to transfer its interests in the gas plants and may limit the Company's ability to maximize the value of a sale of its interest.

As part of the Company's effort to minimize the risks associated with co-ownership, the Company maintains communication with its co-owners through its participation in operating committees and formal decision-making processes such as mail ballots and expenditure approvals. The Company also utilizes its knowledge of industry activity and relationships with other owners to mitigate the risk of uncooperative behaviour. However, there is no guarantee that the Company will be able to execute its preferred business or operational strategy at facilities which are jointly owned.

In addition, the gas plants are operated by third parties and, therefore, to the extent a third-party operator fails to perform its functions efficiently or becomes insolvent, the Company's business and operations may be adversely affected. Efforts to mitigate this risk by contracting with competent operators and negotiating appropriate allocation of risk in its contracts may not be effective. As a minority owner in the gas plants, the Company does not have the ability to unilaterally remove the operator.

Political Uncertainty

The Company's results can be adversely impacted by political, legal, or regulatory developments in Canada and elsewhere that affect local operations and local and international markets. Changes in government, government policy or regulations, changes in law or interpretation of settled law, third-party opposition to industrial activity generally or projects specifically, and duration of regulatory reviews could impact the Company's existing operations and planned projects. This includes actions by regulators or other political actors to delay or deny necessary licenses and permits for the Company's activities or restrict the operation of third-party infrastructure that the Company relies on. Additionally, changes in environmental regulations, assessment processes or other laws, and increasing and expanding stakeholder consultation (including Indigenous stakeholders), may increase the cost of compliance or reduce or delay available business opportunities and adversely impact the Company's results.

Other government and political factors that could adversely affect the Company's financial results include increases in taxes or government royalty rates (including retroactive claims) and changes in trade policies and agreements. Further, the adoption of regulations mandating efficiency standards, and the use of alternative fuels or uncompetitive fuel components could affect the Company's operations. Many governments are providing tax advantages and other subsidies to support alternative energy sources or are mandating the use of specific fuels or technologies. Governments and others are also promoting research into new technologies to reduce the cost and increase the scalability of alternative energy sources. The success of these initiatives may decrease demand for the Company's products.

Internal Controls Re: Financial Reporting and Preventing Fraud

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Although the Company undertakes a number of procedures in order to help ensure the reliability of its financial reports,

including those imposed on it under Canadian Securities Laws, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's results of operations or cause it to fail to meet its reporting obligations. If the Company or its independent auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's consolidated financial statements and adversely affect the trading price of the Common Shares.

Uninsured or Underinsured Losses

The Company will maintain insurance at levels that it believes are reasonable and that are typical for its industry's insurance coverage. However, the Company cannot give any assurances that its insurance coverage is adequate for any given risk or liability, that such insurance will continue to be available on commercially reasonable terms, that all events that could give rise to a loss or liability are insured or reasonably insurable or that its insurers would be capable of honouring their commitments if an unusually high number of claims were made against their policies. Certain losses, including certain environmental liabilities and business interruption losses, are not covered by insurance.

Management of Growth

The Company may be subject to growth-related risks, including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to properly manage growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Natural Gas and NGLs Composition

The gas plants comprising part of the Infrastructure Assets are designed to process raw natural gas feedstock within a certain range of composition specifications. The gas plants comprising the Infrastructure Assets may require modification to operate efficiently if the composition of the raw gas being processed changes significantly. The configuration of each of the Company's gas plants may not be optimal for efficient operation in the future if a change in inlet gas composition is outside a plant's acceptable range of composition specifications.

As a minority owner in the gas plants, the Company is largely reliant on its majority co-owner operators to monitor plant throughput, gas composition, third-party system performance and industry development activity in the capture areas surrounding the facilities. This information is used to assist with ongoing operational decisions, bringing on new production and new customers, evaluating expansion opportunities and assessing opportunities to modify or add new services to accept the inlet gas in the capture areas surrounding its facilities.

Decommissioning, Abandonment, and Reclamation Costs

Topaz is responsible for its proportionate share of the costs associated with decommissioning, abandonment and reclamation of the Infrastructure Assets (other than the facilities which generate the Other Income) at the end of their economic life, the costs of which may be substantial. It is not possible to predict these costs with certainty since they are a function of regulatory requirements at the time of decommissioning, abandonment and reclamation and the actual costs may exceed current estimates that are the basis of the asset retirement obligation shown in Topaz's consolidated financial statements.

Geopolitical Risks

The Company's results may be adversely impacted by political, legal, or regulatory developments in Canada and elsewhere that affect local operations and local and international markets. Changes in government, government policy or regulations, changes in law or interpretation of settled law, third-party opposition to industrial activity generally or projects specifically, and duration of regulatory reviews could impact the Company's existing operations and planned projects. This includes actions by regulators or other political actors to delay or deny necessary licences or permits for the Company's activities or restrict the operation of third-party infrastructure on which the Company relies. Additionally, changes in environmental regulations, assessment processes or other laws, and increasing and expanding stakeholder consultation (including Indigenous stakeholders), may increase the cost of compliance or reduce or delay available business opportunities and adversely impact the Company's results.

The current U.S.-Canada tariff environment remains highly dynamic and uncertain. Legislative or regulatory changes by the U.S. administration could materially impact the Company's operations and financial condition. In March 2025, the United States imposed a series of tariffs on goods imported from Canada and other countries, triggering a *de facto* global trade war, and prompting Canada and several trading partners to implement retaliatory measures. Since then, tariff policies have continued to evolve, creating ongoing uncertainty regarding U.S. support for existing trade agreements, including the USMCA.

At present, the United States maintains tariffs on a range of Canadian exports, including steel and aluminum, automobiles and automotive parts, copper, lumber, and certain wooden products. Canada has implemented reciprocal tariffs on these categories. Additionally, U.S. tariffs apply to Canadian potash and energy products that do not qualify for USMCA exemptions. Uncertainty persists due to pending U.S. Supreme Court rulings on the authority of the Trump administration to impose tariffs without congressional approval and the upcoming 2026 reviews of the USMCA and other trade agreements. Changes to existing tariffs or new trade restrictions could materially impact the Canadian economy, the oil and gas sector, and the Company. Additionally, further U.S. tariffs on other countries could exacerbate global trade tensions, increase costs, reduce U.S. demand for the Company's products, and negatively affect its operations.

Other government and political factors that could adversely affect the Company's financial results include increases in taxes or government royalty rates (including retroactive claims) and changes in trade policies and agreements. Further, the adoption of regulations mandating efficiency standards or the use of alternative fuels or uncompetitive fuel components could affect the Company's operations. Many governments are providing tax advantages and other subsidies to support alternative energy sources or are mandating the use of specific fuels or technologies. Governments and others are also promoting research into new technologies to reduce the cost and increase the scalability of alternative energy sources. The success of these initiatives may decrease demand for the Company's products.

A change in federal, provincial**,** state or municipal governments in Canada or the United States may have an impact on the directions taken by such governments on matters that may impact the oil and natural gas industry including the balance between economic development and environmental policy. The oil and natural gas industry has become an increasingly politically polarizing topic resulting in a rise in civil disobedience surrounding oil and natural gas development – particularly with respect to infrastructure projects. Protests, blockades and demonstrations have the potential to delay and disrupt the Company's activities.

Middle Eastern Conflicts

The Company's business may be adversely affected by geopolitical conflicts abroad. Hostilities that began in October 2023 between Israel and Hamas have evolved into a broader regional conflict. The Syrian Assad regime collapsed in late 2025, and the political climate remains in flux.

In June 2025, U.S. airspace strikes targeted Iranian nuclear facilities at Fordow, Natanz, and Isfahan, prompting Iranian missile attacks on U.S. assets in Qatar. A U.S.-brokered ceasefire between Iran and Israel has held since mid-2025, but tensions remain high, with sporadic clashes continuing in Gaza and southern Lebanon.

These developments pose ongoing risks to regional stability in the Middle East, a key hub for global oil production. Continued conflict or escalation could disrupt energy supply chains and drive volatility in oil and natural gas markets. Such instability could materially impact the global economy, the Canadian oil and gas industry, and the Company.

Russian Ukrainian War

The Company's business may be adversely affected by geopolitical conflicts abroad. Russia's invasion of Ukraine in February 2022 has developed into a prolonged and intense conflict, with heavy fighting continuing in eastern Ukraine and ongoing missile and drone attacks. The North Atlantic Treaty Organization ("**NATO**") and allied nations, including Canada, have provided substantial military and financial support to Ukraine, while maintaining strict sanctions against Russia. Although peace negotiations have advanced, no comprehensive settlement has been reached, and territorial and security issues remain unresolved. These developments pose ongoing risks to regional stability, global energy and industrial supply

chains, and international markets, which could negatively impact the world economy, the Canadian oil and gas industry, and the Company.

U.S.-Venezuela Conflict

The Company's business could be adversely impacted by geopolitical developments affecting global oil markets. On January 3, 2026, United States military forces conducted an operation in Caracas, Venezuela, resulting in the capture of President Nicolás Maduro and his spouse, Cilia Flores. Subsequent statements by U.S. leadership indicated an intention to administer Venezuela temporarily and facilitate significant investment by American oil companies in Venezuela's petroleum sector. These actions have drawn widespread international attention, and the extent of resulting political and economic repercussions remains uncertain. Given that the United States is the primary destination for Canadian crude oil exports, increased U.S. access to Venezuela's substantial reserves could reduce U.S. demand for Canadian crude and negatively affect pricing and market competitiveness.

Non-Governmental Organizations and Eco-Terrorism Risks

The oil and natural gas production and processing activities conducted by the Company may, at times, be subject to public opposition. Such public opposition could expose the Company to the risk of higher project costs, delays or even project cancellations due to increased pressure on governments and regulators by special interest groups including Indigenous and climate change groups, landowners, environmental interest groups (including those opposed to oil and natural gas production operations) and other non-governmental organizations, blockades, legal or regulatory actions or challenges, increased regulatory oversight, reduced support from the federal, provincial or municipal governments, and delays in, challenges to, or the revocation of regulatory approvals, permits and/or licenses. There is no guarantee that the Company will be able to satisfy the concerns of the special interest groups and non-governmental organizations and attempting to address such concerns may require the Company to incur significant and unanticipated capital and operating expenditures.

In addition, the Company’s and its counterparties’ oil and natural gas properties, wells and facilities, or critical transportation infrastructure that the Company, its counterparties and other industry participants rely on to transport products to purchasers, could be the subject of a terrorist attack. If any of the Company’s or its counterparties’ properties, wells or facilities, or other transportation infrastructure, are the subject of terrorist attack it may have a material adverse effect on the Company’s business, financial condition, results of operations and prospects. The Company does not have insurance to protect against the risk from terrorism.

Reputational Risks

The Company’s business, operations or financial condition may be negatively impacted as a result of any negative public opinion towards the Company or as a result of any negative sentiment toward, or in respect of, the Company’s reputation with stakeholders, special interest groups, political leadership, the media or other entities, as well as the industry in which the Company operates. Public opinion may be influenced by certain media and special interest groups’ negative portrayal of the industry in which the Company operates as well as their opposition to certain oil and natural gas projects. Potential impacts of negative public opinion or reputational issues may include delays or interruptions in operations, legal or regulatory actions or challenges, blockades, increased regulatory oversight, reduced support for, delays in, challenges to, or the revocation of regulatory approvals, permits and/or licenses and increased costs and/or cost overruns. The Company’s reputation and public opinion could also be impacted by the actions and activities of other companies operating in the oil and natural gas industry, particularly other producers, over which the Company has no control. In particular, the Company’s reputation could be impacted by negative publicity related to environmental damage, loss of life, injury or damage to property caused by the Company’s operations or due to opposition from special interest groups opposed to oil and natural gas development. In addition, if the Company develops a reputation of having an unsafe work site, it may impact the ability of the Company to attract and retain the necessary skilled employees and consultants to operate its business. Opposition from special interest groups opposed to oil and natural gas development and the possibility of climate-related litigation against governments and fossil fuel companies may impact the Company’s reputation.

Reputational risk cannot be managed in isolation from other forms of risk. Credit, market, operational, insurance, regulatory and legal risks, among others, must all be managed effectively to safeguard the Company’s reputation. Damage to the Company’s reputation could result in negative investor sentiment towards the Company, which may result in limiting the Company’s access to capital, increasing the cost of capital, and decreasing the price and liquidity of the Company’s securities.

Changing Investor Sentiment

A number of factors, including concerns regarding the effects of the use of fossil fuels on climate change, the impact of oil and natural gas operations on the environment, environmental damage relating to spills of petroleum products during transportation and Indigenous rights, have affected certain investors' sentiments towards investing in the oil and natural gas industry. As a result of these concerns, some institutional, retail and public investors have announced that they no longer are willing to fund or invest in oil and natural gas properties or companies or are reducing the amount thereof over time. In addition, certain institutional investors are requesting that issuers develop and implement more robust environmental, social and governance policies and practices. Developing and implementing such policies and practices can involve significant costs and require a significant time commitment from the Board, Management and employees of the Company. Failing to implement such policies and practices, as requested by institutional investors, may result in such investors reducing their investment in the Company, or not investing in the Company at all. Any reduction in the investor base interested or willing to invest in the oil and natural gas industry and more specifically, the Company, may result in limiting the Company's access to capital, increasing the cost of capital, and decreasing the price and liquidity of the Company's securities even if the Company's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause a decrease in the value of the Company's assets, which may result in an impairment change.

Occupational Health and Safety and Accident Risks

The Royalty Assets and the Infrastructure Assets are highly exposed to the risk of accidents that may give rise to personal injury, loss of life, disruption to service and economic loss. Some of the tasks undertaken by employees and contractors are inherently dangerous and have the potential to result in serious injury or death.

The Company is subject to laws and regulations governing health and safety matters, protecting both members of the public and their employees and contractors. Occupational health and safety legislation and regulations differ in each jurisdiction. Any breach of these obligations, or serious accidents involving the Company's employees, contractors or members of the public could expose the Company to adverse regulatory consequences, including the forfeiture or suspension of operating licences, potential litigation, claims for material financial compensation, reputational damage, fines or other legislative sanction, all of which have the potential to impact the Company's financial results and its ability to pay dividends. Furthermore, as the Company is not the operator of the Royalty Assets and Infrastructure Assets, Topaz has a limited ability to influence health and safety practices and outcomes which may involve drilling hazards, environmental damage and various field operating conditions, including, delays in obtaining governmental approvals or consents, shut- ins of connected wells resulting from extreme weather conditions, insufficient storage or transportation capacity or other geological and mechanical conditions. While diligent well supervision and effective maintenance operations can contribute to maximizing production rates over time, it is not possible to eliminate production delays and declines from normal field operating conditions, which can negatively affect a counterparty's production from the Royalty Lands, which may reduce the Company's revenue.

Reserves Estimates

There are numerous uncertainties inherent in estimating quantities of crude oil, heavy oil, natural gas and NGL reserves and the future cash flows attributed to such reserves. The reserves and associated cash flow information set forth in this Annual Information Form are estimates only. Generally, estimates of economically recoverable crude oil, heavy oil, natural gas and NGLs reserves and the future net cash flows therefrom are based upon a number of variable factors and assumptions, such as: historical production from the properties; production rates; ultimate reserve recovery; timing and amount of capital expenditures by the working interest owners thereon; marketability of oil and natural gas; royalty rates (which, in the case of the Company, generally consist of the royalties to be paid to the Company); and the assumed effects of regulation by governmental agencies and future operating costs, all of which may vary materially from actual results.

For those reasons, estimates of the economically recoverable crude oil, heavy oil, natural gas and NGL reserves attributable to any particular group of properties, classification of such reserves based on risk of recovery and estimates of future net revenues associated with reserves prepared by different engineers, or by the same engineers at different times, may vary. The Company's actual net production, revenues, taxes and development and operating expenditures with respect to its reserves will vary from estimates thereof and such variations could be material.

The estimation of proved reserves that may be developed and produced in the future is often based upon volumetric calculations and upon analogy to similar types of reserves rather than actual production history. Recovery factors and drainage areas were estimated by experience and analogy to similar formations. Estimates based on these methods are

generally less reliable than those based on actual production history. Subsequent evaluation of the same reserves based upon production history and production practices will result in variations in the estimated reserves. Such variations could be material.

In accordance with Canadian Securities Laws, GLJ and McDaniel, the Company's independent qualified reserves evaluators, have used forecast prices and costs in estimating the reserves and future net cash flows as summarized in this Annual Information Form. Actual future net cash flows will be affected by other factors, such as actual production levels, supply and demand for oil and natural gas, curtailments or increases in consumption by oil and natural gas purchasers, changes in governmental regulation or taxation and the impact of inflation on costs.

Actual production and cash flows derived from the crude oil, heavy oil, natural gas and NGL reserves contained in the GORR Interests will vary from the estimates contained in the Topaz Reserve Report, and such variations could be material. The reserves evaluation is based in part on the assumed success of activities undertaken on the Royalty Lands in future years. The reserves and estimated cash flows to be derived therefrom and contained in the Topaz Reserve Report will be reduced to the extent that such activities do not achieve the level of success assumed in the reserve evaluation.

Gathering and Processing Facilities and Pipeline Systems

The products produced from the Royalty Lands must be delivered through gathering, processing and pipeline systems. The amount of petroleum and natural gas produced and sold from the Royalty Lands is subject to the accessibility, availability, proximity and capacity of these gathering, processing and pipeline systems. The lack of availability of capacity in any of the gathering, processing and pipeline systems, and in particular the processing facilities, including any restrictions placed on such systems or facilities, could result in an inability to realize the full economic potential of the Royalty Lands. Although pipeline expansions are ongoing, there remains social and political opposition to such projects and the ongoing uncertainty and lack of firm pipeline capacity continue to affect the oil and natural gas industry and limit the ability to produce and to market petroleum and natural gas production. Any significant change in market factors or other conditions affecting these infrastructure systems and facilities, including remedial work on certain pipeline sections, as well as any delays in constructing new infrastructure systems and facilities, could harm the ability to develop and produce from the Royalty Lands and, in turn, the Company's business and financial condition.

The production from the Royalty Lands will be processed through facilities over which the Company will have no control. From time to time, these facilities may discontinue or decrease operations either as a result of normal servicing requirements or as a result of unexpected events. A discontinuation or decrease of operations could materially adversely affect the ability of third parties to process production from the Royalty Lands and to deliver the same for sale, which, in turn, would indirectly reduce the Company's revenues.

For any royalty payments taken-in-kind by the Company, the ability of the Company or a third-party marketer (including Tourmaline) to successfully market in-kind petroleum and natural gas products may depend, in part, on the Company's or the third-party marketer's ability to acquire space on pipelines that deliver petroleum and natural gas to commercial markets. Deliverability uncertainties related to the distance the Company's reserves are to pipelines, processing and storage facilities, operational problems affecting pipelines and facilities, as well as government regulation relating to prices, taxes, royalties, land tenure, allowable production, the export of petroleum and natural gas and other aspects of the oil and natural gas industry may also affect the Company.

Force Majeure Events

The Company's operations and information systems may be vulnerable to substantial loss or damage as a result of certain disruptions, including natural disasters, national emergencies, acts of war, acts of terrorism, technological attacks, domestic and global trade disruptions, infrastructure disruptions, civil disobedience or unrest, epidemics, pandemics or outbreaks of new infectious disease or viruses, any of which may have a material adverse effect on Topaz's reputation, business, financial conditions or operating results.

Reliance on Key Personnel

The Company's success depends in large measure on certain key personnel. The loss of the services of such key personnel may have a material adverse effect on the Company's business and financial condition. The Company does not have any key person insurance in effect. In addition, the competition for qualified personnel in Alberta, and, in particular, the oil and natural gas industry, is intense and there can be no assurance that the Company will be able to continue to attract and retain

all personnel necessary for the development and operation of its business. Investors must rely upon the ability, expertise, judgment, discretion, integrity and good faith of Management.

Title to Assets

Title reviews conducted on petroleum and natural gas producing properties, if any, do not guarantee or certify that an unforeseen defect in the chain of title will not arise to defeat the Company's claim. The actual interest of the Company in the Royalty Assets may vary from the records previously maintained by a counterparty. If a title defect does exist, it is possible that the Company may lose all or a portion of the properties to which the title defect relates, which could materially adversely affect the Company's business and financial condition. There may be valid challenges to title, or proposed legislative changes which affect title, to the Royalty Assets that, if successful or made into law, could result in a reduction of the revenue received by the Company.

Capital and Additional Funding Requirements

The Company's cash flow from the Royalty Assets and the Infrastructure Assets may not be sufficient to fund its ongoing activities at all times, and from time to time the Company may require additional financing, which may include making capital expenditures for the acquisition of additional royalty and energy infrastructure assets. Future capital and other expenditures will be financed out of cash flow, borrowings and possible future equity issuances, and the Company's ability to do so will be dependent on, among other factors: the overall state of the capital markets; the Company's credit rating (if applicable); interest rates; tax burden due to current and future tax laws; and investor appetite for investments in the royalty and energy infrastructure industry and the Company's securities in particular. The Company's ability to finance through future equity issuances may also be affected by any future sales of Common Shares by Tourmaline.

There can be no assurance that debt or equity financing, or cash flow generated by operations, will be available or sufficient to meet these requirements or for other corporate purposes or, if debt or equity financing is available, that it will be on terms acceptable to the Company. There is risk that if the economy and banking industry experienced unexpected and/or prolonged deterioration, the Company's access to additional financing may be affected. The inability of the Company to access sufficient capital for its operations could materially adversely affect the Company's financial condition.

In addition, the future development of the Royalty Assets and the operation of the Infrastructure Assets may require additional financing from the Company's counterparties and there are no assurances that such financing will be available, or, if available, will be available upon acceptable terms to the counterparties. For instance, failure to obtain any financing necessary for such counterparties' capital expenditure plans may result in a delay in development of the Royalty Assets.

Equity Dilution

The Company may make future acquisitions or enter into financings or other transactions involving the issuance of securities of the Company, which may be dilutive to existing shareholders. There are no restrictions in the Company's articles or by-laws with respect to the number of shares of any class that may be issued by the Company.

Issuance of Debt

From time to time, the Company may finance its activities (including potential future petroleum and natural gas asset acquisitions) in whole or in part with debt, which may increase the Company's debt levels above industry standards for peers of similar size. Additional debt financing may not be available or, if available, may not be available on favourable terms. Neither the Company's articles nor its by-laws limit the amount of indebtedness that the Company may incur. The level of the Company's indebtedness from time to time could impair the Company's ability to obtain additional financing on a timely basis to take advantage of business opportunities that may arise.

Credit Facility Arrangements

The Company is required to comply with customary positive and negative covenants under the Syndicated Credit Facility and, in the event that the Company does not comply with these covenants, the Company's access to capital could be restricted or repayment could be required. Events beyond the Company's control may contribute to the failure of the Company to comply with such covenants. A failure to comply with any of the covenants could result in an event of default which, if not cured or waived, would permit acceleration of the indebtedness pursuant to the Syndicated Credit Facility and would prevent dividends from being paid to shareholders. The acceleration of the Company's indebtedness under the Syndicated Credit

Facility may permit acceleration of indebtedness under other agreements that contain cross default or cross-acceleration provisions. In addition, the Syndicated Credit Facility imposes certain operating and financial restrictions on the Company that include restrictions on the payment of dividends, limitations on liens, entering into disposition of assets or amalgamations and restrictions on speculative hedging, among others. Even if the Company is able to obtain new financing, it may not be on commercially reasonable terms or terms that are acceptable to the Company.

Variations in Foreign Exchange Rates and Interest Rates

The Canadian/United States dollar exchange rate, which fluctuates over time, could affect the price received by Canadian producers of oil and natural gas. Material increases in the value of the Canadian dollar may indirectly affect the Company's revenues, as revenues received by Canadian producers and, similarly, royalties payable to the Company could decrease. Future variations in Canadian/United States exchange rates may accordingly affect the future value of the Company's reserves as determined by independent evaluators.

An increase in interest rates could result in a significant increase in the amount the Company pays to service debt, resulting in a reduced amount available to fund its activities and the cash available to pay dividends, and could negatively impact the market price of the Common Shares.

Hedging

From time to time, the Company may enter into hedging arrangements to fix interest rates applicable to the Company's debt. However, if interest rates decrease as compared to the interest rate fixed by the Company, the Company will not benefit from the lower interest rate. Similarly, from time to time the Company may enter into agreements to fix the exchange rate of Canadian to United States dollars in order to offset the risk of revenue losses if the Canadian dollar increases in value compared to the United States dollar. However, if the Canadian dollar declines in value compared to the United States dollar, the Company will not benefit from the lower exchange rate.

In addition, the Company may enter into agreements to fix the commodity prices for any of its take-in-kind royalty volumes in order to offset the risk of revenue losses if the prices for crude oil or natural gas decline compared to the current levels. However, if commodity prices increase compared to the prices fixed by the Company, the Company will not benefit from such higher prices.

Litigation and Indigenous Claims

In the normal course of the Company's activities, it may become involved in, named as a party to, or be the subject of, various legal proceedings, including regulatory proceedings, tax proceedings and legal actions, related to property damage, property tax, land rights, the environment and lease and contract disputes. The outcome of outstanding, pending or future proceedings cannot be predicted with certainty, such proceedings may be determined adversely to the Company and any indemnity from Tourmaline or other third parties in respect of any loss suffered by the Company as a result of such proceedings may not be sufficient, and, as a result, could materially adversely affect the Company's business and financial condition.

Indigenous groups across Canada, including in the provinces of Alberta and British Columbia, have established and asserted treaty entitlements, title to land and Aboriginal rights. If treaty, title or rights claims arise in relation to the Royalty Lands, and if such claims are successful, it could materially adversely affect the Company's business and financial condition.

Income Taxes

Income tax laws relating to the oil and natural gas industry may in the future be changed or interpreted in a manner that adversely affects the Company. Furthermore, tax authorities having jurisdiction over the Company may disagree with how the Company calculates its income for tax purposes or could change administrative practices to the Company's detriment.

The Company files all required income tax returns and believes that it is in full compliance with the provisions of the Tax Act and all applicable provincial tax legislation. However, such returns are subject to reassessment by the applicable taxation authority. In the event of a successful reassessment of the Company, such reassessment may have an impact on current and deferred taxes payable.

Conflicts of Interest

Certain members of the Board and Management are also, or may in the future be, directors or officers of other oil and natural gas companies, including Tourmaline, that may compete or be counterparties to agreements with the Company, and as such may, in certain circumstances, have a conflict of interest. Conflicts of interest, if any, will be subject to and governed by procedures prescribed by the ABCA which require a director or officer of a Company who is a party to, or is a director or an officer of, or has a material interest in any person who is a party to, a material contract or proposed material contract with the Company disclose his or her interest in and, in the case of directors, to refrain from voting on any matter in respect of such contract unless otherwise permitted under the ABCA. See *"Directors and Executive Officers — Conflicts of Interest"* and *"Risk Factors — Risks Relating to the Company's Relationship with Tourmaline"*.

Regulatory

Various levels of governments impose extensive controls and regulations on oil and natural gas operations, including on exploration, production, pricing, marketing and transportation. Governments may regulate or intervene with respect to exploration and production activities, prices, taxes, royalties and the exportation of petroleum and natural gas. Amendments and other changes to these controls and regulations, including potential expropriation of fee simple mineral title lands, the development and implementation of new liability management programs and changes to royalty regimes may occur from time to time in response to economic or political conditions. The implementation of new regulations or the modification of existing regulations affecting the oil and natural gas industry could reduce demand for oil and natural gas or make certain projects on the Company's properties uneconomic, which could materially adversely affect the Company's business and financial condition. See *"The Industry"*.

Availability of Drilling Equipment and Access

Oil and natural gas exploration and development activities are dependent on the availability of drilling and related equipment (typically leased from third parties) in the particular areas where such activities will be conducted. Demand for such limited equipment or access restrictions may affect the availability of such equipment for the counterparties operating on the Royalty Lands and may delay such exploration and development activities, which, in turn, could materially adversely affect the Company's business and financial condition.

Breach of Confidentiality

While discussing potential business relationships or other transactions with third parties, the Company may disclose confidential information relating to the business, operations or affairs of the Company. Although confidentiality agreements are signed by third parties prior to the disclosure of any confidential information, a breach could put the Company at competitive risk and may cause significant damage to its business. The harm to the Company's business from a breach of confidentiality cannot presently be quantified but may be material and may not be compensable in damages. There is no assurance that, in the event of a breach of confidentiality, the Company would be able to obtain equitable remedies, such as injunctive relief, from a court of competent jurisdiction in a timely manner, if at all, in order to prevent or mitigate any damage to its business that such a breach of confidentiality may cause.

Environmental

All phases of the oil and natural gas and related infrastructure business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of federal, provincial and local laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with oil and natural gas operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities.

As a royalty interest holder, the Company believes it will have no direct exposure to environmental claims and regulation and the associated costs in connection with the Royalty Lands. However, such matters will directly impact the working interest owners and/or operators of the Royalty Lands. As a working interest owner in the gas plants comprising a portion of the Infrastructure Assets, the Company is exposed to environmental claims and regulation and the associated costs in connection with such assets. Compliance with environmental legislation can require significant expenditures and a breach of applicable environmental legislation may result in the imposition of fines and penalties on the working interest owners or operators of the Royalty Lands or on the Company and its co-owners in respect of the Infrastructure Assets, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement,

larger fines and liability and potentially increased capital expenditure and operating costs. The Company will rely on the working interest owners or operators of the Royalty Lands and the operators of the gas plants comprising part of the Infrastructure Assets to be in material compliance with current applicable environmental regulations; however, no assurance can be given that environmental laws will not result in a curtailment of production or processing or a material increase in the costs of production, development or exploration activities associated with the Royalty Lands or in the cost of operation of the gas plants comprising a portion of the Infrastructure Assets or otherwise have a material adverse effect on the Company's business and financial condition.

Anti-greenwashing Rules

Amendments to the *Competition Act* introduced in June 2024 prohibit companies from making false or misleading environmental claims. The new rules are complex and uncertain and initially led many companies to suspend voluntary sustainability reporting. While private rights of action for greenwashing came into effect in June 2025, *Budget 2025 Implementation Act, No. 1* subsequently removed this access and clarified substantiation requirements to address unintended consequences. Despite these improvements, the regulatory landscape continues to evolve and penalties for non-compliance remain significant, including up to the greater of $10 million for a first order, $15 million for subsequent orders, or 3% of global annual revenues. Companies making voluntary environmental disclosures face ongoing risk of liability and reputational harm.

Climate Change

Global climate issues continue to attract public and scientific attention. Numerous reports, including reports from the United Nations Intergovernmental Panel on Climate Change, have engendered concern about the impacts of human activity, especially fossil fuel combustion, on global climate issues. In turn, increasing public, government, and investor attention is being paid to global climate issues and to emissions of GHG, including emissions of carbon dioxide and methane from the production and use of oil and natural gas. The majority of countries, including Canada, have agreed to reduce their carbon emissions in accordance with the Paris Agreement and in November 2025 at COP30 in Brazil, Canada reaffirmed its commitments to transitioning away from fossil fuels in line with the Paris Agreement. As discussed below, the Company faces both transition risks and physical risks associated with climate change and climate change policy and regulations.

Transition risks

Foreign and domestic governments continue to evaluate and implement policy, legislation, and regulations focused on restricting GHG emissions and promoting adaptation to climate change and the transition to a low-carbon economy. It is not possible to predict what measures foreign and domestic governments may implement in this regard, nor is it possible to predict the requirements that such measures may impose or when such measures may be implemented. However, international multilateral agreements, the obligations adopted thereunder and legal challenges concerning the adequacy of climate-related policy brought against foreign and domestic governments may accelerate the implementation of such measures. Given the evolving nature of climate change policy and the control of GHG emissions and resulting requirements, including carbon taxes and carbon pricing schemes implemented by varying levels of government, it is expected that current and future climate change regulations will have the effect of increasing the Company's operating expenses, and, in the long-term, potentially reducing the demand for oil and natural gas and related products, resulting in a decrease in the Company's profitability and a reduction in the value of its assets.

Claims have been made against certain energy companies alleging that GHG emissions from oil and natural gas operations constitute a public nuisance under certain laws or that such energy companies provided misleading disclosure to the public and investors of current or future risks associated with climate change. Individuals, governmental authorities, or other organizations may make claims against oil and natural gas companies, including the Company, for alleged personal injury, property damage, or other potential liabilities. While the Company is not currently a party to any such litigation or proceedings, it could be named in actions making similar allegations. An unfavorable ruling in any such case could adversely affect the demand for and price of securities issued by the Company, impact its operations and have an adverse impact on its financial condition.

Due to long-term risks from environmental policy changes, regulations, legal challenges, and market shifts related to climate change, recent efforts have targeted the financial sector. Investment advisors, banks, pension funds, universities, and other institutional investors are engaging companies on climate action, using voting rights, and reallocating capital toward low-carbon assets while divesting from high-emission businesses. Stakeholders are also pressuring insurers and banks to stop

financing or insuring oil, gas, and related infrastructure. These efforts may negatively impact the Company's operations, securities demand and pricing, and its cost and access to capital.

Climate-related regulations and reporting standards continue to evolve. In June 2023, the International Sustainability Standards Board (**ISSB**) issued two global disclosure standards, IFRS S1 and S2, to promote consistent, comparable, and reliable environmental reporting. In December 2024, the Canadian Sustainability Standards Board finalized similar Canadian standards, CSDS 1 and CSDS 2 (the **Canadian Standards**). In December 2025, the ISSB announced targeted amendments to IFRS S2; whether the Canadian Standards will be revised remains uncertain. Meanwhile, in April 2025, due to significant changes in the global economic and geopolitical landscape, the Canadian Securities Administrators paused work on its own climate disclosure initiative. If the Company is not able to meet future climate-related reporting requirements of regulators or current and future expectations of investors, insurance providers, or other stakeholders, its business and ability to attract and retain skilled employees, obtain regulatory permits, licences, registrations, approvals, and authorizations from various governmental authorities, and raise capital, may be adversely affected.

Physical risks

The potential physical risks resulting from climate change are long-term in nature and associated with a high degree of uncertainty regarding timing, scope, and severity of potential impacts. Many experts believe global climate change could increase extreme variability in weather patterns such as increased frequency of severe weather, rising mean temperature and sea levels, and long-term changes in precipitation patterns. Extreme hot and cold weather, heavy snowfall, heavy rainfall, drought and wildfires may restrict the Company’s ability to access its properties and cause operational difficulties, including damage to equipment and infrastructure. Extreme weather also increases the risk of personnel injury as a result of dangerous working conditions.

Hydraulic Fracturing

Hydraulic fracturing involves the injection of water, sand and certain amounts of additives under pressure into rock formations to stimulate petroleum and natural gas production. Specifically, hydraulic fracturing is used to produce commercial quantities of petroleum and natural gas from reservoirs that were previously unproductive or to make existing reservoirs more productive. In recent years, however, hydraulic fracturing has been linked to increased seismicity in the areas where such operations take place, leading to continued monitoring by regulatory bodies and the development of seismic protocols in certain regions. Any new laws, regulations or permitting requirements regarding hydraulic fracturing could lead to operational delays, increased operating costs, third-party or governmental claims, and could delay or eliminate the development of certain oil and natural gas resources which are not commercial without the use of hydraulic fracturing on the Royalty Lands. Restrictions on hydraulic fracturing could also reduce the amount of petroleum and natural gas that is ultimately produced from the reserves associated with the Royalty Lands and, therefore, could materially adversely affect the Company’s business and financial condition.

Concentration of Assets in Alberta, British Columbia, Saskatchewan and Manitoba

Topaz’s assets are principally concentrated in Alberta, British Columbia, Saskatchewan and Manitoba primarily in the WCSB, which leaves the Company exposed to the economic conditions of such provinces.

Inflation and High Interest Rates

The Company's financial performance and cash flows may be adversely affected by inflationary pressures and fluctuations in interest rates. Inflation can lead to increased operating costs through higher prices for labour, equipment, materials, and services, as well as contribute to supply chain disruptions and regulatory changes. If the Company is unable to effectively manage these cost increases, project economics and future development decisions may be negatively impacted.

Although interest rates have begun to decline, they remained elevated for an extended period as central banks implemented measures to curb inflation. Higher borrowing costs during these periods may affect the Company's financing expenses and reduce returns on capital projects. Sustained periods of elevated interest rates can also slow economic growth, reduce energy demand, depress commodity prices, and limit industry activity. The duration and combined impact of inflationary pressures and interest rate volatility on energy demand, commodity pricing, and the Company's operations remain uncertain.

Seasonality

The level of activity in the Canadian oil and natural gas industry is influenced by seasonal weather patterns. Wet weather and spring thaw may make the ground unstable, which prevents, delays or makes operations more difficult. Consequently, municipalities and provincial transportation departments may enforce road bans that restrict the movement of rigs and other heavy equipment, thereby potentially reducing activity levels on the Royalty Lands. Additionally, certain oil and natural gas producing areas are located in areas that are inaccessible other than during the winter months because the ground surrounding the sites in these areas consists of swampy terrain. Seasonal factors and unexpected weather patterns may lead to declines in exploration and production activity and to volatility in commodity prices as the demand for natural gas rises during cold winter months and hot summer months.

Information Technology Systems and Cyber-Security

The Company has become increasingly dependent upon the availability, capacity, reliability and security of its information technology infrastructure, and its ability to expand and continually update this infrastructure, to conduct daily operations. The Company depends on various information technology systems to estimate reserve quantities, process and record financial data, manage the Company's land base, manage financial resources, analyze seismic information, administer contracts with operators and lessees and communicate with employees and third-party partners.

Further, the Company is subject to a variety of information technology and system risks as a part of its normal course operations including potential breakdown, invasion, virus, cyber-attack, cyber-fraud, security breach, and destruction or interruption of the Company's information technology systems by third parties or insiders. Unauthorized access to these systems by employees or third parties could lead to corruption or exposure of confidential, fiduciary or proprietary information, interruption to communications or operations or disruption to business activities or the Company's competitive position. In addition, cyber phishing attempts, in which a malicious party attempts to obtain sensitive information such as usernames, passwords, and credit card details (and money) by disguising as a trustworthy entity in an electronic communication, have become more widespread and sophisticated in recent years. If the Company becomes a victim of a cyber phishing attack it could result in a loss or theft of the Company's financial resources or critical data and information or could result in a loss of control of the Company's technological infrastructure or financial resources. The Company's employees are often the targets of such cyber phishing attacks, as they are and will continue to be targeted by parties using fraudulent ″spoof″ emails to misappropriate information or to introduce viruses or other malware through ″Trojan horse″ programs to the Company's computers. These emails appear to be legitimate emails, but direct recipients to fake websites operated by the sender of the email, request recipients to send a password or other confidential information through email, or to download malware.

Increasingly, social media is used as a vehicle to carry out cyber phishing attacks. Information posted on social media sites for business or personal purposes may be used by attackers to gain entry into the Company's systems and obtain confidential information. The Company restricts the social media access of its employees and periodically reviews, supervises, retains and maintains the ability to retrieve social media content Despite these efforts, there are significant risks that the Company may not be able to properly regulate social media use and preserve adequate records of business activities and client communications conducted through the use of social media platforms.

The Company maintains policies and procedures that address and implement employee protocols with respect to electronic communications and electronic devices and conducts annual cyber-security risk assessments. The Company also employs encryption protection of its confidential information, and all its computers and other electronic devices. Despite the Company's efforts to mitigate such cyber phishing attacks through education and training, cyber phishing activities remain a serious problem that may damage its information technology infrastructure. The Company applies technical and process controls in line with industry-accepted standards to protect its information, assets and systems, including a written incident response plan for responding to a cyber-security incident. However, these controls may not adequately prevent cyber-security breaches. Disruption of critical information technology services, or breaches of information security, could have a negative effect on the Company's performance and earnings, as well as reputation, and any damages sustained may not be adequately covered by the Company's current insurance coverage, or at all. The significance of any such event is difficult to quantify but may in certain circumstances be material and could have a material adverse effect on the Company's business, financial condition and results of operations.

The protection of customer, employee, and company data is critical to the Company's business. The regulatory environment in Canada surrounding information security and privacy is increasingly demanding, with the frequent imposition of new and constantly changing requirements. Certain legislation, including the *Personal Information Protection and Electronic*

Documents Act in Canada, requires documents to be securely destroyed to avoid identity theft and inadvertent disclosure of confidential and sensitive information. A significant breach of customer, employee, or company data could attract a substantial amount of media attention, damage the Company's customer relationships and reputation, and result in lost sales, fines, or lawsuits. In addition, an increasing number of countries have introduced and/or increased enforcement of comprehensive privacy laws or are expected to do so. The continued emphasis on information security as well as increasing concerns about government surveillance may lead customers to request the Company to take additional measures to enhance security and/or assume higher liability under its contracts. As a result of legislative initiatives and customer demands, the Company may have to modify its operations to further improve data security. Any such modifications may result in increased expenses and operational complexity, and adversely affect its reputation, business, financial condition and results of operations.

Additionally, the Company's information technology systems may incorporate the use of artificial intelligence ("**AI**") and development of such capabilities remain ongoing. As with new innovations, AI presents risks, challenges and unintended consequences that could affect its adoption, and therefore the Company's business. AI algorithms and training methodologies may be flawed. The use of AI to support business operations of the Company, its partners, vendors, suppliers, contractors, or others carries inherent risks related to data privacy and cybersecurity, such as intended, unintended, or inadvertent transmission of proprietary or sensitive information, as well as challenges related to implementing and maintaining AI tools, including the development and maintenance of appropriate datasets for such support. Dependence on AI without adequate safeguards to make certain business decisions may introduce additional operational vulnerabilities, by producing inaccurate outcomes based on flaws or deficiencies in the underlying data or other unintended results. Further, AI tools or software may rely on data sets to produce derivative work which may contain content subject to license, copyright, patent or trademark protection or sensitive personal information and can produce outputs that infringe intellectual property rights or compromise privacy of individuals or organizations, raising concerns about data privacy. As AI is an emerging technology for which the legal and regulatory landscape is not fully developed, including potential liability for breaching intellectual property or privacy rights or laws, new laws and regulations applicable to AI initiatives remains uncertain, and the Company's obligation to comply with such laws could entail significant costs, negatively affect the Company's business or limit the Company's ability to incorporate certain AI capabilities into the Company's operations.

Technical Systems and Processes Incidents

Failure of key technical systems and processes to effectively support information requirements and business processes may lead to Topaz's inability to effectively and efficiently measure, record, access, analyze, and accurately report key data. This could result in increased costs and missed business opportunities.

Evolving Corporate Governance, Sustainability and Reporting Framework

The Company's business is subject to evolving corporate governance and public disclosure regulations that have increased both compliance costs and the risk of non-compliance, which could have an adverse effect on the price of the Company's securities. The Company is subject to changing rules and regulations promulgated by a number of governmental and self-regulated organizations, including the Canadian Securities Administrators, the TSX and the Financial Accounting Standards Board. These rules and regulations continue to evolve in scope and complexity making compliance more difficult and uncertain. Further, the Company's efforts to comply with these and other new and existing rules and regulations have resulted in, and are likely to continue to result in, increased general and administrative expenses and a diversion of management time and attention from revenue-generating activities to compliance activities.

Pandemics and their Effect on the Global Economy

In the event of a global pandemic, countries around the world may close international borders and order the closure of institutions and businesses deemed non-essential. This could result in a significant reduction in economic activity in Canada and internationally along with a drop in demand for oil and natural gas. Any reduction in economic activity in certain countries resulting from outbreaks, government-imposed lockdowns and other restrictions could have a negative effect on demand for oil and natural gas and could aggravate the other risk factors identified herein.

Forward-Looking Information

Shareholders and prospective investors are cautioned not to place undue reliance on the Company's forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested

by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. Additional information on the risks, assumptions and uncertainties are found under the heading *"Forward-Looking Information."*

Risks Relating to the Company's Relationship with Tourmaline

Tourmaline's Shareholdings

Tourmaline is a significant shareholder of the Company and, as such, is able to exert influence on the Company through its voting rights, including the right to vote for the election of directors to the Board. In addition, pursuant to the Governance Agreement, Tourmaline has the right, in certain circumstances, to nominate directors for election to the Board and has certain consent rights. As a result, Tourmaline may be able to exercise influence over the management, administration, strategy and growth of the Company.

Competition from Tourmaline

Tourmaline is not prohibited from engaging in other businesses or activities, including those that might be in direct competition with those of the Company. In addition, Tourmaline may compete with the Company for investment opportunities and may own an interest in entities that compete with Topaz. This may create actual and potential conflicts of interest between the Company and Tourmaline and result in less than favorable treatment of the Company and its shareholders. See *"Conflicts of Interest with Tourmaline"* below.

Conflicts of Interest with Tourmaline

The Governance Agreement and the Company's other arrangements with Tourmaline do not impose any duty on Tourmaline to act in the best interest of the Company, and as mentioned above, Tourmaline is not prohibited from engaging in other business activities that may compete with those of the Company. The Company's ownership and management structure involves a number of relationships that may give rise to conflicts of interest between the Company and the shareholders, on the one hand, and Tourmaline, on the other hand. In certain instances, the interests of Tourmaline may differ from the interests of the Company and its shareholders, including with respect to the timing and amount of dividends paid by the Company, the reinvestment of returns generated by the Company's activities, future acquisitions or strategic decisions, Tourmaline's operations, if any, on the Tourmaline GORR Lands and the appointment of outside advisors and service providers. It is possible that conflicts of interest may arise between the Company and Tourmaline and that such conflicts may not be resolved in a manner that is in the best interests of the Company or its shareholders. See *"Agreements with Tourmaline"*.

In addition, pursuant to the Governance Agreement, Tourmaline has the right to nominate the greater of two and 33.33% of the members of the Board (rounded up to the next whole number, if applicable) for so long as the percentage of outstanding Common Shares (on a non-diluted basis) beneficially owned directly or indirectly by Tourmaline is not less than 10% of the issued and outstanding Common Shares. Tourmaline holds 15.3% of the issued and outstanding Common Shares, which entitles Tourmaline to continue to nominate the greater of two and 33.33% of the members of the Board (rounded up to the next whole number, if applicable). The directors of the Company are required to act honestly and in good faith with a view to the best interests of the Company. However, directors nominated and subsequently appointed by a particular shareholder are entitled, under the ABCA, to give special, if not exclusive, consideration to the interests of the shareholder that appointed them. The interests of Tourmaline may conflict with those of other shareholders.

Ability to Recover Indemnification from Tourmaline

As described under *"Agreements with Tourmaline — Agreements Relating to the Initial Acquisition"*, Tourmaline has provided certain representations, warranties and indemnities regarding the Initial Assets. If the Company suffers any loss as a result of a breach of the representations, warranties or any other term of the Initial Acquisition Agreements by Tourmaline, or as a result of the occurrence of an event for which Tourmaline agreed to indemnify the Company under the terms of the Initial Acquisition Agreements, the Company may not be able to recover the amount of its loss from Tourmaline. Purchasers of Common Shares offered under this Annual Information Form will not have a direct right of action against Tourmaline for a breach of the Initial Acquisition Agreements. The sole remedy of the shareholders against Tourmaline will be through the Company exercising its rights under the Initial Acquisition Agreements to claim for indemnification in respect of a breach by Tourmaline of the representations and warranties or agreements contained therein, subject to the limitations specified therein and as described under *"Agreements with Tourmaline — Agreements Relating to the Initial Acquisition"*.

Future Changes in Relationship with Tourmaline

The arrangements between the Company and Tourmaline do not require Tourmaline to maintain any ownership level in the Company. Accordingly, Tourmaline may transfer all or a substantial portion of its interest in the Company to the public through secondary offerings (including pursuant to its rights under the Investor Liquidity Agreement; see *"Agreements with Tourmaline — Investor Liquidity Agreement"*), or to a third-party, including in a merger or consolidation or sale of Common Shares (without the consent of the Company or its shareholders) subject to market conditions, Tourmaline's requirements for capital or other circumstances that may arise in the future. Certain of the rights and obligations under the Governance Agreement, as described under *"Agreements with Tourmaline – Governance Agreement"*, may also be assignable to a transferee of the Common Shares (other than in respect of transfers made pursuant to a public offering), upon notice to the Company. Accordingly, there can be no assurance as to who may hold and exercise such rights in the future. The interests of a transferee of the Common Shares may be different from Tourmaline's and may not align with those of other shareholders. The Company cannot predict with any certainty the effect that any such transfer would have on the trading price of the Common Shares or the Company's ability to raise capital in the future. As a result, the future of the Company would be uncertain and the Company's business and financial condition may suffer.

Risks Relating to the Common Shares

Volatility in Market Price of Common Shares

The market price for the Common Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company's control, including, without limitation: (i) actual or anticipated fluctuations in the Company's financial results; (ii) recommendations by securities research analysts; (iii) changes in the economic performance or market valuations of other companies that investors deem comparable to the Company; (iv) the loss or resignation of members of Management or the Board and other key personnel of the Company; (v) sales or perceived sales of additional Common Shares; (vi) significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company, Tourmaline or its competitors where the Company does not realize its anticipated benefits from such transaction; (vii) trends, concerns, technological or competitive developments, regulatory changes and other related issues in the oil and natural gas industry; and (viii) actual or anticipated fluctuations in interest rates.

Financial markets have experienced significant price and volume fluctuations in recent years that have particularly affected the market prices of equity securities of companies and that have, in many cases, been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Common Shares may decline even if the Company's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values which may result in impairment losses. Certain institutional investors may base their investment decisions on consideration of the Company's sustainability practices and performance against such institutions' respective investment guidelines and criteria, and failure to meet such criteria may result in a limited or no investment in the Common Shares by those institutions, which could adversely affect the trading price of the Common Shares.

Cash Dividend Payments are Not Guaranteed

The payment of dividends under the Company's dividend policy is not guaranteed and could fluctuate with the performance of the Company. The Board has the discretion to determine the amount of dividends, if any, to be declared and paid to shareholders. The Company may alter its dividend policy at any time, and the payment of dividends will depend on, among other things, changes in commodity prices; financial condition; current and expected future levels of earnings; liquidity requirements; market opportunities; income taxes; debt repayments; legal, regulatory and contractual constraints; tax laws; and other relevant factors. The Syndicated Credit Facility, or certain other financial instruments which the Company may enter into from time to time, may prohibit the Company from paying dividends at any time at which a default or event of default has occurred and is continuing, or if a default or event of default would exist as a result of paying the dividend.

Over time, the Company's capital and other cash needs may change significantly from its current needs, which could affect whether the Company pays dividends and the amount of dividends, if any, it may pay in the future. If the Company pays dividends at the level currently anticipated under the dividend policy, it may not retain a sufficient amount of cash to finance external growth opportunities, meet any large unanticipated liquidity requirements or fund its activities in the event of a significant business downturn. The Board may amend, revoke or suspend the Company's dividend policy at any time. A

decline in the market price or liquidity, or both, of the Common Shares could result if the Company reduces or eliminates the payment of dividends, which could result in losses to shareholders.

Negative Impact of Additional Sales or Issuances of Common Shares

Tourmaline may sell additional Common Shares from time to time, including pursuant to the Investor Liquidity Agreement, and is not required to consider the potential negative impact of such sales on the trading price of the Common Shares or the Company in general. Tourmaline currently holds 15.3% of the issued and outstanding Common Shares. The Investor Liquidity Agreement provides for Demand Registration rights in favour of Tourmaline that enable Tourmaline to require the Company to qualify by Annual Information Form or register, as applicable, all or a portion of the Common Shares held, directly and indirectly, by Tourmaline for a distribution to the public in Canada. The Investor Liquidity Agreement also provides Tourmaline with the Piggy-Back Registration rights. Where the Company proposes to make a distribution, for its own account or for the account of any other holder of securities of the Company, Tourmaline will have the right to include a specified number of its Common Shares in the distribution, subject to certain limitations. Sales of Common Shares owned, directly and indirectly, by Tourmaline through the Investor Liquidity Agreement or otherwise could exert downwards pressure on the trading price of the Common Shares and could impair the future ability of the Company to raise capital through the sale of its equity securities.

Additionally, the Board may issue an unlimited number of Common Shares without any vote or action by the shareholders, subject to the rules of any stock exchange on which the Company's securities may be listed from time to time. The Company may make future acquisitions or enter into financings or other transactions involving the issuance of securities. If the Company issues any additional equity, the percentage ownership of existing shareholders will be reduced and diluted, and the price of the Common Shares could decline.

Foreign Exchange Risk on Dividends

The Company's cash dividends will be declared in Canadian dollars and may be converted in certain instances to foreign denominated currencies at the spot exchange rate at the time of payment. As a consequence, non-resident shareholders, and shareholders who calculate their return in currencies other than the Canadian dollar, will be subject to foreign exchange risk. To the extent that the Canadian dollar strengthens with respect to their currency, the amount of the dividend will be reduced when converted to their home currency.

DIVIDENDS

Topaz intends to use the majority of its free cash flow[(1)] to pay dividends to shareholders and the Company has a long-term payout ratio[(2)] target of 60-90%. The Board has established a dividend policy pursuant to which the Company intends to pay an annual dividend, currently in the amount of $1.36 per Common Share, payable on a quarterly ($0.34 per share) basis. Dividends are anticipated to be financed from internally-generated free cash flow[(1)]. The amount of cash distributed is determined at the discretion of the Board. The payment of dividends is established after considering the overall dividend policy of the Company and after consideration of numerous factors including: (i) the earnings of the Company; (ii) financial requirements for the Company's operations; (iii) the satisfaction by the Company of liquidity and solvency tests pursuant to the ABCA; and (iv) any agreements relating to the Company's indebtedness that restrict the declaration and payment of dividends. The Company currently pays dividends quarterly to shareholders of record as of the close of business on the 15th day (or next business day) of the last month of each quarter, which dividends are expected to be paid to shareholders on or about the last day of the quarter (or previous business day). The Company anticipates that the dividends expected to be paid on the Common Shares will be designated as ″eligible dividends″ for Canadian income tax purposes, unless otherwise notified, and that the Company will include disclosure on its website to this effect.

In 2025, the Company paid $207.7 million ($1.35 per Common Share) in dividends to its shareholders which represented a payout ratio[(2)] of approximately 66% for the year ended December 31, 2025. In 2024, the Company paid $191.2 million ($1.30 per Common Share) in dividends to its shareholders which represented a payout ratio[(2)] of approximately 68%.

See *″Risk Factors – Risks Relating to the Offering and Common Shares – Cash Dividend Payments are Not Guaranteed″*.

Notes:

(1) Defined as a capital management measure. Refer to *"Non-GAAP and Other Financial Measures".*

(2) Defined as a supplementary financial measure. Refer to *"Non-GAAP and Other Financial Measures".*

DESCRIPTION OF CAPITAL STRUCTURE

The authorized share capital of the Company includes an unlimited number of Common Shares, an unlimited number of First Preferred Shares, issuable in series, and an unlimited number of Second Preferred Shares, issuable in series. As of December 31, 2025, 153,989,877 Common Shares and no First Preferred Shares or Second Preferred Shares were issued and outstanding.

General Description of Capital Structure

The authorized share capital of the Company consists of an unlimited number of Common Shares and an unlimited number of First Preferred Shares, issuable in series, and an unlimited number of Second Preferred Shares, issuable in series.

The following is a summary of the rights, privileges, restrictions and conditions attaching to the shares in the Company's share capital.

Common Shares

Topaz is authorized to issue an unlimited number of Common Shares. Holders of Common Shares are entitled to receive notice of and to attend and vote at all meetings of shareholders of the Company, except meetings of holders of another class of shares. Subject to the rights of the holders of First Preferred Shares and Second Preferred Shares and any other shares having priority over the Common Shares, holders of Common Shares are entitled to dividends if, as and when declared by the Board and upon liquidation, dissolution or winding-up to receive the remaining property of the Company.

First Preferred Shares

The First Preferred Shares are issuable in series and will have such rights, restrictions, conditions and limitations as the Board may from time to time determine. No First Preferred Shares have been issued.

The Company is authorized to issue an unlimited number of First Preferred Shares. Holders of First Preferred Shares are entitled, in priority to holders of Common Shares and Second Preferred Shares, to receive the amount of accumulated dividends, if any, specified as being paid preferentially to the holders of First Preferred Shares as and when declared by the Board. In the event of a liquidation, dissolution or winding-up of the Company, holders of the First Preferred Shares are entitled, in priority to the holders of the Common Shares and Second Preferred Shares, to receive a rateable share of the amount, if any, specified as being paid preferentially to the holders of First Preferred Shares.

Second Preferred Shares

The Second Preferred Shares are issuable in series and will have such rights, restrictions, conditions and limitations as the Board may from time to time determine. No Second Preferred Shares have been issued.

The Company is authorized to issue an unlimited number of Second Preferred Shares. Holders of Second Preferred Shares are entitled, subject to the preference of First Preferred Shares but in priority to holders of Common Shares, to receive the amount of accumulated dividends if any, specified as being paid preferentially to the holders of Second Preferred Shares as and when declared by the Board.

In the event of a liquidation, dissolution or winding-up of the Company, holders of the Second Preferred Shares are entitled, subject to preference accorded to holders of First Preferred Shares but in priority to the holders of the Common Shares, to receive a rateable share of the amount, if any, specified as being paid preferentially to the holders of Second Preferred Shares.

Constraints

There are currently no constraints imposed on the ownership of securities of the Company to ensure that the Company has a required level of Canadian ownership.

Ratings

The Company has not asked for, nor has it received, a stability rating, or to the knowledge of the Company, has received any other kind of rating, including, a provisional rating, from one or more approved rating organizations for securities of the Company that are outstanding, and which continue in effect.

Additional Information

Further discussion regarding Topaz's capital structure is contained in the section entitled *"Liquidity and Capital Resources"* in the MD&A, which section is incorporated by reference herein.

MARKET FOR SECURITIES

Trading Price and Volume

The Common Shares are listed and posted for trading on the TSX under the trading symbol ″TPZ″. The following table sets forth the closing price range and the aggregate volume of trading of the Common Shares, as reported by the TSX, for the periods indicated.

Period (2025)	High ($)	Low ($)	Volume
January	28.72	25.03	12,945,325
February	25.97	24.00	16,651,188
March	24.89	22.91	13,824,355
April	25.06	21.00	15,246,365
May	25.78	22.79	10,645,394
June	26.82	24.91	14,219,133
July	26.57	25.07	8,653,130
August	25.71	24.57	8,241,838
September	26.97	24.66	11,373,022
October	26.85	24.37	17,876,929
November	28.41	24.52	16,224,370
December	29.17	26.72	15,723,567

Period (2026)	High ($)	Low ($)	Volume
January	29.92	26.00	18,654,708
February (1 – 23)	30.37	28.04	11,489,079

Prior Sales

Summary of Equity Issuances to Tourmaline

The following summarizes the equity issuances by the Company to Tourmaline since the Company's formation in 2019.

On October 31, 2019, the Company issued 383,921 Common Shares (on a 74.48896:1 post-consolidation basis) to Tourmaline for $85.8 million.

On November 14, 2019, pursuant to the Initial Acquisition, the Company issued 58,049,494 Common Shares to Tourmaline at an agreed price of $10.00 per Common Share with an aggregate ascribed value for accounting purposes of $442.5 million.

Summary of Equity Sales by Tourmaline

The following summarizes the equity sales by Tourmaline since the Company's formation in 2019.

On October 26, 2020, in connection with the completion of the Company's initial public offering, Tourmaline sold 1,000,000 Common Shares at a price of $13.00 per Common Share for gross proceeds to Tourmaline of $13.0 million.

On September 21, 2021, in connection with the completion of a ″bought deal″ secondary offering Tourmaline sold 7,000,000 Common Shares at a price of $15.45 per Common Share for gross proceeds to Tourmaline of $108.15 million.

On August 10, 2022, Tourmaline completed the acquisition of all of the issued and outstanding shares (″Rising Star Shares″) of Rising Star Resources Ltd. (″Rising Star″) pursuant to an amalgamation in accordance with the provisions of the *Business Corporations Act* (Alberta) involving Rising Star and a wholly owned subsidiary of Tourmaline (the ″Transaction″). Pursuant to the Transaction Tourmaline disposed of 6,000,000 Common Shares at a deemed price of $21.08 per Common Share to the former holders of Rising Star Shares as partial consideration for the Transaction.

On December 11, 2024, in connection with the completion of a ″bought deal″ secondary offering Tourmaline sold 12,420,000 Common Shares at a price of $27.80 per Common Share for gross proceeds to Tourmaline of $345.28 million.

On October 28, 2025, Topaz completed a secondary offering of Common Shares whereby Tourmaline sold 9,200,000 Common Shares at a price of $25.10 per Common Share for total gross proceeds to Tourmaline of $230.92 million.

Summary of Equity Financings

The following table summarizes the equity financings completed by the Company since its formation in 2019 as well as Company insider, employee and associate participation in such equity financings.

Summary of Equity Financings

Date	***Financings***		***Insider, Employee and Associate Participation[9]***	
	Shares Issued	**Total Gross Proceeds**	**Gross Subscriptions**	**Percentage of Gross Proceeds**
Nov. 14, 2019	20,850,506[1]	$208,505,060	$39,433,000	19.0%
Jun. 29, 2020 & Jul. 6, 2020	13,208,296[2]	$145,291,256	$64,576,006	44.0%
Oct. 26, 2020 & Nov. 9, 2020	19,240,650[3]	$250,128,450	$16,307,096	6.5%
May 31, 2021	1,794,886[4]	$26,000,000	Nil	Nil
Jun. 8, 2021	14,334,150[5]	$204,261,638	$3,006,750[5]	1.5%
Oct. 26, 2021	10,371,490[6]	$177,352,479	$4,300,479[6]	2.5%
Apr. 29, 2022	4,187,193[7]	$85,000,018	Nil	Nil
Oct. 22, 2024	8,259,177[8]	$206,892,384	$5,239,884[8]	2.5%
	92,246,348	**$1,303,431,285**	**$132,863,215**	**10.2%**

Notes:

(1) Private placement by the Company of 20,850,506 Common Shares at a price of $10.00 per Common Share for gross proceeds of $208.5 million on November 14, 2019.

(2) Private placement of 13,208,296 Common Shares at a price of $11.00 per Common Share for gross proceeds of $145.3 million, of which 11,690,131 Common Shares were issued on June 29, 2020 and 1,518,165 Common Shares were issued on July 6, 2020.

(3) Initial public offering of 19,240,650 Common Shares at a price of $13.00 per Common Share for gross proceeds of $250.1 million on October 26, 2020 and November 9, 2020 pursuant to the Company's supplemented PREP prospectus dated October 19, 2020.

(4) On May 31, 2021, Topaz acquired Reserve Royalty Commercial Trust, and its subsidiaries, which hold the Reserve royalty assets, for total consideration of $27.3 million which was payable through the issuance of 1,794,886 common shares of Topaz, valued at $14.485 per common share and a working capital adjustment of $1.3 million which was paid in cash.

(5) On June 8, 2021, Topaz closed a bought deal equity financing whereby Topaz issued 12,281,000 Common Shares at a price of $14.25 per Common Share. In addition, the over-allotment option granted to the underwriters to purchase an additional 1,842,150 Common Shares was exercised in full, generating additional gross proceeds to Topaz of $26.3 million, for aggregate gross proceeds to the Company of $201.3 million. Concurrent with the closing of the Equity Financing, certain directors, officers and employees of the Company and their associates, purchased a total of 211,000 Common Shares at a price of $14.25 per Common Share for gross proceeds of $3.0 million.

(6) On October 26, 2021, Topaz closed a bought deal equity financing whereby Topaz issued 8,800,000 Common Shares at a price of $17.10 per Common Share. In addition, the over-allotment option granted to the underwriters to purchase an additional 1,320,000 Common Shares was exercised in full, generating additional gross proceeds to Topaz of $22.6 million, for aggregate gross proceeds to the Company of $173.1 million. Concurrent with the closing of the Equity Financing, certain directors, officers and employees of the Company and their associates, purchased a total of 251,490 Common Shares at a price of $17.10 per Common Share for gross proceeds of $4.3 million.

(7) On April 29, 2022, Topaz acquired Keystone Royalty Corp. for total consideration of $85.0 million which was payable through the issuance of 4,187,193 common shares of Topaz, valued at $20.30 per common share.

(8) On October 22, 2024, Topaz closed a bought deal equity financing whereby Topaz issued 7,000,000 Common Shares at a price of $25.05 per Common Share. In addition, the over-allotment option granted to the underwriters to purchase an additional 1,050,000 Common Shares was exercised in full, generating additional gross proceeds to Topaz of $26.3 million, for aggregate gross proceeds to the Company of $201.7 million. Concurrent with the closing of the Equity Financing, certain directors, officers, employees of the Company and their associates, purchased a total of 209,177 Common Shares at a price of $25.05 per Common Share for gross proceeds of $5.2 million.

(9) Represents percentage of the Company and Tourmaline's insider, employee and associate participation, including shares owned by shareholders represented by directors of the Company, for the total amount raised by the Company, which has been calculated based on the percentage of Common Shares issued to directors, officers, employees and other service providers, including shares owned by shareholders represented by directors of the Company, and Tourmaline and certain family, friends and business associates of the foregoing relative to the total number of Common Shares issued in each financing.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

To the knowledge of Management as at December 31, 2025, there are no securities of the Company held in escrow or subject to contractual restrictions on transfer.

Summary of Other Common Share and Security Issuances

The following table summarizes the issuances of other Common Shares and securities of the Company that are convertible or exchangeable into Common Shares for the twelve-month period before the date of this form.

Other Common Share and Security Issuances

Date of Issuance	Number of Common Shares Upon Exercise of Options, DSUs or PSUs	Exercise Price
January 1, 2024	85,041	$11.82
March 6, 2024	10,000	$20.65
March 8, 2024	20,000	$14.66
March 12, 2024	21,667	$20.65
August 6, 2024	50,000	$11.00
November 8, 2024	60,000	$17.66
November 11, 2024	36,667	$14.66
November 12, 2024	58,000	$20.65
December 15, 2024	62,385	$26.74
January 1, 2025	316,708	$27.15
August 27, 2025	37,000	$20.65
September 3, 2025	20,000	$10.00
November 6, 2025	50,000	$11.00
November 28, 2025	21,000	$20.65
December 1, 2025	88,123	$27.81

Date of Issuance	Number of PSUs exercised	Volume Weighted Average Grant Price
January 1, 2025	316,708	$27.15
December 1, 2025	88,123	$27.81

Date of Issuance	Number of DSUs Granted	Volume Weighted Average Grant Price
March 31, 2024	1,457	$21.60
June 30, 2024	1,392	$22.96
July 1, 2024	24,208	$23.76
September 30, 2024	1,650	$25.24
December 15, 2024	5,913	$27.07
December 31, 2024	1,635	$27.07
March 31, 2025	1,896	$23.49
June 30, 2025	1,791	$26.09
July 1, 2025	24,014	$25.41
September 29, 2025	2,189	$25.38
December 1, 2025	6,834	$27.81
December 31, 2025	2,096	$28.11

Date of Issuance	Number of PSUs Granted	Volume Weighted Average Grant Price
January 1, 2024	317,446	$19.34
March 31, 2024	10,862	$21.60
May 15, 2024	4,896	$22.38
June 30, 2024	10,309	$22.96
December 15, 2024	62,385	$26.74
December 31, 2024	9,387	$27.07
December 31, 2024	158,354	$20.66
January 1, 2025	258,035	$27.15
March 31, 2025	12,350	$23.49
June 30, 2025	11,616	$26.09
September 29, 2025	12,099	$25.38
December 1, 2025	88,123	$27.81
December 31, 2025	299,592	$20.30
December 31, 2025	11,074	$28.11

DIRECTORS AND EXECUTIVE OFFICERS

The following table provides the names, residence and age of the directors of the Company and their principal occupation. The term of office of all directors of the Company will expire at the next annual meeting of shareholders of the Company and, thereafter, at each annual meeting of shareholders of the Company or at the time at which his or her successor is elected or appointed, or earlier if any director otherwise dies, resigns, is removed or is disqualified.

Name, Residence and Age	Principal Occupation
Michael L. Rose[(1)(3)(7)] Calgary, Alberta, Canada Age: 68	Chairman, President and Chief Executive Officer of Tourmaline
Marty Staples[(3)] Calgary, Alberta, Canada Age: 50	President, Chief Executive Officer and Director of Topaz
Tanya Causgrove[(3)(5)(6)] Calgary, Alberta, Canada Age: 55	Chief Financial Officer and Managing Director of ARC Financial
Jim Davidson[(3)(6)] Calgary, Alberta, Canada Age: 68	Corporate Director
John Gordon[(3)(4)(5)] Calgary, Alberta, Canada Age: 68	Corporate Director
Darlene Harris[(3)(4)(5)] Calgary, Alberta, Canada Age: 59	Corporate Director
Steve Larke[(2)(3)(4)(6)] Calgary, Alberta, Canada Age: 54	Lead Independent Director, Corporate Director
Brian G. Robinson[(3)(7)] Calgary, Alberta, Canada Age: 69	Director and Chief Financial Officer of Tourmaline

Notes:

(1) Chair of the Board.

(2) Lead Independent Director.

(3) Messrs. Rose, Robinson, Davidson, Gordon and Larke have been directors since November 14, 2019, the date when Topaz was initially capitalized and its formative royalty and infrastructure assets were acquired pursuant to the Initial Acquisition resulting in the Company (previously named ″Exshaw Oil Corp.″, which Messrs. Rose and Robinson were directors of) no longer being a wholly-owned subsidiary of Tourmaline. Ms. Harris was appointed to the Board on June 11, 2020. Ms. Causgrove was appointed to the Board on August 12, 2020. Mr. Staples was appointed to the Board on June 23, 2021.

(4) Member of the Governance, Compensation and Sustainability Committee. Ms. Harris is the Chair of the Governance, Compensation and Sustainability Committee.

(5) Member of the Audit Committee. Mr. Gordon is the Chair of the Audit Committee.

(6) Member of the Reserves Committee. Ms. Causgrove is the Chair of the Reserves Committee.

(7) Nominee of Tourmaline pursuant to the Governance Agreement. See ″Agreements with Tourmaline - Governance Agreement″.

The following table provides the names, residences and ages of the executive officers of the Company and their offices held with the Company. Mr. Staples and Ms. Stephenson are each employed by the Company on a full-time basis and devote all of their executive time to the business and affairs of the Company.

Name and Residence	Offices Held
Marty Staples Calgary, Alberta, Canada Age: 50	President, Chief Executive Officer and Director of the Company
Cheree Stephenson Calgary, Alberta, Canada Age: 45	Vice President, Finance and Chief Financial Officer of the Company

Note:

(1) Mr. Staples and Ms. Stephenson were each appointed to their roles on April 15, 2020.

Directors and Executive Officers Biographical Information

The following are brief profiles of each of the executive officers and directors of the Company, which include a description of their present occupation and their principal occupations for the past five years.

Michael L. Rose

Mr. Rose's principal occupation is the Chairman, President and Chief Executive Officer of Tourmaline since he founded the Company in August 2008. Prior thereto, he was Chairman, President and Chief Executive Officer of Duvernay, a publicly traded oil and gas company (2004-2008). Mr. Rose has held various exploration and production positions, including managing exploration and petroleum engineering research for a large exploration and production company before founding Berkley in 1993. After the sale of Berkley in 2001, Mr. Rose founded Duvernay, which was sold in August 2008. Mr. Rose was educated at Queen's University, graduating with an honors degree in Geology. Mr. Rose is a member of the Association of Professional Engineers and Geoscientists of Alberta and the Canadian Society of Petroleum Geologists. Mr. Rose is the recipient of the Stanley Slipper Gold Medal from the Canadian Society of Petroleum Geologists (2009), amongst numerous other recent awards in recognition of his exemplary leadership and business success. Mr. Rose has over 47 years of experience in the oil and gas industry.

Tanya Causgrove

Ms. Causgrove's principal occupation is Chief Financial Officer and Managing Director of ARC Financial. Ms. Causgrove is a member of ARC Financial's Executive Committee and Investment and Risk Committees. She leads ARC Financial's finance, investment management, risk management, human resources, information systems & security and administrative functions, and works closely with the investment team and investors. Ms. Causgrove's expertise is focused on executive leadership and strategy, corporate finance, human resources, corporate governance and risk management. Ms. Causgrove currently represents ARC Financial on the board of Cygnet Energy Ltd. and holds a Bachelor of Commerce in Accounting from the University of Alberta, is a Chartered Professional Accountant (CPA, CA) and is a CFA Charter holder. Ms. Causgrove has more than 25 years of experience in the energy industry.

Jim Davidson

Mr. Davidson's principal occupation is a Corporate Director. Mr. Davidson co-founded FirstEnergy Capital Corp. in 1993 which became the world's premier choice for energy sector investment banking. Subsequently, Mr. Davidson was the Deputy Chairman of GMP First Energy, a leading Canadian energy-focused investment bank from which he retired from his role in 2018. Mr. Davidson is a director of ATB Financial, the Business Council of Alberta, the Economic Futures Council of Junior Achievement, the Fraser Institute and the Modern Miracle Network. Mr. Davidson holds a Bachelor of Environmental Studies from the University of Waterloo and has earned the Institute of Corporate Directors (ICD.D) designation. Mr. Davidson has more than 41 years of experience providing investment banking and financial services to a broad spectrum of companies in a variety of industries, focused in the energy sector. In 2016 Mr. Davidson was inducted into the IIAC Investment Industry Hall of Fame and awarded a ″Lifetime Achievement Award″ by the Oil & Gas Council. Jim is also a recipient of the Queen Elizabeth II Diamond and Platinum Jubilee Medals by the Governor General of Canada.

John Gordon

Mr. Gordon's principal occupation is a Corporate Director. Mr. Gordon served as the Canadian Managing Partner, Quality and Risk Management, the Canadian Managing Partner, Audit and the Calgary Office Managing Partner for KPMG LLP prior to his retirement in 2018. Mr. Gordon has extensive experience in providing audit and other services to public oil and gas companies and overseeing risk management for KPMG LLP in addition to undertaking business development for the Calgary office of KPMG LLP. Mr. Gordon serves on the Board of Cardinal Energy Ltd., a Canadian public oil and gas company. Mr. Gordon also serves on the Board of the CAMH Foundation, the University of Calgary Properties Group, and is an active member of the Institute of Corporate Directors. Mr. Gordon has earned the Institute of Corporate Directors (ICD.D) designation, is a Chartered Professional Accountant (CPA, CA), is a CFA Charter holder, and is a graduate of the University of Saskatchewan. Mr. Gordon has over 30 years of professional experience providing assurance and advisory services serving corporate directorships across a broad range of industries, including the energy sector.

Darlene Harris

Ms. Harris' principal occupation is a Corporate Director. She is currently a director of Servus Credit Union where she serves on the Audit Finance Committee and is Chair of the Risk Committee. She is also a director of Alberta Central Credit Union where she serves on the Audit Finance Risk Committee. Previously, Ms. Harris worked at Shell Canada and Co-Chaired the Shell Canada Pension Plan and was also a director and Chair of the Audit Finance Committee of the Spark Credit Union. Ms. Harris spent 32 years with Shell Canada in a number of senior positions including Senior Manager, Mergers, Acquisitions and Corporate Finance; Manager, Shell Canada Pension Plan; and Treasurer. During Ms. Harris' tenure at Shell Canada, Ms. Harris was responsible for the Canada-level operational risk management within the multi-national energy company. Ms. Harris has a broad range of experience in the oil and gas industry, including strategic acquisitions and divestments, capital markets, risk management, pension management, treasury, corporate governance, and talent management. Ms. Harris is a Chartered Professional Accountant (CPA, CMA) and has earned the Institute of Corporate Directors (ICD.D) designation.

Steve Larke

Mr. Larke's principal occupation is a Corporate Director. Mr. Larke is a director of Vermilion Energy Inc. and Headwater Exploration Inc. Mr. Larke's previous roles include Operating Partner and Advisory Board member with Azimuth Capital Management Inc., an energy-focused private equity fund based in Calgary, Alberta. Prior to joining Azimuth Capital Management Inc., Mr. Larke was Managing Director and Executive Committee member with Calgary-based Peters & Co. from 2005 to 2015, and prior thereto, was Vice-President & Director with TD Newcrest from 1997 to 2005. Both at Peters & Co. and TD Newcrest, Mr. Larke received leading rankings in the Brendan Wood International survey of institutional investors. Mr. Larke has a Bachelor of Commerce degree (with distinction) from the University of Calgary and has earned the Chartered Financial Analyst (CFA) and Institute of Corporate Directors (ICD.D) designations. In addition, Mr. Larke is a Fundamentals of Sustainability Accounting (FSA) Credential Holder. Mr. Larke has over 29 years of experience in energy capital markets, including research, sales, trading and equity finance, stakeholder engagement and communication, corporate finance, risk management and corporate strategy.

Brian G. Robinson

Mr. Robinson's principal occupation is a director and Chief Financial Officer of Tourmaline. Previously, Mr. Robinson was Vice President, Finance & Chief Financial Officer of Duvernay and prior thereto was Vice President, Finance & Chief Financial Officer of Berkley. Formerly, he held numerous positions in finance and accounting with intermediate and senior oil and gas companies, after commencing his career with a large public accounting firm. Mr. Robinson is currently a trustee of Boardwalk Real Estate Investment Trust, a publicly traded real estate investment trust on the TSX. Mr. Robinson holds a Bachelor of Commerce degree from the University of Calgary and is a Chartered Professional Accountant (CPA, CA). Mr. Robinson has more than 45 years of experience in the oil and gas industry with a focus, at an executive level, on leadership, business development, corporate finance and risk management, as well as extensive experience in the disciplines of financial reporting, budgeting, accounting, information systems and security, treasury and tax.

Marty Staples

Mr. Staples is the President & Chief Executive Officer of the Company, a role he has held since April 2020, when Topaz hired its initial employees. Prior thereto, since 2010, Mr. Staples was directly involved in Tourmaline's strategic growth, executing numerous asset and corporate acquisitions in his land and business development-focused roles. Mr. Staples previously also held positions at both private and public companies. Mr. Staples holds a Bachelor of Commerce degree from the Haskayne School of Business at the University of Calgary. Mr. Staples has over 25 years of experience in the oil and gas industry in the areas of management, business development, exploration, land and evaluations.

Cheree Stephenson

Ms. Stephenson is the Vice President, Finance and Chief Financial Officer of the Company, a role she has held since April 2020, when Topaz hired its initial employees. Prior thereto, since 2010, Ms. Stephenson held the role of Vice President, Finance and Chief Financial Officer of a Canadian public exploration and production company and previously also held positions at both private and public companies. Ms. Stephenson is a Chartered Professional Accountant (CPA, CA) and holds a Bachelor of Commerce degree from the Haskayne School of Business at the University of Calgary and is currently a director of Headwater Exploration Inc. Ms. Stephenson has over 25 years of experience in the oil and gas industry including 15 years' experience at an executive level, in the areas of leadership, corporate finance, risk management, financial reporting, budgeting, accounting, information systems and security, treasury and tax.

Security Ownership by Directors and Executive Officers

As at the date hereof, the directors and executive officers of the Company beneficially own or exercise control or direction over, directly or indirectly, 7,308,990 Common Shares (approximately 4.7% of the issued and outstanding Common Shares). Certain of the directors of the Company are directors or executive officers of Tourmaline, which owns 15.3% of the issued and outstanding Common Shares as at the date hereof. See *"Directors and Executive Officers — Conflicts of Interest."*

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Cease Trade Orders

To the knowledge of the Company, no director or executive officer of the Company (nor any personal holding company of any of such persons) is, as of the date of this Annual Information Form, or was within ten years before the date of this Annual Information Form, a director, chief executive officer or chief financial officer of any company (including the Company), that: (i) was subject to a cease trade order (including a management cease trade order), an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days (an "**Order**"), that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies

Other than as set forth below, to the knowledge of the Company, no director or executive officer of the Company (nor any personal holding company of any of such persons) or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company: (i) is, as of the date of this Annual Information Form, or has been within the ten years before the date of this Annual Information Form, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (ii) has, within the ten years before the date of this Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Mr. Rose, a director of the Company, and the President and Chief Executive Officer and a director of Tourmaline, served as a director of Nordegg Resources Inc. ("**Nordegg**") until June 10, 2016. On June 16, 2016, a secured creditor of Nordegg

was granted an order under the *Bankruptcy and Insolvency Act (Canada)* appointing a receiver to take possession and exercise control over all of Nordegg's current and future assets.

Penalties or Sanctions

To the knowledge of the Company, no director or executive officer of the Company (nor any personal holding company of any of such persons), or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Certain of the directors and executive officers of the Company are engaged in, and may continue to be engaged in, other activities in the industries in which the Company operates from time to time. Messrs. Rose and Robinson are directors and executive officers of Tourmaline. Tourmaline is a party to certain agreements as described under *"Agreements with Tourmaline"* and *"Material Contracts"*. Tourmaline is not prohibited from competing with the Company and its affiliates.

The ABCA provides that in the event that an officer or director is a party to, or is a director or an officer of, or has a material interest in any person who is a party to, a material contract or material transaction or proposed material contract or proposed material transaction, such officer or director shall disclose the nature and extent of his or her interest and shall refrain from voting to approve such contract or transaction, unless otherwise provided under the ABCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the ABCA.

Indebtedness

The Company is not aware of any individuals who are either current or former executive officers, directors or employees of the Company and who have indebtedness outstanding as at the date hereof (whether entered into in connection with the purchase of securities of the Company or otherwise) that is owing to: (i) the Company; or (ii) another entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

Insurance Coverage and Indemnification

The Company's directors' and officers' liability insurance policy has coverage and terms that are customary for a publicly traded company of its size in the industry in which it operates. In addition, the Company has entered into indemnification agreements with its directors and officers. The indemnification agreements generally require that the Company indemnify and hold the indemnitees harmless to the greatest extent permitted by law for liabilities arising out of the indemnitees' service to the Company as directors and officers, if the indemnitees acted honestly and in good faith with a view to the best interests of the Company and, with respect to criminal or administrative actions or proceedings that are enforced by monetary penalty, if the indemnitee had no reasonable grounds to believe that his or her conduct was unlawful. The indemnification agreements also provide for the advancement of defence expenses to the indemnitees by the Company.

AUDIT COMMITTEE

Audit Committee

The Audit Committee is comprised of Mr. Gordon, as Chair, and Ms. Causgrove and Ms. Harris, all of whom are independent and financially literate within the meaning of that term under NI 52-110. The specific responsibilities of the Audit Committee are set out in the Audit Committee Mandate and Terms of Reference, a copy of which is attached to this Annual Information Form as Schedule "E". The Audit Committee's primary role is to: (i) review Management's identification of principal financial risks and monitor the process to manage such risks; (ii) oversee and monitor the Company's compliance with legal and regulatory requirements; (iii) oversee and monitor the integrity of the Company's accounting and financial reporting processes, financial statements and system of internal controls regarding accounting and financial reporting and accounting compliance; (iv) oversee audits of the Company's financial statements; (v) oversee and monitor the qualifications, independence and performance of the Company's external auditors; (vi) provide an avenue of communication among the external auditors, Management, the accountants and the Board; and (vii) report to the Board regularly.

The Company believes that each of the members of the Audit Committee possesses substantially all of the following: (i) an understanding of the accounting principles used by the Company to prepare its financial statements; (ii) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves; (iii) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals engaged in such activities; and (iv) an understanding of internal controls and procedures for financial reporting. For a summary of the education and experience of each member of the Audit Committee that is relevant to the performance of his or her responsibilities as a member of the Audit Committee, see *"Directors and Executive Officers — Directors and Executive Officers Biographical Information"*.

The table below provides disclosure of the fees billed to the Company by its external auditors for fiscal 2025 and 2024, dividing the services into the categories of work performed.

Type of Work	2024 Fees	2025 Fees	Nature of Services Performed
Audit Fees	$507,685	$459,800	For professional services rendered with respect to the audits of financial statements
Audit-Related Fees	$Nil	$Nil	N/A
Tax Fees	$44,420	$45,300	For professional services rendered for tax compliance services
All Other Fees	$Nil	$Nil	N/A
Total	**$552,105**	**$505,100**	

Defined Terms:

- ″**Audit Fees**″ include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as statutory audits.

- ″**Audit-Related Fees**″ include services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under ″Audit Fees″ above. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, management information circulars and internal control reviews and audit or attest services not required by legislation or regulation.

- ″**Tax Fees**″ include fees for all tax services other than those included in ″Audit Fees″ and ″Audit-Related Fees″. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

- ″**All Other Fees**″ include all other non-audit services disclosed and approved by the Audit Committee.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal proceedings, arbitrations and regulatory actions are part of doing business. While the Company cannot predict the final outcomes of proceedings and actions with certainty, Management does not expect any current proceeding or action to have a material impact on the Company's consolidated financial position, results of operations or liquidity. The Company is not aware of any potential legal proceeding or action that would have a material impact on Topaz's financial position, results of operations or liquidity. See *"Risk Factors"*.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

There is no material interest, direct or indirect, of any (i) director or executive officer of Topaz, (ii) person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of any class or series of Topaz's voting securities, and (iii) associate or affiliate of any of the persons or entities referred to in (i) or (ii), in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect Topaz, other than as disclosed elsewhere in this Annual Information Form.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Company are KPMG LLP, Chartered Professional Accountants, Suite 2200, 240 4th Avenue SW, Calgary, Alberta T2P 4H4.

The transfer agent and registrar for the Common Shares is Odyssey Trust Company, at its principal offices in Calgary, Alberta and Toronto, Ontario where transfers of securities may be recorded.

MATERIAL CONTRACTS

The only material contracts, other than those contracts entered into in the ordinary course of business, which the Company entered into since the beginning of the last fiscal year before the date of this Annual Information Form, or entered into prior to such date but which contract is still in effect are the agreements entered into with Tourmaline as described under the heading *"Agreements with Tourmaline"*.

Copies of these documents are available on SEDAR+ at www.sedarplus.ca under the Company's profile.

INTERESTS OF EXPERTS

Names of Experts

The only person or company who is named as having prepared or certified a report, valuation, statement or opinion described or included in a filing, or referred to in a filing, made under National Instrument 51-102 by Topaz during, or relating to, Topaz's most recently completed financial year, and whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company, is KPMG LLP, Topaz's independent auditors and GLJ and McDaniel, Topaz's independent qualified reserves evaluators.

Interest of Experts

To the Company's knowledge, no registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of one of the Company's associates or affiliates (i) were held by any of the Reserve Engineers or by the "designated professionals" (as defined in Form 51-102F2) of the Reserve Engineers, when the Reserve Engineers prepared their respective reports, valuations, statements or opinions referred to herein as having been prepared by such Reserve Engineers, (ii) were received by any of the Reserve Engineers or the designated professionals of the Reserve Engineers after such Reserve Engineer prepared the report, valuation, statement or opinion in question, or (iii) is to be received by any of the Reserve Engineer or the designated professionals of the Reserve Engineer.

None of the Reserve Engineers nor any director, officer or employee of any of the Reserve Engineers is or is expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company.

KPMG LLP has advised they are independent with respect to each of the Company and Tourmaline within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of Alberta.

ADDITIONAL INFORMATION

Additional information relating to Topaz can be found on SEDAR+ at www.sedarplus.ca. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of Topaz's securities and securities authorized for issuance under equity compensation plans, if applicable, are contained in Topaz's information circular for the most recent annual shareholder's meeting held on May 6, 2025. Additional financial information is contained in the Financial Statements and the MD&A.

PRESENTATION OF INFORMATION

General

Certain other terms used in this Annual Information Form but not defined herein are defined in National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities* (″**NI 51-101**″), in the Canadian Oil and Gas Evaluation Handbook maintained by the Society of Petroleum Evaluation Engineers (Calgary Chapter) (the ″**COGE Handbook**″), in the Canadian Securities Administrators Staff Notice 51-324 – *Glossary to NI 51-101 Standards of Disclosure for Oil and Gas Activities* and under the heading ″*Abbreviations and Conversions*″ herein.

Unless otherwise specified, information in this Annual Information Form is as at the end of the Company's most recently completed financial year, being December 31, 2025.

Unless otherwise indicated, all references to ″$″ or ″dollars″ refer to Canadian dollars and all references to ″US$″ or ″U.S. dollars″ refer to United States dollars.

Certain portions of Topaz's audited consolidated financial statements (″**Consolidated Financial Statements**″) and Management's Discussion and Analysis (″**MD&A**″) for the year ended December 31, 2025 are incorporated by reference into this Annual Information Form as indicated herein. The Consolidated Financial Statements and MD&A are available on SEDAR+ at www.sedarplus.ca.

All references in this Annual Information Form to Management are for the persons who are identified in this Annual Information Form as the executive officers of the Company. See ″*Directors and Officers*″. All statements in this Annual Information Form made by or on behalf of Management are made in such persons' capacities as executive officers of the Company and not in their personal capacities.

Certain information contained in this Annual Information Form relating to the Company's public issuer counterparties and the nature of their respective businesses is taken from and based solely upon information published by such issuers. The Company has not independently verified the accuracy or completeness of any such information.

Credit ratings are intended to provide investors with an independent measure of credit quality of an issue of securities. Credit ratings are not recommendations to purchase, hold or sell securities and do not address the market price or suitability of a specific security for a particular investor. There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a rating agency in the future if, in its judgment, circumstances so warrant.

This Annual Information Form contains information relating to Topaz's business as well as historical and projected future performance, Topaz expectations, forecasts and guidance and other market data. When considering this data, investors should bear in mind that historical results and market data may not be indicative of the future results that investors should expect from Topaz.

The information found on, or accessible through, Topaz's website does not form part of this Annual Information Form.

Words importing the singular include the plural and vice versa and words importing any gender include all genders. A reference to an agreement means the agreement, as it may be amended, supplemented or restated from time to time.

Figures, columns and rows presented in tables provided in this Annual Information Form may not add due to rounding.

This Annual Information Form includes a summary description of certain material agreements of the Company. See ″*Material Contracts*″. The summary description discloses attributes that the Company considers material to an investor in the Common Shares but is not complete and is qualified in its entirety by reference to the terms of the material agreements, which have been filed with the applicable Canadian securities regulatory authorities and available on SEDAR+ at www.sedarplus.ca. Investors are encouraged to read the full text of such material agreements.

Use of Industry Specific Terminology

This Annual Information Form contains a number of references to industry specific terminology that is commonly used in the oil and gas royalty and energy infrastructure businesses and is also used by the Company in this Annual Information Form. In particular, and without limitation to the terms described or defined elsewhere in this Annual Information Form, this Annual Information Form contains references to GORR interests, plays, gas processing facilities, take-or-pay contracts and throughput.

GORR interests are royalty interests that burden the working interests of a lease and represent the right to receive a fixed, cost-free percentage of production or revenue from production from a lease. These types of royalty interests typically remain in effect until the associated lease expires.

Plays are drilling programs targeted at regionally distributed natural gas or crude oil accumulations.

Gas processing facilities purify hydrocarbons by removing contaminants from hydrocarbon streams, some of which—NGLs, in particular—have independent value and are an important source of revenue for producers and marketers of petroleum products. NGLs are heavier components of natural gas (such as ethane, propane, butanes and pentanes) that are separated from a hydrocarbon stream (typically in a vapor phase) in liquid form. This can occur in a field plant or processing facility through condensation or absorption, among other methods. Once separated, NGLs can be stored and shipped in a liquid state and have many important uses, including use as an input for petrochemical plants, heating, and fuels.

Take-or-pay contracts refers to a form of contract in which the payor is obligated to pay regardless of whether or not the payor uses the services, volumes or capacity available under the contract.

Throughput means, with respect to a gas plant, the amount of inlet volumes processed on a daily basis (including any off-load or reprocessed volumes).

Certain Reserves Data and Other Oil and Gas Information

The determination of oil and 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 require the application of professional judgment combined with geological and engineering knowledge to assess whether or not 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 qualitative certainty levels referred to in the definitions of proved, probable and possible reserves are applicable to individual reserve entities (which refers to the lowest level at which reserves calculations are performed) and to reported reserves (which refers to the highest-level sum of individual entity estimates for which reserves are presented). Reported reserves should target the following levels of certainty under a specific set of economic conditions:

(a) at least a 90 percent probability that the quantities actually recovered will equal or exceed the estimated proved reserves; and

(b) at least a 50 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable reserves.

A qualitative measure of the certainty levels pertaining to estimates prepared for the various reserves categories is desirable to provide a clearer understanding of the associated risks and uncertainties. However, the majority of reserves estimates will be prepared using deterministic methods that do not provide a mathematically derived quantitative measure of probability. In principle, there should be no difference between estimates prepared using probabilistic or deterministic methods.

Additional clarification of certainty levels associated with reserves estimates and the effect of aggregation is provided in the COGE Handbook.

In multi-well pools, it may be appropriate to allocate total pool reserves between the developed and undeveloped categories or to sub-divide the developed reserves for the pool between developed producing and developed non-producing. This allocation should be based on the estimator's assessment as to the reserves that will be recovered from specific wells, facilities and completion intervals in the pool and their respective development and production status.

In this Annual Information Form:

(a) the discounted and undiscounted net present value of future net revenues attributable to reserves do not represent the fair market value of reserves;

(b) there is no assurance that the forecast prices and costs assumptions will be attained and variances could be material. The recovery and reserve estimates of crude oil, heavy oil, natural gas and NGLs reserves provided in this Annual Information Form are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil, heavy oil, natural gas and NGLs reserves may be greater than or less than the estimates provided in this Annual Information Form;

(c) the estimates of reserves and future net revenue 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; and

(d) Boes may be misleading, particularly if used in isolation. A Boe conversion ratio of 6 Mcf: 1 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. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

All crude oil, heavy oil, natural gas and NGLs reserves and other information with respect to the Royalty Lands in this Annual Information Form have been prepared and are presented in accordance with NI 51-101. See *"Reserves and Other Oil and Gas Information — Notes and Definitions"* for additional information.

All acreage information with respect to the Royalty Lands in this Annual Information Form has been presented on a gross acre basis, whereby gross acres refers to the total acres on which the Company holds the Royalty Interests. Gross acres for the Royalty Lands do not account for the Company's ownership interest in the lands, which is the royalty interest held by the Company on such lands. The presentation of gross acres for the Royalty Lands is consistent with the presentation by certain of the Company's peers that hold a royalty interest on lands leased to or by third parties.

All references in this Annual Information Form to "working interest" means the right granted to a lessee of a property to explore for and produce petroleum and/or natural gas on the leased lands, upon which such lessee bears the operating costs, capital costs, environmental liabilities or reclamation obligations associated with petroleum and natural gas development.

Processing Capacity Volume Figures

The processing capacity of the gas processing plants referred to in this Annual Information Form are reported on an inlet volume capacity basis. Inlet volumes will be more than the sales volumes ultimately processed at facilities due to fuel consumption and customary shrinkage, which occurs during transportation and processing.

THIRD-PARTY INFORMATION

Certain market, independent third-party and industry data contained in this Annual Information Form is based upon information from government or other independent industry publications and reports or based on estimates derived from such publications and reports. Government and industry publications and reports generally indicate that they have obtained their information from sources believed to be reliable, but the Company has not conducted its own independent verification of such information. This Annual Information Form also includes certain data, including production, well count estimates, capital expenditures and other operational results, derived from public filings made by independent third parties. While the Company believes this data to be reliable, market and industry data is subject to variations and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey. The Company has not independently verified any of the data from independent third-party sources referred to in this Annual Information Form or ascertained the underlying assumptions relied upon by such sources.

FORWARD-LOOKING INFORMATION

This Annual Information Form contains forward-looking statements and forward-looking information (collectively, "**forward-looking statements**") that relate to the Company's current expectations and views of future events. The forward-looking statements are contained principally in the sections of this Annual Information Form entitled "*The Company's Business*", "*Reserves and Other Oil and Gas Information*", and "*Risk Factors*". These forward-looking statements relate to future events or the Company's future performance. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "will likely result", "are expected to", "expects", "will continue", "is anticipated", "anticipates", "believes", "estimated", "intends", "plans", "forecast", "projection", "strategy", "objective" and "outlook") are not historical facts and may be forward-looking statements and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in such forward-looking statements. No assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this Annual Information Form should not be unduly relied upon. These statements speak only as of the date of this Annual Information Form. In addition, this Annual Information Form may contain forward-looking statements attributed to third-party industry sources. Accordingly, any such statements are qualified in their entirety by reference to, and are accompanied by, the information and factors discussed throughout this Annual Information Form.

In particular and without limitation, this Annual Information Form contains forward-looking statements pertaining to the following:

- the Company's objective of generating free cash flow[(1)] growth at a relatively low-risk and low cost to the Company, and the proposed manner of achieving this objective;
- the estimated amount of cash flow of the Company (including the components thereof and potential future increases in the amount of cash flow) and the related anticipated payout ratio of the Company;
- the Company's estimated free cash flow margin[(2)];
- the Company's dividend policy, the funding of such dividends, the amounts expected to be paid under that policy currently and in the future and the anticipated timing of payment of such dividends;
- the Company's business and growth strategy and anticipated sources of future income and the possibility that the Board may vary that strategy in the future;
- the expectation that the Company will be able to grow its revenue, actively maintain and manage its Royalty Assets and Infrastructure Assets and achieve external growth by selectively pursuing strategic business development opportunities;
- the expectation that the Company's counterparties will continue to develop its Royalty Assets;

- the estimated volumes and future net revenues related to the Company's crude oil, heavy oil, natural gas and NGLs reserves and expectations regarding the ability of the Company to add to reserves through third-party development activities and acquisitions undertaken by the Company;
- projected petroleum and natural gas production levels and certain costs and expenses associated with the Royalty Assets and the Infrastructure Assets;
- projected financial and petroleum and natural gas production information associated with the Royalty Lands;
- the amount and timing of anticipated royalty payments to be received from royalty payors in respect of the Royalty Lands and that revenues from the Tourmaline GORR Lands will provide a significant portion of the Company's revenue;
- the amount and timing of anticipated payments of Processing Revenue and Other Income to be received from Tourmaline and other counterparties in respect of the Infrastructure Assets and that revenues from the Infrastructure Assets will provide a significant portion of the Company's revenue;
- the performance and creditworthiness of the Company's counterparties including the counterparties to the Tourmaline GORR Agreements, the Banshee Volume Commitment Agreement, the Brazeau Volume Commitment Agreement, the Musreau Volume Commitment Agreement, the Glacier Volume Commitment Agreement, the Gundy Volume Commitment Agreement, the Pipestone O&O Agreements, the Wembley Volume Commitment Agreement, the Whitecap Musreau Volume Commitment Agreement, the Headwater Gathering System Volume Commitment Agreement; and the Logan Pouce Coupe Volume Commitment Agreement;
- the anticipation that there will be no operating costs, capital costs, environmental liabilities or reclamation obligations associated with petroleum and natural gas development incurred by the Company on the Royalty Lands;
- the performance and characteristics of the Royalty Assets;
- that third-party development activity on the Royalty Assets is anticipated to provide continued new sources of petroleum and natural gas royalty revenue for the Company in future years, with new wells and production therefrom reducing the rate at which production and royalty revenue would otherwise decline;
- plans for and timing of the development of the reserves and undeveloped lands associated with the Royalty Assets;
- the timing and amount of capital expenditure programs and well drilling activity by third parties on the Royalty Assets;
- the volume of natural gas delivered pursuant to variable processing fee commercial agreements associated with the Infrastructure Assets;
- the volume of natural gas and crude oil processed and handled, and the amount of revenue generated in connection with the contracted interest for the Other Income;
- utilization rates and throughputs of the Infrastructure Assets;
- operational matters, including potential hazards inherent in the Company's operations and the effectiveness of third-party health, safety, environmental and integrity programs;
- decommissioning, abandonment and reclamation costs;

- anticipated future crude oil, heavy oil, natural gas and NGLs prices and currency, exchange and interest rates;
- supply and demand for petroleum and natural gas;
- the tax horizon and taxability of the Company;
- treatment under governmental regulatory regimes, environmental legislation and tax laws;
- expected future director and Management compensation levels, including grants or awards to be made pursuant to the Company's long-term incentive plans.

With respect to forward-looking statements contained in this Annual Information Form, assumptions have been made regarding, among other things:

- the ability of the working interest owners on the Royalty Assets to maintain or increase production and reserves from these properties;
- the ability and willingness of the Company's counterparties with respect to the Royalty Assets and the Infrastructure Assets to comply with, and the Company to enforce, contractual provisions in order to receive payments in respect of the Royalty Assets and the Infrastructure Assets;
- the ability of the working interest owners on the Royalty Assets and the operators of the Infrastructure Asset to operate in a safe, efficient and effective manner;
- the timely receipt of any required regulatory approvals by the working interest owners of the Royalty Assets and the operators of the Infrastructure Assets;
- the willingness and financial capability of the working interest owners on the Royalty Assets to continue to develop and invest additional capital in the Royalty Assets and to obtain financing on acceptable terms, or at all, to fund capital expenditures;
- field production rates, decline rates and the well performance and characteristics of the Royalty Assets;
- the ability to replace and increase crude oil, natural gas and NGL reserves and production associated with the Royalty Lands through acquisitions and third-party development;
- the timing, cost and ability of third parties to access, maintain or expand necessary facilities and/or secure adequate product transportation and storage;
- for royalty payments taken-in-kind by the Company, if any, the ability of the Company or a third- party marketer to successfully market the Company's in-kind petroleum and natural gas products;
- surface rights access being granted to third parties on the Royalty Lands;
- the level of costs and expenses to be incurred by the Company, including with respect to interest, general and administrative expenses and income tax expenses;
- the ability of the Company to obtain and retain qualified staff, equipment and services in a timely and cost efficient manner;
- the absence of any material litigation or claims against the Company;
- the general stability of the economic and political environment and the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which the Company has an interest in oil and natural gas properties; and

- future crude oil, heavy oil, natural gas and NGLs prices and currency, exchange and interest rates.

The information in this Annual Information Form, including the Company's actual results, could differ materially from those anticipated in the forward-looking statements as a result of the risk factors set forth below and included elsewhere in this Annual Information Form:

- the Royalty Lands will not be developed by third parties in the manner anticipated by the Company;
- non-compliance with contract terms or payment or delivery delinquencies in respect of the Royalty Assets or the Infrastructure Assets, including the credit risk associated with such third parties;
- volatility in the demand, supply and market prices for crude oil, heavy oil, natural gas and NGLs;
- risks of health epidemics, pandemics and similar outbreaks, including COVID-19, which may have sustained material adverse effects on the Company's business, financial position, results of operations and/or cash flows;
- long-term reliance on third parties as operators and working interest owners on the Royalty Lands and co-owners and operators of the Infrastructure Assets as well as to provide necessary services to the Company;
- liabilities inherent in petroleum and natural gas operations and the processing of natural gas and NGLs;
- uncertainties associated with estimating crude oil, heavy oil, natural gas and NGLs reserves and future production levels;
- increased costs incurred by the Company or the working interest owners on the Royalty Lands;
- competition for, among other things, third-party capital and acquisitions of additional assets;
- incorrect assessments of the value of future acquisitions;
- risks related to the environment and changing environmental laws in relation to the operations conducted on the Royalty Lands and the Infrastructure Assets;
- geological, technical, drilling, processing and handling issues associated with petroleum and natural gas development activities by third parties;
- risks arising from co-ownership of facilities including reliance on third-party operators;
- changes in the performance or creditworthiness of counterparties;
- risks and liabilities associated with the processing and handling of dangerous goods;
- climate change risks, including the effects of unusual weather and natural catastrophes;
- regulatory and market compliance and other costs associated with climate change;
- reputational risks;
- technology and security risks, including cybersecurity and risks associated with artificial intelligence;
- disruptions in production, including work stoppages or other labour difficulties, or disruptions in the transportation network on which the Company is reliant;

- technical and processing problems, including the availability of equipment and access to properties;
- claims made or legal actions brought or realized against the Company or its properties or assets;
- a failure by the Company to hire or retain key personnel;
- a decrease or elimination of the payment of dividends by the Company as a result of a Board determination or restrictions under applicable agreements or corporate laws;
- general economic, market and business conditions;
- changes in tax or environmental laws or royalty or incentive programs relating to the oil and natural gas industry;
- trade policy, barriers, disputes or wars (including new tariffs or changes to existing international trade arrangements); and
- the other factors discussed under *"Risk Factors"*.

Since actual results or outcomes could differ materially from those expressed in any forward-looking statements made by or on behalf of the Company, investors should not place undue reliance on any such forward-looking statements. Statements relating to ″reserves″ are deemed to be forward-looking statements as they involve the implied assessment, based on certain estimates and assumptions that the reserves described can be profitably produced in the future. Readers are cautioned that the foregoing lists of factors are not exhaustive. Further, any forward-looking statement is made only as of the date of this Annual Information Form, and the Company undertakes no obligation to update or revise any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events, except as required by Canadian Securities Laws. New factors emerge from time to time, and it is not possible for the Company to predict all of these factors or to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

The forward-looking statements contained in this Annual Information Form are expressly qualified by the foregoing cautionary statements. Investors should read this entire Annual Information Form and consult their own professional advisors to ascertain and assess the income tax, legal, risk factors and other aspects of their investment in the Common Shares.

Notes:

(1) Defined as a capital management measure. Refer to *"Non-GAAP and Other Financial Measures"*.

(2) Defined as a as a supplementary financial measure. Refer to *"Non-GAAP and Other Financial Measures"*.

NON-GAAP AND OTHER FINANCIAL MEASURES

Certain financial terms and measures contained in this Annual Information Form are specified financial measures (as such term is defined in National Instrument *52-112 Non-GAAP and Other Financial Measure Disclosure* (**"NI 52-112"**)). The specified financial measures referred to in this Annual Information Form are comprised of "non-GAAP financial measures," "capital management measures" and "supplementary financial measures" (as such terms are defined in NI 52-112). These measures are defined, qualified, and where required, reconciled with the nearest GAAP measure in the MD&A under the heading "Non-GAAP and Other Financial Measures" which section is incorporated by reference herein.

SCHEDULE ″A″ – GLOSSARY OF TERMS

In this Annual Information Form, unless otherwise indicated or the context otherwise requires, the following terms have the indicated meanings.

″**2023 Glacier Facility Expansion**″ has the meaning ascribed thereto under *"General Development of Topaz's Business – 2023"*;

″**2025 Logan Transaction**″ has the meaning ascribed thereto under *"General Development of Topaz's Business – 2025"*;

″**ABCA**″ means the *Business Corporations Act* (Alberta) and the regulations thereunder, as amended from time to time;

″**Advantage**″ means Advantage Energy Ltd., a publicly traded, Canadian E&P company. For additional information regarding Advantage refer to their corporate profile on SEDAR+;

″**AECO**″ means the physical storage and trading hub for natural gas on TC Energy's Alberta Transmission System, which is the delivery point for the various benchmark Alberta index prices;

″**AER**″ means the Alberta Energy Regulator;

″**affiliate**″ or ″**associate**″ has the meaning ascribed thereto in the *Securities Act* (Alberta), as amended from time to time;

″**Alberta Deep Basin**″ means an area within the WCSB which straddles the Alberta and British Columbia border, located approximately 250 km west of Edmonton, Alberta;

″**ARC Financial**″ means ARC Financial Corp.;

″**Banshee Gas Plant Agreements**″ means the purchase and sale, construction, ownership and operation, and volume commitment agreements entered into on September 1, 2020 between Tourmaline and Topaz pursuant to which Topaz acquired its 25% ownership interest in the Banshee Gas Plant;

″**Banshee Gas Plant Acquisition**″ means the acquisition by the Company of a 25% ownership interest in the Banshee Gas Plant from Tourmaline completed on September 1, 2020 for total cash consideration of $52.5 million, before customary adjustments;

″**Banshee Gas Plant**″ means the approximately 155 MMcf/day capacity Banshee Gas Processing Facility located at 15-12-50-21W5 and all related infrastructure and equipment;

″**Board**″ means the board of directors of the Company;

″**Brazeau CO&O Agreement**″ means the agreement for the construction, ownership and operation of the Brazeau Gas Plant entered into on November 14, 2019 between Tourmaline and Topaz;

″**Brazeau Gas Plant**″ means the Brazeau Gas Plant Complex, consisting of one processing train and associated equipment located on the 15-36-044-15W5 site and one compressor station and associated equipment located on the 16-36-044-15W5 site;

″**Brazeau Volume Commitment Agreement**″ means the annual take-or-pay volume commitment agreement (Brazeau Facility) entered into on November 14, 2019 between Tourmaline and Topaz;

″**business day**″ means a day other than a Saturday, Sunday or a day on which the principal chartered banks located at Calgary, Alberta are not open for business;

″**Canadian Securities Laws**″ means the securities legislation or ordinance and regulations thereunder of each province of Canada and the rules, instruments, policies and orders of each Canadian securities regulator made thereunder;

″**Common Shares**″ means the common shares in the capital of the Company;

"**E&P Asset Disposition**" means the disposition by the Company to Tourmaline of the E&P Assets completed on November 12, 2019;

"**E&P Asset Disposition Agreement**" means the asset purchase and sale agreement entered into on November 12, 2019 between the Company and Tourmaline;

"**E&P Assets**" means all of the Company's exploration and production assets including its petroleum and natural gas rights, tangibles and miscellaneous interests;

"**E&P**" means oil and gas exploration and production;

"**ESG**" means environmental, social and governance;

"**Fee mineral title**" means ownership in fee mineral title interests;

"**GAAP**" means generally accepted accounting principles in Canada, which for Canadian reporting issuers is IFRS, as in effect from time to time;

"**GHG**" means greenhouse gas;

"**Glacier Gas Plant**" means the 425 MMcf/d Glacier Gas Plant located at 05-02-076-12W6 servicing the Montney resource play and all related infrastructure and other equipment and tangible depreciable property located within the area lease limits, as well as certain acid gas pipelines and acid gas disposal wells related thereto, and including all liquids handling infrastructure associated with the plant which is required for the extraction and storage of hydrocarbon liquids;

"**Glacier Gas Plant Agreements**" means purchase and sale, ownership and operation, and take-or-pay volume commitment agreements entered in 2020 between Topaz and Advantage pursuant to which Topaz acquired a 12.5% ownership interest in the Glacier Gas Plant and the agreements subsequently entered pursuant to the 2023 Glacier Facility Expansion;

"**GLJ**" means GLJ Ltd., independent qualified reserves evaluators;

"**GLJ Price Forecast**" means the published GLJ January 1, 2026 price forecast;

"**GORR**" means gross overriding royalty;

"**GORR Interests**" means Topaz's GORR interests;

"**Governance Agreement**" means the governance agreement between Tourmaline and the Company dated November 14, 2019, as further described under "*Agreements with Tourmaline — Governance Agreement*";

"**gross**" means: (i) in relation to wells, the total number of wells in which the Company has a royalty interest; and (ii) in relation to properties, the total area in which the Company has a royalty interest. As all of the Company's interests in reserves and production are royalty interests with no associated working interests, the Company has no gross reserves or production;

"**GRT**" means gross royalty trust interests which represent minor fractional share of lessor royalty interests reserved out of fee mineral title lands throughout the WCSB;

"**Gundy Gas Plant**" means the approximately 200 MMcf/day capacity Gundy gas processing facility located at C-060-A/094-B-16 and all related infrastructure and equipment;

"**Gundy Gas Plant Agreements**" means the purchase and sale, construction, ownership and operation, and take-or-pay volume commitment agreements entered into on July 1, 2021 between Tourmaline and Topaz pursuant to which Topaz acquired a 10% ultimate ownership interest in the Gundy Gas Plant;

"**Gundy Gas Plant Interest**" means the 20% ownership interest in the Gundy Gas Plant, which converts to a 10% total ownership interest subsequent to commissioning of expansion of the Gundy Gas Plant;

"**Headwater**" means Headwater Exploration Inc., a publicly traded, Canadian E&P company. For additional information regarding Headwater refer to their corporate profile on SEDAR+;

"**Clearwater Gathering System**" means the Headwater natural gas gathering system with natural gas capacity of approximately 8 MMcf/d, located in the Marten Hills (Clearwater) operating area;

"**Clearwater Gathering System Agreements**" means the purchase and sale, ownership and operation, and take-or-pay volume commitment agreements entered into on October 25, 2023 between Headwater and Topaz pursuant to which Topaz would complete the acquisition of its 99% ownership interest in the Headwater Gathering System following commissioning;

"**hydrocarbons**" means solid, liquid or gas made up of compounds of carbon and hydrogen in varying proportions;

"**IFRS**" means International Financial Reporting Standards as issued by the International Accounting Standards Board, as adopted by the Canadian Accounting Standards Board;

"**Infrastructure Assets**" means, the: (i) the Initial Facility Interests and respective Initial Acquisition Agreements; (ii) the Company's interests in the Banshee Gas Plant, the Glacier Gas Plant, the Pipestone Assets, the Gundy Gas Plant, the Wembley Facility, the Musreau Facility, the Clearwater Gathering System and the Pouce Coupe Facility, together with the Banshee Volume Commitment Agreement, the Glacier Gas Plant Agreements, the Pipestone Asset Agreements, the Gundy Gas Plant Agreements, the Wembley Facility Agreements, the Musreau Facility Agreements, the Clearwater Facility Agreements and the Pouce Coupe Facility Agreements; and (iii) the TPF Revenue Interest;

"**Initial Acquisition**" means the acquisition by the Company of its formative royalty and infrastructure assets, the Initial Assets, from Tourmaline completed on November 14, 2019 for consideration consisting of $194.5 million in cash and 58,049,494 Common Shares;

"**Initial Acquisition Agreements**" means, the Initial Assets Purchase and Sale Agreement and the Initial Assets Ancillary Agreements entered into in connection with the Initial Acquisition, as further described under *"Agreements with Tourmaline — Agreements Relating to the Initial Acquisition — Initial Acquisition Agreements"*;

"**Initial Assets**" means the assets acquired pursuant to the Initial Acquisition being: (i) the Tourmaline GORR Interest; (ii) the Initial Facility Interest; and (iii) the TPR Revenue Interest;

"**Initial Assets Ancillary Agreements**" means, the Tourmaline GORR Agreement, the TPF Revenue Interest Agreement, the Initial Facilities Volume Commitment Agreements and the Initial Facilities CO&O Agreements;

"**Initial Assets Purchase and Sale Agreement**" means the royalty, facilities and revenue interest sale agreement entered into on November 14, 2019 between Tourmaline and Topaz;

"**Initial Facilities**" means, together, the Musreau Gas Plant and the Brazeau Gas Plant;

"**Initial Facilities CO&O Agreements**" means, together, the Brazeau CO&O Agreement and the Musreau CO&O Agreement;

"**Initial Facilities Volume Commitment Agreements**" means, together, the Brazeau Volume Commitment Agreement and the Musreau Volume Commitment Agreement;

"**Initial Facility Interests**" means: (i) an undivided forty-five percent (45%) interest in each of the Initial Facilities and all miscellaneous interests pertaining thereto; and (ii) the interest in and to the commitment and delivery of certain take-or-pay volumes by Tourmaline to the Company under and pursuant to the Initial Facilities Volume Commitment Agreements;

"**Initial GORR Agreement**" means the agreement entered into between Tourmaline and Topaz governing the November 2019 acquisition of the Tourmaline Initial GORR Interest;

"**Initial GORR Interest**" means the non-convertible GORR, being an interest in Tourmaline's working interest in the petroleum substances within, upon, or attributed to, certain lands and interests located primarily in Alberta and British Columbia to which the Initial GORR Interest relates as set forth and described in the Initial GORR Agreement, or so much of those rights as remain subject to Tourmaline's title documents at the relevant time, and includes the petroleum substances within, upon, under or attributed to those lands, granted by Tourmaline to Topaz pursuant to the Initial GORR Agreement,

being a royalty share as follows: for crude oil and condensate, 2.5%; and for natural gas: 4% until December 31, 2021 and 3% from and after January 1, 2022;

"**Investor Liquidity Agreement**" means the investor liquidity agreement between Tourmaline and the Company dated November 14, 2019, as further described under "*Agreements with Tourmaline — Investor Liquidity Agreement*";

"**Keystone Royalty**" means Keystone Royalty Corp., a private Canadian company owning fee mineral title and GORR interests on lands diversified across the WCSB, focused predominantly in Southeast Saskatchewan. Keystone Royalty was amalgamated with Topaz on April 29, 2022;

"**LNG**" means liquefied natural gas;

"**Pouce Coupe Facility**" means the Pouce Coupe processing facility, consisting of a natural gas plant, compressor station and oil battery located at 04-19-079-10W6 in the Pouce Coupe area of Alberta;

"**Pouce Coupe Facility Agreements**" means the agreements for the facility interest sale, construction, ownership and operation, and volume commitment agreement in respect of the Logan Facility entered into on January 31, 2025, for total cash consideration of $26.0 million, before customary closing adjustments, between Topaz and Logan;

"**Logan**" means Logan Energy Corp., a publicly traded, Canadian E&P company. For additional information regarding Logan refer to their corporate profile on SEDAR+;

"**Logan GORR Agreement**" means the agreement entered into between Logan and Topaz governing the acquisition of the Logan GORR Interest which was completed on January 31, 2025, for total cash consideration of $16.6 million, before customary closing adjustments;

"**Logan GORR Interest**" means the non-convertible GORR, being an interest in Logan's working interest in the petroleum substances within, upon, or attributed to, certain lands and interests located primarily in Alberta to which the Logan GORR Interest relates as set forth and described in the Logan GORR Agreement, or so much of those rights as remain subject to Logan's title documents at the relevant time, and includes the petroleum substances within, upon, under or attributed to those lands, granted by Logan to Topaz pursuant to the Logan GORR Agreement, being a royalty share as follows: for crude oil, natural gas and natural gas liquids: 2.5%;

"**Management**" means, the executive officers of the Company;

"**McDaniel**" means McDaniel and Associates Consultants Ltd., independent qualified reserves evaluators;

"**McDaniel Price Forecast**" means the published McDaniel January 1, 2026 price forecast;

"**Montney**" means the Montney formation, a stratigraphic zone in the WCSB, extending from Grande Prairie, Alberta to approximately 100 km northwest of Fort St. John, British Columbia;

"**Musreau CO&O Agreement**" means the agreement for the construction, ownership and operation of the Musreau Gas Plant entered into on November 14, 2019 between the Company and Tourmaline;

"**Musreau Facility**" means Whitecap's Musreau natural gas processing and condensate handling facility with natural gas compression capacity of 43 MMcf/d and condensate stabilization capacity of 12,700 bbl/d, located in the Alberta Montney operating area; and

"**Musreau Facility Agreements**" means the agreements for the facility interest sale, construction, ownership and operation, and volume commitment agreement in respect of the Musreau Facility entered into on June 1, 2024, between Topaz and Whitecap.

"**Musreau Gas Plant**" means the Musreau Gas Plant Complex, consisting of two processing trains and associated equipment located on the 08-13-062-06W6 and 09-13-062-06W6 sites;

"**Musreau Volume Commitment Agreement**" means the annual take-or-pay volume commitment agreement in respect of the Musreau Gas Plant entered into on November 14, 2019 between Tourmaline and Topaz;

"**NEBC Montney**" means an area within the WCSB, located on the west flank of the Peace River High in NEBC focused on the Triassic Montney;

"**net**" means in relation to the Company's interest in production or reserves, its royalty interest share. As all of the Company's interests in reserves and production are royalty interests with no associated working interests, the Company has no net interest in relation to wells or properties;

"**NGLs**" means those hydrocarbon components that can be recovered from natural gas as liquids including, but not limited to, ethane, propane, butanes, pentanes plus, condensate and small quantities of non-hydrocarbons;

"**NI 51-101**" means National Instrument 51-101 — *Standards of Disclosure for Oil and Gas Activities*;

"**NI 52-110**" means National Instrument 52-110 — *Audit Committees*;

"**NI 52-112**" means National Instrument 52-110 — *Non-GAAP and Other Financial Measure Disclosure*;

"**NYMEX**" means the New York Mercantile Exchange;

"**Other Income**" means the other income generated by way of the TPF Revenue Interest;

"**Peace River High**" means an area within the WCSB, spanning from Fort St. John, British Columbia to Lesser Slave Lake, Alberta from west to east, and from Grande Prairie, Alberta to Manning, Alberta from south to north;

"**person**" means and includes individuals, companies, limited partnerships, general partnerships, joint stock companies, limited liability companies, joint ventures, associations, trusts, banks, trust companies, pension funds, and other organizations, whether or not legal entities, and governments and agencies and political subdivisions thereof;

"**petroleum**" means a naturally occurring mixture consisting predominantly of hydrocarbons in the gaseous, liquid or solid phase, and as referenced in this Annual Information Form, includes oil and NGLs;

"**petroleum substances**" means condensate, crude oil, heavy oil, natural gas, NGLs or any of them, (but excluding NGLs (other than condensate and pentanes for purposes of the Tourmaline GORR Agreements);

"**Pipestone Asset Agreements**" means the purchase and sale, ownership and operation, and take-or-pay fixed-fee agreements entered into in 2021 and 2022 between Topaz and a private midstream water company and two public Canadian E&P companies ("Pipestone Counterparties") pursuant to which Topaz acquired 49.5% ownership interests in Pipestone Assets for initial aggregate cash consideration of $24.0 million; and whereby incremental cash consideration was invested to expand certain Pipestone Assets pursuant to option agreements during 2021 and 2022;

"**Pipestone Assets**" means certain mineral rights, tangible assets and miscellaneous interests comprising pipeline-connected water sourcing, storage and disposal infrastructure located in the Pipestone area of Alberta pursuant to the Pipestone Asset Agreements;

"**Processing Revenue**" means the revenue generated by the Company's non-operated ownership interests in the Banshee Gas Plant, Brazeau Gas Plant, Glacier Gas Plant and Musreau Gas Plant;

"**Reserve Royalty**" means Reserve Royalty Income Trust, a Canadian royalty trust with subsidiaries owning fee title and GORR interests on lands diversified across Western Canada;

"**resource plays**" means an accumulation of hydrocarbons known to exist over a large areal expanse and/or thick vertical section;

"**Royalty Assets**" means the GORR Interests;

"**Royalty Lands**" means, Topaz's GORR Lands;

"**Royalty Production Revenue**" means the revenue generated from the GORR Interests on Royalty Lands;

"**royalty share**" means the gross volume of petroleum substances comprising the GORR Interests;

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

"**shareholder**" means a holder of Common Shares;

"**Sproule**" means Sproule Associates Ltd., independent qualified reserves evaluators;

"**Sproule Price Forecast**" means the published Sproule January 1, 2026 price forecast;

"**subsidiary**" has the meaning ascribed thereto in the ABCA;

"**Syndicated Credit Facility**" means the Credit Facility, as amended on April 30, 2025, and as described in "*General Development of Topaz's Business*";

"**Tamarack**" means Tamarack Valley Energy Ltd., a publicly traded, Canadian E&P company. For additional information regarding Tamarack refer to their corporate profile on SEDAR+;

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time;

"**Topaz Reserve Report**" means the independent engineering evaluation of the crude oil, heavy oil, natural gas and NGLs reserves relating to the Royalty Lands prepared by GLJ and McDaniel with an effective date of December 31, 2025 and a preparation date of February 4, 2026;

"**Tourmaline**" means Tourmaline Oil Corp., a publicly traded, Canadian E&P company. For additional information regarding Tourmaline refer to their corporate profile on SEDAR+;

"**Tourmaline 2022 Peace River and Deep Basin GORR Agreement**" means the agreement entered into between Tourmaline and Topaz governing the September 2022 acquisition of the Tourmaline 2022 Peace River and Deep Basin GORR Interest which was completed on September 1, 2022, for total cash consideration of $52.0 million, before customary closing adjustments;

"**Tourmaline 2022 Peace River and Deep Basin GORR Interest**" means the non-convertible GORR, being an interest in Tourmaline's working interest in the petroleum substances within, upon, or attributed to, certain lands and interests located primarily in Alberta and British Columbia to which the Tourmaline 2022 Peace River and Deep Basin GORR Interest relates as set forth and described in the Tourmaline 2022 Peace River and Deep Basin GORR Agreement, or so much of those rights as remain subject to Tourmaline's title documents at the relevant time, and includes the petroleum substances within, upon, under or attributed to those lands, granted by Tourmaline to Topaz pursuant to the Tourmaline 2022 Peace River and Deep Basin GORR Agreement, being a royalty share as follows: for crude oil and condensate, 2.5%; and for natural gas: 3%;

"**Tourmaline 2024 Core Area GORR Agreement**" means the agreement entered into between Tourmaline and Topaz governing the October 1, 2024 and December 1, 2024 acquisition of the Tourmaline 2024 Core Area GORR Interest which was completed on November 1, 2024, and includes a tuck-in acquisition completed on December 1, 2024, for total cash consideration of $301.7 million, before customary closing adjustments;

"**Tourmaline 2024 Core Area GORR Interest**" means the non-convertible GORR, being an interest in Tourmaline's working interest in the petroleum substances within, upon, or attributed to, certain lands and interests located primarily in Alberta and British Columbia to which the Tourmaline 2024 Core Area GORR Interest relates as set forth and described in the Tourmaline 2024 Core Area GORR Agreement, or so much of those rights as remain subject to Tourmaline's title documents at the relevant time, and includes the petroleum substances within, upon, under or attributed to those lands, granted by Tourmaline to Topaz pursuant to the Tourmaline 2024 Core Area GORR Agreements, being a royalty share as follows: for crude oil and condensate, 2.5%; and for natural gas: 3%;

"**Tourmaline 2025 Tuck-In NEBC Montney GORR Agreement**" means the agreement entered into between Tourmaline and Topaz governing the 2025 acquisition of the Tourmaline 2025 Tuck-In NEBC Montney GORR Interest which was completed on September 30, 2025, for total cash consideration of $71.7 million, before customary closing adjustments;

"**Tourmaline 2025 Tuck-In NEBC Montney GORR Interest**" means the non-convertible GORR, being an interest in Tourmaline's working interest in the petroleum substances within, upon, or attributed to, certain lands and interests located primarily in British Columbia to which the Tourmaline 2025 Tuck-In NEBC Montney GORR Interest relates as set forth and described in the Tourmaline 2025 Tuck-In NEBC Montney GORR Agreement, or so much of those rights as remain

subject to Tourmaline's title documents at the relevant time, and includes the petroleum substances within, upon, under or attributed to those lands, granted by Tourmaline to Topaz pursuant to the Tourmaline 2025 Tuck-In NEBC Montney GORR Agreements, being a royalty share as follows: for crude oil and condensate, 2.5%; and for natural gas: 3%;

"**Tourmaline August 2021 NEBC Montney GORR Agreement**" means the agreement entered into between Tourmaline and Topaz governing the September 2022 acquisition of the Tourmaline August 2021 NEBC Montney GORR Interest which was completed on August 1, 2021, for total cash consideration of $145.0 million, before customary closing adjustments;

"**Tourmaline August 2021 NEBC Montney GORR Interest**" means the non-convertible GORR, being an interest in Tourmaline's working interest in the petroleum substances within, upon, or attributed to, certain lands and interests located primarily in British Columbia to which the Tourmaline August 2021 NEBC Montney GORR Interest relates as set forth and described in the Tourmaline August 2021 NEBC Montney GORR Agreement, or so much of those rights as remain subject to Tourmaline's title documents at the relevant time, and includes the petroleum substances within, upon, under or attributed to those lands, granted by Tourmaline to Topaz pursuant to the Tourmaline August 2021 NEBC Montney GORR Agreement, being a royalty share as follows: for crude oil and condensate, 2.5%; and for natural gas: 4% until December 31, 2023 and 3% from and after January 1, 2024;

"**Tourmaline GORR Interests**" means the Initial GORR Interest, the Tourmaline January 2021 Deep Basin GORR Interest, the Tourmaline July 2021 NEBC Montney GORR Interest, the Tourmaline August 2021 NEBC Montney GORR Interest, the Tourmaline 2022 Peace River and Deep Basin GORR Interest, the Tourmaline 2024 Core Area GORR Interest, and the Tourmaline 2025 Tuck-In NEBC Montney GORR Interest;

"**Tourmaline GORR Lands**" means certain lands and interests located primarily in Alberta and British Columbia to which the Initial GORR Interest, Tourmaline January 2021 Deep Basin GORR Interest, Tourmaline July 2021 NEBC Montney GORR Interest, Tourmaline August 2021 NEBC Montney GORR Interest, Tourmaline 2022 Peace River and Deep Basin GORR Interest, Tourmaline 2024 Core Area GORR Interest, and the Tourmaline 2025 Tuck-In NEBC Montney GORR Interest relate;

"**Tourmaline January 2021 Deep Basin GORR Agreements**" means the agreements entered into between Tourmaline and Topaz governing the January 2021 acquisition of the Tourmaline January 2021 Deep Basin GORR Interest which was completed on January 1, 2021, for total cash consideration of $130.0 million, before customary closing adjustments;

"**Tourmaline January 2021 Deep Basin GORR Interest**" means the non-convertible GORR, being an interest in Tourmaline's working interest in the petroleum substances within, upon, or attributed to, certain lands and interests located primarily in Alberta to which the Tourmaline January 2021 Deep Basin GORR Interest relates as set forth and described in the Tourmaline January 2021 Deep Basin GORR Agreements, or so much of those rights as remain subject to Tourmaline's title documents at the relevant time, and includes the petroleum substances within, upon, under or attributed to those lands, granted by Tourmaline to Topaz pursuant to the Tourmaline January 2021 Deep Basin GORR Agreement, being a royalty share as follows: for crude oil and condensate, 2.5%; and for natural gas: 2% until December 31, 2021 and 3% from and after January 1, 2022;

"**Tourmaline July 2021 NEBC Montney GORR Agreement**" means the agreement entered into between Tourmaline and Topaz governing the July 2021 acquisition of the Tourmaline July 2021 NEBC Montney GORR Interest which was completed on July 1, 2021, for total cash consideration of $145.0 million, before customary closing adjustments;

"**Tourmaline July 2021 NEBC Montney GORR Interest**" means the non-convertible GORR, being an interest in Tourmaline's working interest in the petroleum substances within, upon, or attributed to, certain lands and interests located primarily in British Columbia to which the Tourmaline July 2021 NEBC Montney GORR Interest relates as set forth and described in the Tourmaline July 2021 NEBC Montney GORR Agreement, or so much of those rights as remain subject to Tourmaline's title documents at the relevant time, and includes the petroleum substances within, upon, under or attributed to those lands, granted by Tourmaline to Topaz pursuant to the Tourmaline July 2021 NEBC Montney GORR Agreement, being a royalty share as follows: for crude oil and condensate, 2.5%; and for natural gas: 4% until December 31, 2022 and 3% from and after January 1, 2023;

"**TPF Facilities**" means the various natural gas processing plants, crude oil batteries, water disposal facilities pipelines, compressor stations and miscellaneous facilities where petroleum substances are handled pursuant to the TPF Handling Agreements;

"**TPF Handling Agreements**" means the agreements in existence as at November 14, 2019 and those agreements entered into from and after November 14, 2019, whether for Tourmaline's sole account or with third parties, and which apply to the handling of petroleum substances owned by third parties at the TPF Facilities;

"**TPF Revenue Interest Agreement**" means the Topaz TPF revenue interest agreement entered into on November 14, 2019 between Tourmaline and Topaz in respect of the TPF Revenue Interest;

"**TPF Revenue**" means all third-party revenues that Tourmaline is entitled to receive that are attributable to the handling of petroleum substances under the TPF Handling Agreements;

"**TPF Revenue Interest**" means Topaz's contractual interest pursuant to the TPF Revenue Interest Agreement in and to (i) 100% of the first $16,000,000 of TPF Revenue received by Tourmaline, and (ii) 70% of the TPF Revenue received by Tourmaline in excess of $16,000,000, in each calendar year, as further described under "*Agreements with Tourmaline — Agreements Relating to the Initial Acquisition — Initial Acquisition Agreement Acquisition — TPF Revenue Interest Agreement*";

"**TSX**" means the Toronto Stock Exchange;

"**United States**" or "**U.S.**" means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;

"**WCSB**" means the Western Canadian Sedimentary Basin;

"**Wembley Facility**" means the Wembley natural gas plant with nameplate capacity of 15 MMcf/d and associated crude oil battery with capacity of approximately 1,500 bbl/d, located in the Peace River High operating area;

"**Wembley Facility Agreements**" means the agreements for the facility interest sale, construction, ownership and operation, and volume commitment agreement in respect of the Wembley Facility entered into on July 26, 2023, between Topaz and Tamarack;

"**Whitecap**" means Whitecap Resources Inc., a publicly traded, Canadian E&P company. For additional information regarding Whitecap refer to their corporate profile on SEDAR+.

SCHEDULE "B" – ABBREVIATIONS AND CONVERSIONS

In this Annual Information Form, the following abbreviations have the meanings set forth below. This is not an exhaustive list of abbreviations used in this Annual Information Form and additional terms are defined throughout.

Crude Oil and Natural Gas Liquids

Bbls/d or Bbl/d	barrels of oil per day
Bbls or Bbl	barrels of oil
Boe	barrel of oil equivalent
Boe/d	barrel of oil equivalent per day
$/Bbl	Canadian dollars per barrel of oil
$/Boe	Canadian dollars per barrel of oil equivalent
Mbbls	thousand barrels
MBoe	thousand barrels of oil equivalent
Mbbls/d	thousand barrels of oil per day
MMbbls	million barrels of oil
MMboe	million barrels of oil equivalent
MMboe/d	million barrels of oil equivalent per day
NGLs	natural gas liquids; provided that when used with respect to the Company's reserves associated with or production from the Tourmaline GORR Lands, NGLs includes only condensate and pentane and no other natural gas liquids

Natural Gas

Bcf	billion cubic feet
cf	cubic feet
Mcf	thousand cubic feet
Mcf/d	thousand cubic feet per day
Mcfe	thousand cubic feet of gas equivalent
Mcfe/d	thousand cubic feet of gas equivalent per day
MMbtu	million British thermal units
MMcf	million cubic feet
MMcf/d	million cubic feet per day
MMcfe	million cubic feet of gas equivalent
MMcfe/d	million cubic feet of gas equivalent per day
$/Mcf	Canadian dollars per thousand cubic feet
$/MMbtu	Canadian dollars per million British thermal units
GJ	Gigajoule
GJs/d	Gigajoules per day
$/GJ	Canadian dollar per gigajoule
Tcf	trillion cubic feet

Other

API	American Petroleum Institute
CO_2	Carbon dioxide
km	Kilometres
km^2	square kilometres
$, Cdn, Cdn or $dollars	Canadian dollars
$000s or M$	thousand dollars
NEBC	northeast British Columbia
MM$	million dollars
$US or US$	United States dollars
2D	two dimensional
3D	three dimensional
Vol/d	volumes per day

SCHEDULE ″C″ – FORM 51-101F2 REPORTS ON RESERVES DATA BY INDEPENDENT QUALIFIED RESERVES EVALUATOR

To the board of directors of Topaz Energy Corp. (the ″**Company**″):

1. We have evaluated the Company's reserves data as at December 31, 2025. The reserves data are estimates of proved reserves and probable reserves and related future net revenue as at December 31, 2025, estimated using forecast prices and costs.

2. The reserves data are the responsibility of the Company's management. Our responsibility is to express an opinion on the reserves data based on our evaluation.

3. We carried out our evaluation in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook as amended from time to time (the ″**COGE Handbook**″) maintained by the Society of Petroleum Evaluation Engineers (Calgary Chapter).

4. Those standards require that we plan and perform an evaluation to obtain reasonable assurance as to whether the reserves data are free of material misstatement. An evaluation also includes assessing whether the reserves data are in accordance with principles and definitions in the COGE Handbook.

5. The following table shows the net present value of future net revenue (before deduction of income taxes) attributed to proved plus probable reserves, estimated using forecast prices and costs and calculated using a discount rate of 10 percent, included in the reserves data of the Company evaluated for the year ended December 31, 2025, and identifies the respective portions thereof that we have evaluated and reported on to the Company's board of directors:

Independent Qualified Reserves Evaluator or Auditor	Effective Date of Evaluation Report	Location of Reserves (Country or Foreign Geographic Area)	Net Present Value of Future Net Revenue (before income taxes, 10% discount rate, $MM)			
			Audited	Evaluated	Reviewed	Total
GLJ Ltd.	December 31, 2025	Canada	-	1,547	-	**1,547**
McDaniel and Associates Consultants Ltd.	December 31, 2025	Canada	-	328	-	**328**
Total			**-**	**1,875**	**-**	**1,875**

*Value adjustments attributed by GLJ Ltd. are associated with Company level adjustments not directly attributable to individual assets.

6. In our opinion, the reserves data evaluated by us have, in all material respects, been determined and are in accordance with the COGE Handbook, consistently applied. We express no opinion on the reserves data that we reviewed but did not audit or evaluate.

7. We have no responsibility to update our reports referred to in paragraph 5 for events and circumstances occurring after the effective date of our reports.

8. Because the reserves data are based on judgements regarding future events, actual results will vary and the variations may be material.

EXECUTED as to our report referred to above.

GLJ Ltd., Calgary, Alberta, Canada, February 4, 2026.

ORIGINALLY SIGNED BY

"Originally signed by"

Chad P. Lemke, P. Eng.
Vice President & COO

McDaniel and Associates Consultants Ltd., Calgary, Alberta, Canada, February 4, 2026.

ORIGINALLY SIGNED BY

"Originally signed by"

Michael Verney, P. Eng.
Executive Vice President

SCHEDULE ″D″ – FORM 51-101F3 REPORT OF MANAGEMENT AND DIRECTORS ON OIL AND GAS DISCLOSURE

Management of Topaz Energy Corp. (the ″**Company**″) are responsible for the preparation and disclosure of information with respect to the Company's oil and gas activities in accordance with securities regulatory requirements. This information includes reserves data.

GLJ Ltd. and McDaniel and Associates Consultants Ltd., each an independent qualified reserves evaluator, has evaluated the Company's reserves data. The reports of the independent qualified reserves evaluator are presented below.

The Reserves Committee of the board of directors of the Company has

(a) reviewed the Company's procedures for providing information to the independent qualified reserves evaluators;

(b) met with the independent qualified reserves evaluators to determine whether any restrictions affected the ability of the independent qualified reserves evaluators to report without reservation; and

(c) reviewed the reserves data with management and the independent qualified reserves evaluators.

The Reserves Committee of the board of directors has reviewed the Company's procedures for assembling and reporting other information associated with oil and gas activities and has reviewed that information with management. The board of directors has approved:

(a) the content and filing with securities regulatory authorities of Form 51-101F1 containing reserves data and other oil and gas information;

(b) the filing of Form 51-102F2 which is the reports of the independent qualified reserves evaluators on the reserves data, contingent resources data, or prospective resources data; and

(c) the content and filing of this report.

Because the reserves data are based on judgments regarding future events, actual results will vary and the variations may be material.

DATED as of this 24th day of February, 2026.

(signed)	*"Marty Staples"* Marty Staples President and Chief Executive Officer	(signed)	*"Cheree Stephenson"* Cheree Stephenson Vice President, Finance and Chief Financial Officer
(signed)	*"Tanya Causgrove"* Tanya Causgrove Director	(signed)	*"Jim Davidson"* Jim Davidson Director

SCHEDULE ″E″ – AUDIT COMMITTEE TERMS OF REFERENCE

Role and Objective

The Audit Committee (the ″**Committee**″) is a committee of the board of directors (the ″**Board**″) of Topaz Energy Corp. (″**Topaz**″ or the ″**Company**″) to which the Board has delegated its responsibility for the oversight of the following:

1. nature and scope of the annual audit;

2. the oversight of management's reporting on internal accounting standards and practices;

3. the review of financial information, accounting systems and procedures;

4. financial reporting and financial statements,

and has charged the Committee with the responsibility of recommending, for approval of the Board, the audited financial statements, interim financial statements and other mandatory disclosure releases containing financial information.

The primary objectives of the Committee are as follows:

1. To assist directors of Topaz (″**Directors**″) in meeting their responsibilities (especially for accountability) in respect of the preparation and disclosure of the financial statements of the Company and related matters, including compliance with legal and regulatory requirements;

2. To provide better communication between Directors and external auditors;

3. To enhance the external auditor's independence;

4. To increase the credibility and objectivity of financial reports, the financial reporting process and internal controls over financial reporting;

5. To strengthen the role of the independent Directors by facilitating in depth discussions between Directors on the Committee, management of Topaz (″**Management**″) and external auditors;

6. To maintain oversight of risk identification, assessment and management programs; and

7. To establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters.

Membership of Committee

1. The Board, on recommendation of the Governance, Compensation and Sustainability Committee, will appoint members to the Committee. The Committee will comprise at least three (3) Directors or such greater number as the Board may determine from time to time and all members of the Committee shall be ″independent″ (as such term is used in National Instrument 52-110 – *Audit Committees* (″**NI 52-110**″) unless the Board determines that the exemption contained in NI 52-110 is available and determines to rely thereon.

2. The Board, on recommendation of the Governance, Compensation and Sustainability Committee, may from time to time designate one of the members of the Committee to be the Chair of the Committee.

3. All of the members of the Committee must be ″financially literate″ (as defined in NI 52-110) unless the Board determines that an exemption under NI 52-110 from such requirement in respect of any particular member is available and determines to rely thereon in accordance with the provisions of NI 52-110.

Mandate and Responsibilities of Committee

It is the responsibility of the Committee to:

1. Oversee the work of the external auditors, including the resolution of any disagreements between Management and the external auditors regarding financial reporting.

2. Satisfy itself on behalf of the Board with respect to Topaz's internal control systems, including financial and non-financial elements; identify, monitor and mitigate business risks; and ensuring compliance with legal, ethical and regulatory requirements.

3. Review the annual and interim financial statements of the Company and related management's discussion and analysis (″**MD&A**″) prior to their submission to the Board for approval. The process should include but not be limited to:

    - reviewing changes in accounting principles and policies, or in their application, which may have a material impact on the current or future years' financial statements;
    - reviewing significant accruals, reserves or other estimates such as the ceiling test calculation;
    - reviewing accounting treatment of unusual or non-recurring transactions;
    - ascertaining compliance with covenants under loan agreements;
    - reviewing disclosure requirements for commitments and contingencies;
    - reviewing adjustments raised by the external auditors, whether or not included in the financial statements;
    - reviewing unresolved differences between Management and the external auditors;
    - obtaining explanations of significant variances with comparative reporting periods; and
    - determining through inquiry if there are any related party transactions and ensuring that the nature and extent of such transactions are properly disclosed.

4. In addition to the review of financial statements and MD&A described above, review public disclosure containing audited or unaudited financial information (including, without limitation, annual and interim press releases and any other press releases disclosing earnings or financial results, Annual Information Forms, and other documents if applicable) before release and prior to Board approval. The Committee must be satisfied that adequate procedures are in place for the review of Topaz's disclosure of all other financial information and will periodically assess the accuracy of those procedures.

5. With respect to the appointment of external auditors by the Board:

    - recommend to the Board the external auditors to be nominated;
    - recommend to the Board the terms of engagement of the external auditor, including the compensation of the auditors and a confirmation that the external auditors will report directly to the Committee;
    - on an annual basis, review and discuss with the external auditors all significant relationships such auditors have with the Company to determine the auditors' independence;
    - monitor the relationship between Management and the external auditor including reviewing any Management letters or other reports of the external auditor and discussing any material differences of opinions between Management and the external auditor;

- when there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change; and

- review and pre-approve any non-audit services to be provided to Topaz or its subsidiaries by the external auditors and consider the impact on the independence of such auditors. The Committee may delegate to one or more independent members the authority to pre–approve non–audit services, provided that the member(s) report to the Committee at the next scheduled meeting such pre–approval and the member(s) comply with such other procedures as may be established by the Committee from time to time.

6. Review with external auditors (and internal auditor if one is appointed by Topaz) their assessment of the internal controls of Topaz, their written reports containing recommendations for improvement, and Management's response and follow-up to any identified weaknesses. The Committee will also review annually with the external auditors their plan for their audit and, upon completion of the audit, their reports upon the financial statements of Topaz and its subsidiaries.

7. Review risk management policies and procedures of the Company (i.e., hedging, litigation, third-party credit risk, insurance and cybersecurity). In this regard, the Committee shall:

   - Regularly identify and review the principal business risks, including potential emerging risks, of the Company and the actions taken by the Company to mitigate the risks;

   - Regularly identify and review the principal financial risks and exposures of the Company, together with mitigating strategies, including physical and financial positions in commodities markets, derivatives strategies, capital commitments, foreign exchange exposures, and exposure to interest rate fluctuations, as well as non-financial risks and exposures including, but not limited to, risks relating to climate change, environmental and social elements;

   - Regularly review the policies and activities of the Company's treasury and marketing groups and the financial risks arising from those activities, including any proposed authorities of Management from the Board for the hedging of the exposures;

   - Review, and if desirable, recommend changes to the insurance program including coverage for property damage, business interruption and liabilities; and

   - Regularly review and identify information technology, information systems and cybersecurity risks of the Company.

8. Establish a procedure for:

   - the receipt, retention and treatment of complaints received by Topaz regarding accounting, internal accounting controls or auditing matters; and

   - the confidential, anonymous submission by employees of Topaz of concerns regarding questionable accounting or auditing matters.

9. Review and approve Topaz's hiring policies regarding partners and employees and former partners and employees of the present and former external auditors of the Company.

The Committee has authority to communicate directly with the internal auditors (if any) and the external auditors of the Company. The Committee will also have the authority to investigate any financial activity of Topaz. All employees of Topaz are to cooperate as requested by the Committee.

The Committee may also retain persons having special expertise and/or obtain independent professional advice to assist in filling their responsibilities at such compensation as established by the Committee and at the expense of Topaz without any further approval of the Board.

Meetings and Administrative Matters

1. At all meetings of the Committee every resolution shall be decided by a majority of the votes cast. In case of an equality of votes, the Chair of the meeting shall not be entitled to a second or casting vote and in such cases, the undecided matter should be referred to the Board as a whole**.**

2. The Chair will preside at all meetings of the Committee, unless the Chair is not present, in which case the members of the Committee that are present will designate from among such members the Chair for purposes of the meeting.

3. A quorum for meetings of the Committee will be a majority of its members, and the rules for calling, holding, conducting and adjourning meetings of the Committee will be the same as those governing the Board unless otherwise determined by the Committee or the Board.

4. Meetings of the Committee should be scheduled to take place at least four times per year. Minutes of all meetings of the Committee will be taken. The Chief Financial Officer of Topaz will attend meetings of the Committee, unless otherwise excused from all or part of any such meeting by the Chair.

5. The Committee will meet with the external auditor at least once per year (in connection with the preparation of the year-end financial statements) and at such other times as the external auditor and the Committee consider appropriate.

6. Agendas, approved by the Chair, will be circulated to Committee members along with background information on a timely basis prior to the Committee meetings.

7. The Committee may invite such officers, directors and employees of the Company and its subsidiaries and related corporate entities as it sees fit from time to time to attend at meetings of the Committee and assist in the discussion and consideration of the matters being considered by the Committee. At each meeting, the Committee will meet, including with the external auditors, in camera without Management present.

8. Minutes of the Committee will be recorded and maintained and circulated to Directors who are not members of the Committee or otherwise made available at a subsequent meeting of the Board.

9. The Committee may retain persons having special expertise and may obtain independent professional advice to assist in fulfilling its responsibilities at the expense of the Company as determined by the Committee.

10. Any members of the Committee may be removed or replaced at any time by the Board and will cease to be a member of the Committee as soon as such member ceases to be a Director. The Board may fill vacancies on the Committee by appointment from among its members. If and whenever a vacancy exists on the Committee, the remaining members may exercise all its powers so long as a quorum remains. Subject to the foregoing, following appointment as a member of the Committee each member will hold such office until the Committee is reconstituted.

11. Any issues arising from these meetings that bear on the relationship between the Board and Management should be communicated to the Chair of the Board by the Committee Chair.

12. In discharging its duties under this Mandate, the Committee may investigate any matter brought to its attention and will have access to all books, records, facilities and personnel, may conduct meetings or interview any officer or employee, the Company's legal counsel, external auditors and consultants and may invite any such persons to attend any part of any meeting of the Committee.