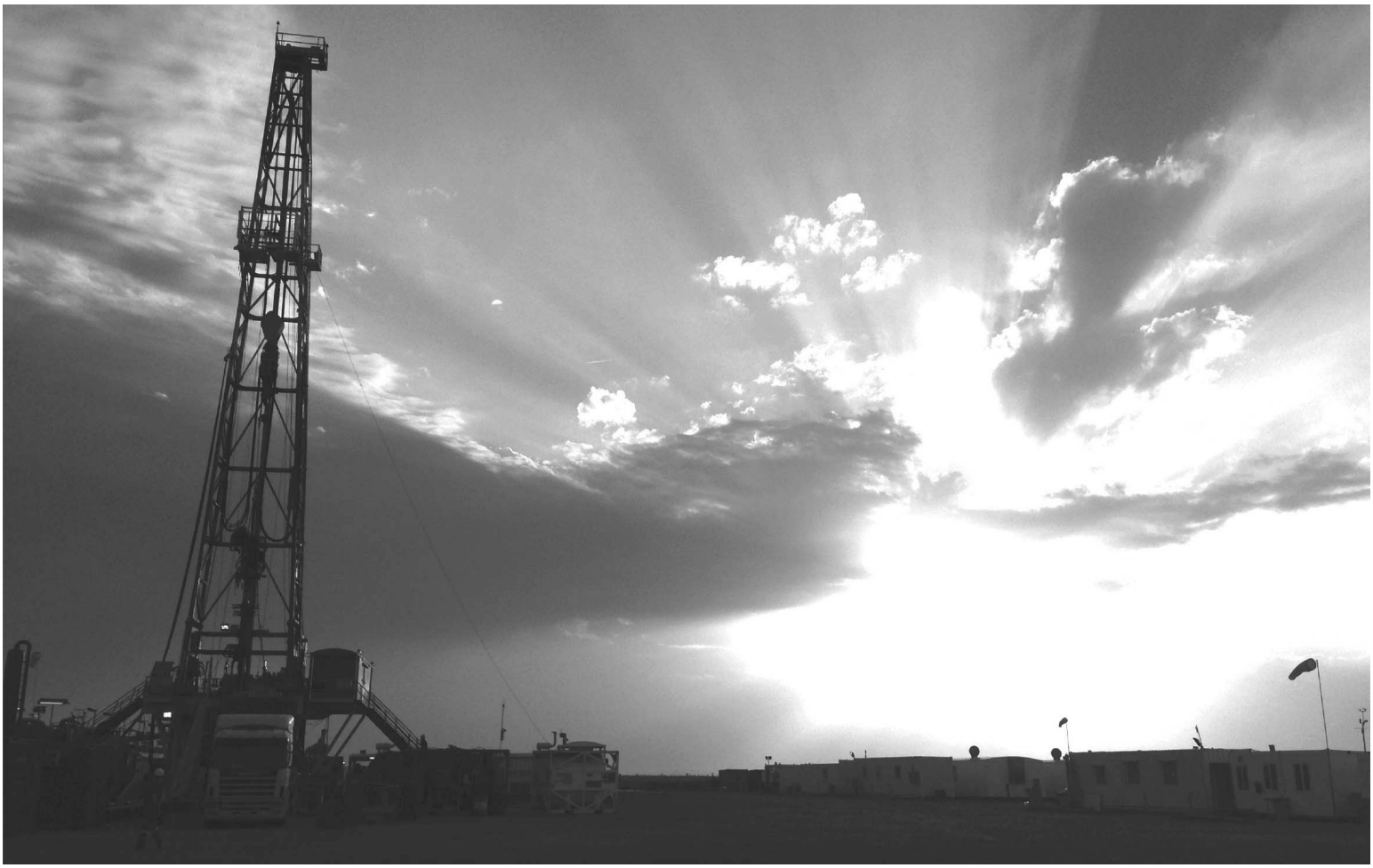
FORZA PETROLEUM

NOTICE OF SPECIAL MEETING OF SECURITYHOLDERS AND MANAGEMENT PROXY CIRCULAR

SPECIAL MEETING OF SECURITYHOLDERS
TO BE HELD FEBRUARY 12, 2024



January 5, 2024

Dear Securityholder:

You are invited to attend the special meeting of securityholders of Forza Petroleum Limited (the "**Corporation**") to be held on February 12, 2024 at 4:00 p.m. (Central European Time) (the "**Meeting**"). The accompanying management proxy circular (the "**Circular**") provides important and detailed instructions about how to participate at the Meeting.

At the Meeting, securityholders will be asked to approve an arrangement (the "**Arrangement**"), subject to the provisions of the *Canada Business Corporations Act*, pursuant to which 1453709 B.C. Ltd. (the "**Purchaser**"), a wholly-owned subsidiary of Zeg Oil and Gas Ltd. ("**Zeg Oil**"), will acquire all of the issued and outstanding common shares of the Corporation ("**Common Shares**") not already owned by the Purchaser or Zeg Oil.

Each Common Share not already owned by the Purchaser or Zeg Oil will, subject to certain conditions, be acquired for C$0.15 per Common Share in cash (the "**Consideration**"). The Consideration represents a premium of 31% to the volume-weighted average price of the Common Shares on the Toronto Stock Exchange for the 20 trading days ended December 8, 2023, the last trading day prior to the announcement of the Arrangement. In addition, and pursuant to the Arrangement, all share awards outstanding under the long-term equity incentive plan of the Corporation (each, a "**Share Award**"), will be cancelled and the holders of Share Awards ("**Award Holders**") will be entitled to receive a cash payment equal to the Consideration for each Share Award held.

The Arrangement was recommended by a special committee of the board of directors of the Corporation (the "**Board**") composed entirely of independent directors (the "**Special Committee**"). The Board (excluding one conflicted director), following receipt of the unanimous recommendation of the Special Committee, unanimously:

- determined that the Arrangement is fair to the holders of Common Shares (collectively, "**Shareholders**") (other than the Purchaser and Zeg Oil) and is in the best interests of the Corporation;
- approved the entry by the Corporation into an agreement with the Purchaser and Zeg Oil with respect to the Arrangement and the transactions contemplated thereby (the "**Arrangement Agreement**"); and
- recommends that Shareholders and Award Holders (together, "**Securityholders**") (other than the Purchaser and Zeg Oil) vote **FOR** the special resolution approving the Arrangement.

Cormark Securities Inc. ("**Cormark Securities**") was retained by the Special Committee to prepare an independent formal valuation of the Common Shares in accordance with the requirements of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). Cormark Securities concluded that, as of November 30, 2023, and based upon and subject to the various factors, assumptions, qualifications and limitations set forth in their written valuation report, the fair market value of the Common Shares was in the range of C$0.12 to C$0.17 per Common Share. A copy of the Cormark Securities valuation report, which should be read carefully and in its entirety, along with other relevant background information related to the involvement of Cormark Securities, has been included in the Circular.

Cormark Securities also provided the Special Committee with an opinion to the effect that, as of November 30, 2023, subject to the assumptions, limitations and qualifications contained in their written fairness opinion, the Consideration to be received by the Shareholders (other than Zeg Oil and its affiliates) pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders. A copy of the Cormark Securities fairness opinion, which should be read carefully and in its entirety, has been included in the Circular.

To be implemented, the Arrangement requires approval of (i) at least two thirds of the votes cast by all Shareholders, (ii) at least two thirds of the votes cast by all Shareholders and Awards Holders, voting together as a single class, with each Securityholder entitled to one vote per Common Share and one vote per Share Award held, respectively, and (iii) a "majority of the minority" vote, being a simple majority of the votes cast by the Shareholders, excluding the votes in respect of Common Shares held or controlled by persons required to be excluded from the vote for the purpose of determining if minority approval is obtained pursuant to MI 61-101. The votes excluded from the "majority of the minority" vote are expected to include the votes in respect of the 500,431,626 Common Shares controlled by the Purchaser, Zeg Oil, or their affiliates or joint actors, representing approximately 82.5% of the issued and outstanding Common Shares as at the date of this Circular. The Arrangement is also subject to the approval of the Ontario Superior Court of Justice (Commercial List) and the satisfaction of other customary closing conditions.

Certain directors and officers of the Corporation who hold Common Shares and/or Share Awards and certain other Shareholders have entered into voting and support agreements pursuant to which they have agreed, subject to the terms thereof, to vote the Common Shares and Share Awards over which they exercise voting control in favour of the Arrangement. In the aggregate, directors, officers and other Shareholders holding or controlling approximately (i) 4.6% of the issued and outstanding Common Shares, and (ii) approximately 26.6% of the Common Shares entitled to vote in the "majority of the minority" vote, in each case as at the date of this Circular, have agreed to vote in favour of the Arrangement.

If the required securityholder and court approvals are obtained and all other conditions to the Arrangement are satisfied, it is anticipated that the Arrangement will be completed in the first quarter of 2024.

The accompanying Circular provides a detailed description of the Arrangement and includes additional information to assist you in considering how to vote at the Meeting. **You are urged to read this information carefully and, if you require assistance, to consult your own financial, legal, tax or other professional advisors.**

Your vote is important regardless of the number of Common Shares you own or Share Awards you hold. If you are unable to attend the Meeting, we encourage you to take the time now to complete, sign, date and return the enclosed form of proxy or voting instruction form, as applicable, so that your Common Shares and/or Share Awards can be voted at the Meeting in accordance with your instructions.

If you have any questions about the information contained in the Circular or require assistance in completing your form of proxy, please contact the Corporation's registrar and transfer agent, Computershare Trust Company of Canada, by telephone at 514-982-7555 or (toll free in North America) at 1-800-564-6253.

On behalf of the Board, we would like to take this opportunity to thank you for the support you have shown as securityholders of the Corporation.

Yours very truly,

Vance Querio
Chair of the Board of Directors

RECOMMENDATION TO SECURITYHOLDERS:

THE BOARD OF DIRECTORS (EXCLUDING ONE CONFLICTED DIRECTOR) UNANIMOUSLY RECOMMENDS THAT SECURITYHOLDERS VOTE FOR THE ARRANGEMENT RESOLUTION

NOTICE OF SPECIAL MEETING OF SECURITYHOLDERS

NOTICE IS HEREBY GIVEN that a special meeting (the "**Meeting**") of the securityholders of Forza Petroleum Limited ("**Forza Petroleum**" or the "**Corporation**") will be held at the offices of Forza Petroleum Services SA at Route de Pré-Bois 14, 1216 Cointrin, Switzerland on Monday, February 12, 2024 at 4:00 p.m. (Central European Time) for the following purposes, which are described in more detail in the management proxy circular for the Meeting (the "**Circular**"), namely:

1. to consider and, if deemed advisable, to pass, with or without variation, a special resolution (the "**Arrangement Resolution**"), the full text of which is set forth in Appendix A of the Circular, to approve an arrangement (the "**Arrangement**") pursuant to Section 192 of the *Canada Business Corporations Act* (the "**CBCA**") involving the Corporation, 1453709 B.C. Ltd. (the "**Purchaser**") and Zeg Oil and Gas Ltd. ("**Zeg Oil**") whereby, among other things, the Purchaser will acquire all of the issued and outstanding common shares of the Corporation ("**Common Shares**") not already owned by the Purchaser or Zeg Oil for cash consideration of C$0.15 per Common Share, as further described in the Circular; and

2. to transact such further and other business as may properly come before the Meeting or any adjournment or postponement thereof.

The Board of Directors of the Corporation has set January 5, 2024 as the record date for determining the holders of Common Shares ("**Shareholders**") and holders of share awards outstanding under the long-term equity incentive plan of the Corporation ("**Award Holders**") who are entitled to receive notice of, and to vote at, the Meeting. Only persons shown on the register of Shareholders or register of Award Holders at the close of business on that date, or their proxyholders, will be entitled to attend the Meeting and vote on the Arrangement Resolution.

Registered Shareholders, Award Holders, and duly appointed and registered proxyholders will be able to attend, submit questions and vote at the Meeting. Beneficial (non-registered) Shareholders who receive this Notice of Special Meeting of Securityholders and related materials through their broker, investment dealer, bank, trust company, custodian, nominee or other intermediary, should carefully follow the instructions of their intermediary to ensure that their Common Shares are voted at the Meeting in accordance with such Shareholders' instructions and to arrange for their intermediary to complete the necessary transmittal documents to ensure that they receive payment of the consideration for their Common Shares if the Arrangement is completed.

Whether or not they are able to attend the Meeting, Shareholders and Award Holders are urged to vote as soon as possible electronically, by telephone, email, facsimile or in writing, by following the instructions set out on the form of proxy or voting instruction form, as applicable, which accompanies this Notice of Special Meeting of Securityholders. Votes must be received by Computershare Trust Company of Canada not later than 4:00 p.m. (Central European Time) / 10:00 a.m. (Eastern Standard Time) on February 8, 2024, or not less than 48 hours (Saturdays, Sundays and statutory holidays in Ontario excepted) prior to the time any adjourned or postponed meeting is convened. For more information on voting please refer to the instructions provided in the Circular under the heading "*Voting Information*".

Pursuant to the interim order obtained from the Ontario Superior Court of Justice (Commercial List) in respect of the Arrangement (the "**Interim Order**"), registered Shareholders of the Corporation have the right to dissent with respect to the Arrangement Resolution and, if the Arrangement becomes effective, to be paid the fair value of their Common Shares in accordance with the provisions of Section 190 of the CBCA, as modified by the Interim Order and the plan of arrangement pertaining to the Arrangement (the "**Plan of Arrangement**"). A registered Shareholder wishing to exercise rights of dissent with respect to the Arrangement must send to the Corporation a written objection to the Arrangement Resolution, which written objection must be received by the Corporation at 3400 First Canadian Centre, 350 - 7th Avenue SW, Calgary, Alberta, Canada, T2P 3N9, Attention: Kevin McPhee, General Counsel and Corporate Secretary, by no later than 4:00 p.m. (Eastern Standard Time) on February 8, 2024 (or by 4:00 p.m. (Eastern Standard Time) on the second business day immediately preceding the date that any adjourned or postponed Meeting is convened), and must otherwise strictly comply with the dissent procedures set forth in Section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement, and described in the Circular. The registered Shareholders' right to dissent is more particularly described in the Circular, and copies of the Plan of Arrangement, the Interim Order and the text of Section 190 of the CBCA are set forth in Appendix B, Appendix D and Appendix F, respectively, of the Circular. Anyone who is a beneficial owner of Common Shares and who wishes to exercise a right of dissent should be aware that only registered Shareholders are entitled to exercise a right of dissent. Accordingly, a beneficial (non-registered) Shareholder who desires to exercise a right of dissent must make arrangements for the Common Shares

beneficially owned by such holder to be registered in the name of such holder prior to the time the notice of dissent is required to be received by the Corporation or, alternatively, make arrangements for the registered Shareholder of such Common Shares to exercise the right of dissent on behalf of such Shareholder. A Shareholder wishing to exercise a right of dissent may only exercise such rights with respect to all Common Shares registered in the name of such Shareholder. It is recommended that you seek independent legal advice if you wish to exercise a right of dissent. **Failure to strictly comply with the requirements set forth in Section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement, may result in the loss of any right of dissent.** Award Holders do not have the right to dissent with respect to the Arrangement Resolution.

By order of the Board of Directors

Vance Querio
Chair of the Board of Directors

Geneva, Switzerland
January 5, 2024

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GLOSSARY OF TERMS

"**Acquisition Proposal**" means, other than the transactions contemplated by the Arrangement Agreement, any offer, proposal or inquiry from any Person or group of Persons (other than the Purchaser or any affiliate of the Purchaser) after the date of the Arrangement Agreement, whether or not in writing and whether or not delivered to the Shareholders, relating to: (a) any direct or indirect acquisition, purchase, disposition (or any lease, royalty, joint venture, long-term supply agreement or other arrangement, in each case, having the same economic effect as a sale), through one or more transactions, of (i) the assets of the Corporation and/or one or more of its Subsidiaries that, individually or in the aggregate, constitute 20% or more of the consolidated assets of the Corporation and its Subsidiaries, taken as a whole, or which contribute 20% or more of the consolidated revenue of the Corporation and its Subsidiaries, taken as a whole, or (ii) 10% or more of the voting or equity securities of the Corporation or 20% or more of any voting or equity securities of any one or more of any of the Corporation's Subsidiaries that, individually or in the aggregate, contribute 20% or more of the consolidated revenues or constitute 20% or more of the consolidated assets of the Corporation and its Subsidiaries, taken as a whole (in each case, determined based upon the most recently publicly available consolidated financial statements of the Corporation); (b) any direct or indirect take-over bid, tender offer, exchange offer, sale or issuance of securities or other transaction that, if consummated, would result in such Person or group of Persons beneficially owning 10% or more of any class of voting or equity securities (including securities convertible into or exercisable or exchangeable for voting or equity securities) of the Corporation or any of its Subsidiaries; (c) a plan of arrangement, merger, amalgamation, consolidation, share exchange, share reclassification, business combination, reorganization, recapitalization, liquidation, dissolution, winding up or other similar transaction or series of transactions involving the Corporation or any of its Subsidiaries that, if consummated, would result in such Person or group of Persons beneficially owning 20% or more of any class of voting or equity securities (including securities convertible into or exercisable or exchangeable for voting or equity securities) of the Corporation or any of its Subsidiaries; or (d) any other similar transaction or series of transactions involving the Corporation or any of its Subsidiaries.

"**affiliate**" has the meaning ascribed thereto in NI 45-106, provided that a reference to an affiliate of the Parent or the Purchaser does not include the Corporation and its Subsidiaries and a reference to an affiliate of the Corporation does not include the Parent, the Purchaser or their respective Subsidiaries which are not also Subsidiaries of the Corporation.

"**Arrangement**" means the arrangement of the Corporation under Section 192 of the CBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms of the Arrangement Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order (with the prior written consent of both the Corporation and the Purchaser, each acting reasonably).

"**Arrangement Agreement**" means the arrangement agreement made as of December 10, 2023, between the Purchaser and the Corporation (including the Schedules thereto), as it may be amended, modified or supplemented from time to time in accordance with its terms.

"**Arrangement Resolution**" means the special resolution of the Securityholders approving the Plan of Arrangement which is to be considered at the Meeting, substantially in the form set out in Appendix A to this Circular.

"**Articles of Arrangement**" means the articles of arrangement of the Corporation in respect of the Arrangement, required by subsection 192(6) of the CBCA to be sent to the Director after the Final Order is made, which shall include the Plan of Arrangement and otherwise be in a form and content satisfactory to the Corporation and the Purchaser, each acting reasonably.

"**Authorization**" means, with respect to any Person, any authorization, Order, permit, approval, grant, licence, concession, registration, consent, right, notification, condition, franchise, privilege, certificate, judgement, writ, injunction, award, determination, direction, decision, decree, by-law, rule or regulation, of, from or required by any Governmental Entity having jurisdiction over the Person.

"**Award Consideration**" means C$0.15 in cash per Share Award.

"**Award Holder**" means a holder of Share Awards.

"**Beneficial Shareholder**" means a holder of Common Shares who does not hold the Common Shares in their own name.

"**Board Recommendation**" means the unanimous recommendation of the Unconflicted Board to the Shareholders that they vote in favour of the Arrangement Resolution.

"**Board**" means the board of directors of the Corporation as the same is constituted from time to time.

"**Business Day**" means any day, other than a Saturday, a Sunday or any day on which banks are closed or authorized to be closed for business in Toronto, Ontario or Calgary, Alberta, provided however that for the purposes of counting the number of Business Days elapsed, each Business Day will be deemed to commence at 9:00 a.m. (Toronto time) and end at 5:00 p.m. (Toronto time) on the applicable day.

"**Canadian Securities Laws**" means the *Securities Act* (Ontario), together with all other applicable securities Laws of Ontario or of any other province or territory of Canada.

"**CBCA**" means the *Canada Business Corporations Act*.

"**CDS**" means CDS Clearing and Depositary Services Inc.

"**Certificate of Arrangement**" means the certificate to be issued by the Director pursuant to subsection 192(7) of the CBCA giving effect to the Arrangement.

"**Change in Recommendation**" has the meaning set out in "*The Arrangement Agreement – Termination of the Arrangement Agreement*".

"**Circular**" means this management proxy circular and accompanying Notice of Special Meeting of Securityholders (including all Appendices hereto), as amended, supplemented or otherwise modified from time to time.

"**Common Shares**" means the common shares in the authorized share capital of the Corporation.

"**Consideration**" means C$0.15 in cash per Common Share.

"**Cormark Engagement Agreement**" means the engagement agreement dated November 24, 2023 between the Corporation and Cormark Securities Inc.

"**Corporation**" or "**Forza Petroleum**" means Forza Petroleum Limited, a corporation incorporated under the Laws of Canada.

"**Court**" means the Ontario Superior Court of Justice (Commercial List).

"**CRA**" means the Canada Revenue Agency.

"**Demand for Payment**" means a demand by a Dissenting Shareholder for payment of the fair value of Dissent Shares.

"**Depositary**" means Computershare Investor Services Inc., in its capacity as depositary for the Arrangement.

"**Director**" means the Director appointed pursuant to Section 260 of the CBCA.

"**Disclosure Letter**" means the letter dated December 10, 2023, delivered by the Corporation to the Purchaser and the Parent in accordance with the Arrangement Agreement, setting out certain disclosure relating to the Corporation.

"**Dissent Notice**" means a written notice of dissent indicating that a Registered Shareholder wishes to dissent in respect of the Arrangement Resolution.

"**Dissent Rights**" means the rights of dissent in respect of the Arrangement Resolution in the manner provided in Section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement.

"**Dissent Shares**" means the Common Shares in respect of which a Dissenting Shareholder dissents.

"**Dissenting Non-Resident Shareholder**" has the meaning set out in "*Certain Canadian Federal Income Tax Considerations – Dissenting* ".

"**Dissenting Resident Shareholder**" has the meaning set out in "*Certain Canadian Federal Income Tax Considerations – Dissenting* ".

"**Dissenting Shareholder**" means a Registered Shareholder who validly exercises Dissent Rights.

"**Effective Date**" means the date shown on the Certificate of Arrangement giving effect to the Arrangement.

"**Effective Time**" means the time on the Effective Date that the Arrangement becomes effective, as set out in the Plan of Arrangement.

"**ETA**" means Part IX of the *Excise Tax Act* (Canada).

"**Fairness Opinion**" means the written opinion of the Valuator addressed to the Special Committee set forth in the valuation and fairness opinion report of the Valuator, dated December 6, 2023 and contained in Appendix C to this Circular, to the effect that, as of November 30, 2023 and subject to the assumptions, limitations and qualifications set out therein applicable to such opinion, the Consideration to be received by the Minority Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Minority Shareholders.

"**Final Hearing**" has the meaning set out in "*The Arrangement – Certain Legal and Regulatory Matters – Court Approval of the Arrangement*".

"**Final Order**" means the final order of the Court in a form acceptable to the Purchaser and the Corporation, each acting reasonably, pursuant to Section 192 of the CBCA approving the Arrangement, as such order may be amended, modified, supplemented or varied by the Court (with the consent of both the Purchaser and the Corporation, each acting reasonably) at any time prior to the Effective Date.

"**Governmental Entity**" means: (a) any international, multinational, national, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, commissioner, board, minister, ministry, bureau, agency or instrumentality, domestic or foreign; (b) any stock exchange, including the TSX; (c) any subdivision, agent, commission, board or authority of any of the foregoing; or (d) any quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, antitrust, foreign investment, expropriation or taxing authority under or for the account of any of the foregoing.

"**GST**" means all Taxes payable under the ETA (including, for greater certainty, harmonized sales tax) or under any provincial legislation similar to the ETA, and any reference to a specific provision of the ETA or any such provincial legislation shall refer to any analogous or successor provision thereto of like or similar effect.

"**Hawler License Area**" means the 788 km^2 area in the Kurdistan Region in which the Corporation holds an oil production and development license and has a 65% working interest.

"**Holder**" has the meaning set out in "*Certain Canadian Federal Income Tax Considerations*".

"**Interim Order**" means the interim order of the Court contemplated by the Arrangement Agreement and made pursuant to the CBCA in a form acceptable to both the Corporation and the Purchaser, each acting reasonably, providing for, among other things, the calling and holding of the Meeting, as such order may be amended, modified, supplemented or varied by the Court (with the consent of both the Corporation and the Purchaser, each acting reasonably).

"**Interested Parties**" means Forza Petroleum, the Parent and/or any of their respective associated or affiliated entities (each as defined in MI 61-101).

"**Intermediary**" means a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary.

"**Kurdistan Region**" means the Kurdistan Region of Iraq.

"**Law**" or "**Laws**" means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, by-laws, statutes, codes, rules, regulations, principles of law and equity, orders,

rulings, ordinances, judgments, injunctions, determinations, awards, decrees, codes, constitutions or other similar requirements, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended, and, for greater certainty, includes the terms and conditions of any Authorization of or from any Governmental Entity, and Canadian Securities Laws.

"**Letter of Transmittal**" means the letter of transmittal to be sent by the Corporation to Registered Shareholders in connection with the Arrangement.

"**Liens**" means any hypothecs, mortgages, pledges, assignments, liens, charges, security interests, encumbrances and adverse rights or claims, other third party interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing.

"**Locked-Up Shareholders**" means certain directors and senior officers of the Corporation and certain Shareholders who have entered into Voting Agreements.

"**LTIP**" means the long-term equity incentive plan of the Corporation dated May 13, 2015 governing the outstanding Share Awards.

"**Material Adverse Effect**" means any event, change, occurrence, effect, development, state of facts or circumstances that, individually or in the aggregate with other events, changes, occurrences, effects, developments, states of facts or circumstances has had, or would reasonably be expected to have, a material adverse effect on the business, assets, properties, affairs, projects (including the development thereof), operations, condition (financial or otherwise) or results of operations or liabilities (contingent or otherwise and whether contractual or otherwise) of the Corporation and its Subsidiaries taken as a whole except any such event, change, occurrence, effect, state of facts or circumstances resulting from or arising in connection with:

(a) any change, development or condition generally affecting the oil exploration and production industry in the Kurdistan Region of Iraq;

(b) any change in the global oil price benchmarks or prices realized for 'local sales' within the Kurdistan Region of Iraq;

(c) any change in global, national or regional political conditions (including any temporary facility takeover for emergency purposes, outbreak of hostilities or war or acts of terrorism or any escalation);

(d) any earthquake, flood or other natural disaster;

(e) any epidemic, pandemic or general outbreaks of illness (including COVID-19 and its continuing effect on working restrictions and the local, national and global economy) or any worsening of the foregoing;

(f) any change in general economic, business, banking, regulatory, political or market conditions or in financial, credit, currency, commodities or securities markets in the Kurdistan Region of Iraq, Canada, the United States or globally;

(g) any change in applicable generally acceptable accounting principles, including IFRS, after the date of the Arrangement Agreement;

(h) any fluctuations in currency exchange, interest or inflation rates;

(i) any change in applicable Laws after the date of the Arrangement Agreement (provided that this clause (i) shall not apply with respect to any representation or warranty the purpose of which is to address compliance with applicable Laws);

(j) natural declines in production from Hawler License Area wells;

(k) the execution, announcement and pendency of the Arrangement Agreement or the consummation of the transactions contemplated hereby or the identity of the Purchaser or the Parent as the acquiror of the Corporation, including any loss or threatened loss of, departure of, or adverse change or threatened

adverse change in the relationship of the Corporation or any of its Subsidiaries with, any of their respective current or prospective employees, customers, service providers, suppliers, counterparties, insurance underwriters or business partners, or the termination or potential termination of (or the failure or potential failure to renew or enter into) any contract between the Corporation or any of its Subsidiaries and any customer, service provider, supplier, lender or business partner as a result thereof;

(l) any matter that has been expressly disclosed by the Corporation to the Purchaser in Section C-13 of the Disclosure Letter, other than any disclosures that are cautionary in nature, such as risk factors (it being understood that any change relating to any matter so disclosed may be taken into account in determining whether a Material Adverse Effect has occurred);

(m) the actions or inactions expressly required by the Arrangement Agreement or that are taken (or omitted to be taken) with the prior written consent of the Purchaser or any action not taken by the Corporation or any of its Subsidiaries as a result of the refusal of the Parent or the Purchaser to provide a consent required by the Corporation hereunder to such action (provided, that this clause (m) shall not apply with respect to any representation or warranty the purpose of which is to address the consequences resulting from the execution and delivery of the Arrangement Agreement or the consummation of the transactions contemplated by the Arrangement Agreement or the performance of obligations under the Arrangement Agreement);

(n) any change in the market price or trading volume of any securities of the Corporation (it being understood that the causes underlying such changes in market price or trading volume may be taken into account, to the extent permitted by the Arrangement Agreement, in determining whether a Material Adverse Effect has occurred); or

(o) the failure, in and of itself, of the Corporation to meet any internal, published or public projections, forecasts, guidance or estimates, including of revenues, earnings, cash flows or other financial or operating metrics before, on or after the date of the Arrangement Agreement (it being understood that the causes underlying such failure may be taken into account, to the extent not referred to in paragraphs (a) to (m) above, in determining whether a Material Adverse Effect has occurred);

provided, however, that paragraphs (a) to and including (i) above do not apply to the extent that any such event, change, occurrence, effect, development, state of facts or circumstances disproportionately adversely affect the Corporation and its Subsidiaries, taken as a whole, compared to other companies primarily operating in the oil exploration and production sector in the Kurdistan Region of Iraq.

"**Meeting**" means the special meeting of Securityholders, including any adjournment or postponement of such special meeting, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution.

"**MI 61-101**" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

"**Minority Shareholders**" means Shareholders other than the Parent and its affiliates, including the Purchaser.

"**misrepresentation**" has the meaning ascribed thereto in the *Securities Act* (Ontario).

"**NI 45-106**" means National Instrument 45-106 – Prospectus Exemptions.

"**Non-Resident Holder**" has the meaning set out in "*Certain Canadian Federal Income Tax Considerations*".

"**Offer to Pay**" means an offer to pay made by the Purchaser to a Dissenting Shareholder who has sent a Demand for Payment in accordance with the requirements of Section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement.

"**Order**" means all judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, injunctions, orders, decisions, rulings, determinations, awards, settlements, stipulations, or decrees of any Governmental Entity (in each case, whether temporary, preliminary or permanent).

"**ordinary course of business**", "**ordinary course of business consistent with past practice**" or any similar reference means, with respect to an action taken or to be taken, or omitted to be taken, by the Corporation or its

Subsidiaries, that such action or inaction is consistent with the past practices of the Corporation or its Subsidiaries, as applicable, and is taken in the ordinary course of the normal day-to-day operations of the business of the Corporation or its Subsidiaries, as applicable, which, for clarity, includes actions or inactions related to day-to-day operations of such business as a result of developments affecting the oil exploration and production industry in the Kurdistan Region of Iraq since December 31, 2022.

"**Outside Date**" means April 12, 2024, or such later date as may be agreed to in writing by the Parties.

"**Parent**" means Zeg Oil and Gas Ltd., a corporation formed under the Laws of the British Virgin Islands.

"**Parties**" means the Corporation, the Purchaser, and the Parent, and "**Party**" means any one of them, as the context requires.

"**Person**" includes any individual, corporation, limited liability company, unlimited liability company, partnership, limited partnership, limited liability partnership, firm, joint venture, syndicate, capital venture fund, trust, association, body corporate, trustee, executor, administrator, legal representative, estate, government (including any Governmental Entity) and any other form of entity or organization, whether or not having legal status.

"**Plan of Arrangement**" means the plan of arrangement of the Corporation pursuant to Section 192 of the CBCA, substantially in the form of Appendix B, and any amendments or variations thereto made in accordance with the Arrangement Agreement and the Plan of Arrangement or upon the direction of the Court (with the prior written consent of the Corporation and the Purchaser, each acting reasonably) in the Final Order.

"**Preferred Shares**" has the meaning set out in "*Information Regarding the Corporation – Description of Share Capital*".

"**Proposal**" means the confidential, written, non-binding proposal from the Parent dated November 3, 2023.

"**Public Health Measures**" means (a) measures undertaken by the Corporation or its Subsidiaries to comply with any quarantine, "shelter in place", "stay at home", workforce reduction, social distancing, curfew, shut down, closure, sequester, travel restrictions issued by any Governmental Entity, or any other public health directives, guidelines or recommendations; and (b) other commercially reasonable business practices adopted by the Corporation or its Subsidiaries, in each case in connection with or in response to COVID-19 or another epidemic, pandemic or general outbreak of illness.

"**Purchaser**" means 1453709 B.C. Ltd., a corporation formed under the Laws of the Province of British Columbia.

"**Record Date**" means January 5, 2024.

"**Registered Shareholder**" means a registered holder of Common Shares as recorded in the securities register of the Corporation.

"**Regulatory Approvals**" means those sanctions, rulings, consents, orders, exemptions, permits and other approvals of, registration and filing with, Governmental Entities, or the expiry, waiver or termination of any waiting period imposed by Law or any Governmental Entity, in each case, necessary to proceed with the transactions contemplated by the Arrangement Agreement and the Plan of Arrangement (but excluding the Interim Order and Final Order).

"**Representative**" means any officer, director, employee, representative (including any financial or other advisor) or agent of the Corporation or any of its Subsidiaries.

"**Required Securityholder Approval**" the approval of the Arrangement Resolution by Securityholders at the Meeting by: (a) at least two-thirds of the votes cast on the Arrangement Resolution by Shareholders present in person or represented by proxy at the Meeting; (b) at least two-thirds of the votes cast on the Arrangement Resolution by Shareholders and Award Holders present in person or represented by proxy at the Meeting, voting together as a single class, each Shareholder and each Award Holder being entitled to one vote per Common Share and per Share Award, respectively; and (c) a simple majority of the votes cast on the Arrangement Resolution by Shareholders present in person or represented by proxy at the Meeting, excluding for this purpose the votes cast in respect of Common Shares held or controlled by persons described in Section 8.1(2) of MI 61-101.

"**Resident Holder**" has the meaning set out in "*Certain Canadian Federal Income Tax Considerations*".

"**Securityholders**" means, collectively, the Shareholders and Award Holders.

"**SEDAR+**" means the System for Electronic Document Analysis and Retrieval+ maintained on behalf of the Canadian Securities Administrators.

"**Share Award**" means a conditional grant of a Common Share from treasury by the Corporation pursuant to the LTIP.

"**Shareholders**" means, collectively, the Beneficial Shareholders and the Registered Shareholders.

"**Special Committee**" means the special committee of independent directors of the Board.

"**Subsidiary**" has the meaning ascribed thereto in the NI 45-106.

"**Tax**" or "**Taxes**" means (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever however denominated, including any interest, penalties or other additions that may become payable in respect thereof, imposed by any Governmental Entity (whether foreign or domestic), whether computed on a separate, consolidated, unitary, combined or other basis, which taxes shall include, without limiting the generality of the foregoing, all income or profits taxes (including, but not limited to, federal income taxes and provincial income taxes), payroll and employee withholding taxes, employment insurance premiums, unemployment insurance, social insurance taxes, Canada Pension Plan contributions, sales, use and goods and services taxes, GST, value added taxes, ad valorem taxes, excise taxes, franchise taxes, gross receipts taxes, environmental taxes, capital taxes, production taxes, recapture, withholding taxes, employee health taxes, surtaxes, customs, import and export taxes, business license taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, transfer taxes, workers' compensation and other governmental charges, and other obligations of the same or of a similar nature to any of the foregoing; (ii) any fine, penalty, interest or addition to amounts described in (i), (iii) or (iv); (iii) any tax imposed, assessed, or collected or payable pursuant to any tax-sharing agreement or any other contract relating to the sharing, an indemnity or payment of or for any such tax, levy, assessment, tariff, duty, deficiency, or fee; and (iv) any liability for any of the foregoing as a transferee, successor, guarantor, or by contract, by statute or by operation of Law.

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations promulgated thereunder, as amended.

"**Tax Proposals**" has the meaning set out in "*Certain Canadian Federal Income Tax Considerations*".

"**Transfer Agent**" means Computershare Trust Company of Canada, in its capacity as the transfer agent and registrar for the Corporation.

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

"**Unconflicted Board**" means the Board, with any director who has interests that present actual or potential conflicts of interest in connection with the Arrangement abstaining from voting on any resolution, approval or recommendation in connection with the Arrangement.

"**Valuation**" means the independent formal valuation of the Common Shares as of November 30, 2023 addressed to the Special Committee, subject to the various risk factors, assumptions, qualifications and limitations set out therein applicable to such valuation, and set forth in the valuation and fairness opinion report of the Valuator, dated December 6, 2023, prepared in accordance with the requirements of MI 61-101 and contained in Appendix C to this Circular.

"**Valuator**" or "**Cormark Securities**" means Cormark Securities Inc., the independent valuator selected by the Special Committee to prepare the Valuation.

"**Voting Agreements**" means the voting and support agreements dated December 10, 2023 and made between the Purchaser and the Locked-Up Shareholders setting forth the terms and conditions on which the Locked-Up Shareholders have agreed to vote their Common Shares and/or Share Awards in favour of the Arrangement Resolution.

MANAGEMENT PROXY CIRCULAR

This Circular is provided in connection with the solicitation of proxies by the management of Forza Petroleum for use at the Meeting of the Securityholders to be held on Monday, February 12, 2024 at the time and place and for the purposes set out in the Notice of Special Meeting of Securityholders accompanying this Circular, and at any adjournment or postponement thereof.

Information contained in this Circular is given as of January 5, 2024, except where otherwise noted and except that information in documents incorporated by reference is given as of the dates noted therein. No Person has been authorized to give any information or to make any representation in connection with the Arrangement and other matters described herein other than those contained in this Circular and, if given or made, any such information or representation should be considered not to have been authorized by the Corporation or the Purchaser.

This Circular does not constitute the solicitation of an offer to purchase, nor the making of an offer to sell, any securities or the solicitation of a proxy by any Person in any jurisdiction in which such solicitation or offer is not authorized or in which the Person making such solicitation or offer is not qualified to do so or to any Person to whom it is unlawful to make such solicitation or offer.

Information contained in this Circular should not be construed as legal, tax or financial advice and Securityholders are urged to consult their own professional advisors in connection therewith. Descriptions in this Circular of the terms of the Arrangement Agreement, the Plan of Arrangement, the Voting Agreements, the Valuation, the Fairness Opinion and the Interim Order are summaries of the terms of those documents and are qualified in their entirety by reference to the full text of such documents. Securityholders should refer to the full text of each of these documents. The Arrangement Agreement and Voting Agreements are available on the Corporation's SEDAR+ profile at www.sedarplus.com and copies of the Plan of Arrangement, the valuation and fairness opinion report of the Valuator, and the Interim Order are attached to this Circular as Appendices B, C, and D, respectively.

INFORMATION ABOUT THE PARENT AND THE PURCHASER

Certain information in this Circular pertaining to the Parent and the Purchaser has been provided by or on behalf of the Parent or the Purchaser, including, but not limited to, information under "*Information Regarding the Purchaser and the Parent*". Although the Corporation does not have any knowledge that would indicate that such information is untrue or incomplete, neither the Corporation nor any of its directors or officers assumes any responsibility for the accuracy or completeness of such information, or for the failure by the Parent or the Purchaser to disclose events or information that may affect the completeness or accuracy of such information.

NOTICE TO SECURITYHOLDERS NOT RESIDENT IN CANADA

Forza Petroleum is a corporation organized under the Laws of Canada. The solicitation of proxies involves securities of a Canadian issuer and is being effected in accordance with applicable corporate Laws in Canada and Canadian Securities Laws. Securityholders should be aware that the requirements applicable to the Corporation under Canadian Laws may differ from the requirements under corporate Laws and securities Laws relating to corporations in other jurisdictions.

The enforcement of civil liabilities under the securities Laws of jurisdictions outside of Canada may be affected adversely by the fact that the Corporation is organized under the Laws of Canada. You may not be able to sue the Corporation or its directors or officers in a Canadian court for violations of foreign securities Laws. It may be difficult to compel the Corporation to subject itself to a judgment of a court outside of Canada.

THE ARRANGEMENT HAS NOT BEEN APPROVED OR DISAPPROVED BY ANY SECURITIES REGULATORY AUTHORITY, NOR HAS ANY SECURITIES REGULATORY AUTHORITY PASSED UPON THE FAIRNESS OR MERITS OF THE ARRANGEMENT OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

This Circular has been prepared in accordance with the disclosure requirements in effect in Canada, which may differ from the disclosure requirements in effect in other jurisdictions.

Securityholders who are foreign taxpayers should be aware that the Arrangement described in this Circular may have tax consequences both in Canada and such foreign jurisdiction. The consequences for such Securityholders are not described in this Circular and such Securityholders are advised to consult their tax advisors to determine the particular tax consequences to them of the transactions contemplated in this Circular.

CURRENCY

Unless otherwise stated, all references in this Circular to sums of money are expressed in lawful money of the United States of America and "$" refers to United States dollars. In this Circular, "C$" refers to Canadian dollars.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Circular may constitute forward-looking statements and forward-looking information (collectively, "**forward-looking statements**") within the meaning of Canadian Securities Laws, which are based on the opinions, estimates and assumptions of the Corporation's management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. Forward-looking statements may include views related to the completion of the Arrangement, the anticipated benefits of the Arrangement, the anticipated closing date of the Arrangement, the delisting of the Common Shares and other expectations of the Corporation and are often, but not always, identified by the use of words such as "aim", "anticipate", "believe", "budget", "continue", "estimate", "expect", "forecast", "foresee", "may", "will", "plan", "outlook", "potential", "project", "predict", "seek", "strive", "targeting", "intend", "would", "could", "might", "should", or the negative of these terms or similar words suggesting future outcomes or statements regarding an outlook.

Such forward-looking statements reflect the Corporation's business judgment based on information currently available to the Corporation at the time they are made and the Corporation's then-current view of future events and, as such, are subject to certain risks, uncertainties and assumptions, including those discussed below. Many factors could cause the Corporation's actual results, performance or achievements to differ materially from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected.

These risks and uncertainties include, but are not limited to, commodity prices; general economic, market and business conditions; governmental and regulatory requirements and actions by governmental authorities; relationships with employees, service providers, and business partners; international political events; renegotiation of contracts; reliance on key managers and personnel; and political uncertainty, including actions by terrorists, insurgent or other groups, or other armed conflict, including conflict between states. There are also risks that are inherent in the nature of the Arrangement, including diversion of management time on the Arrangement; failure to satisfy the conditions to the completion of the Arrangement, including as a result of a failure to obtain Court or Securityholder approval (or to do so in a timely manner); the absence of any event, change or other circumstances that could give rise to the termination of the Arrangement Agreement; the delay in or increase in the cost of completing the Arrangement; and the failure to complete the Arrangement for any other reason. The anticipated timeline for completion of the Arrangement may change for several reasons, including the inability to secure necessary Court or Securityholder approval in the time assumed or the need for additional time to satisfy the conditions to the completion of the Arrangement. As a result of the foregoing, readers should not place undue reliance on the forward-looking statements contained in this Circular. The Corporation cautions that the foregoing list is not exhaustive of all possible risk factors, as other factors could adversely affect the Corporation's results or the Arrangement. Additional risks and uncertainties regarding the Corporation are described in the "Risk Factors" section of the Corporation's Annual Information Form dated March 23, 2023, and in the "Business Environment" and "Risks and uncertainties" sections of the Corporation's Management's Discussion and Analysis for the year ended December 31, 2022 and for the interim period ended September 30, 2023, each of which are available on the Corporation's SEDAR+ profile at www.sedarplus.com. Additional risks and uncertainties regarding the Arrangement are discussed under the "*Risk Factors*" section of this Circular.

Although the forward-looking statements contained in this Circular are based upon what the Corporation believes are reasonable assumptions, Securityholders are cautioned against placing undue reliance on such statements since actual results may vary materially from the forward-looking statements. The assumptions made in preparing the forward-looking statements may include the assumptions that the conditions to complete

the Arrangement will be satisfied, that the Arrangement will be completed within the expected time frame at the expected cost and that the Corporation and the Purchaser will not fail to complete the Arrangement for any other reason, including, but not limited to, the matters discussed under the "*Risk Factors*" section of this Circular.

Forward-looking statements are made as of the date of this Circular, and the Corporation does not intend, and does not assume any obligation, to update or revise such statements, except as may be required under Canadian Securities Laws. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement.

SUMMARY OF CIRCULAR

This summary should be read together with and is qualified in its entirety by the more detailed information contained elsewhere in this Circular, including the Appendices hereto. Capitalized terms in this summary have the meanings set out in the Glossary of Terms. Securityholders are urged to read this Circular, including the Appendices hereto, carefully and in its entirety.

Meeting and Record Date

The Meeting is scheduled to be held at the offices of Forza Petroleum Services SA at Route de Pré-Bois 14, 1216 Cointrin, Switzerland on Monday, February 12, 2024 at 4:00 p.m. (Central European Time). The Board has fixed the Record Date for determining Shareholders and Award Holders who are entitled to receive notice of and vote at the Meeting as January 5, 2024.

The Arrangement Resolution

At the Meeting, Securityholders will be asked to consider and, if deemed advisable, to pass the Arrangement Resolution, a copy of which is attached as Appendix A to this Circular. See "*The Arrangement – Certain Legal and Regulatory Matters – Securityholder Approval*" for a discussion of the securityholder approval requirements to effect the Arrangement.

Voting at the Meeting

This Circular is being sent to all Securityholders as of the close of business on the Record Date. Only Registered Shareholders, Award Holders, or the Persons they appoint as their proxyholders, are permitted to vote at the Meeting. Beneficial Shareholders should follow the voting instructions provided by their Intermediaries so the Beneficial Shareholders can direct the voting of the Common Shares which they beneficially own. See "*Voting Information – Voting Securities and Principal Holders of Voting Securities*" for more information on how to vote at the Meeting.

Effect of the Arrangement

If the Arrangement is completed, all of the Common Shares (other than those held by the Purchaser or the Parent) will be purchased for cash consideration of C$0.15 per Common Share and all of the Share Awards will be purchased for cash consideration of C$0.15 per Share Award. Share Awards will be terminated and will be of no further force and effect, all in accordance with the terms of the Arrangement. See "*The Arrangement – Treatment of Share Awards*".

The Parties

Forza Petroleum is an international oil exploration and production company founded in 2010 and existing under the CBCA. The Corporation's focus is appraisal, development and production of oil in the Kurdistan Region. As of the date of this Circular, Forza Petroleum has an interest in, and is the operator of, the Hawler License Area. For more information regarding Forza Petroleum, see "*Information Regarding the Corporation*".

The Purchaser is a corporation duly incorporated and validly existing under the Laws of the Province of British Columbia and is wholly-owned by the Parent. The Purchaser was formed for the purpose of acquiring Common Shares under the Arrangement and is ultimately controlled by Iraqi national Baz Karim. The Parent and its affiliates are part of a corporate group that provides a broad range of engineering and construction services to the energy sector. See "*Information Regarding the Purchaser and the Parent*".

Background to the Arrangement

See "*The Arrangement – Background to the Arrangement*" for a summary of the main events that led to the execution of the Arrangement Agreement including certain meetings, negotiations, discussions and actions of the parties that preceded the execution of the Arrangement Agreement and the public announcement of the Arrangement.

Recommendations of the Special Committee and the Unconflicted Board

The Special Committee, upon careful consideration of, among other things, the Valuation (see "*The Arrangement – Engagement of Cormark Securities – Valuation Conclusion*") and the Fairness Opinion (see "*The Arrangement – Engagement of Cormark Securities – Fairness Opinion*") and advice of legal counsel, unanimously recommended to the Board that it determine the Arrangement is fair and reasonable to the Minority Shareholders and is in the best interests of the Corporation and that the Unconflicted Board recommend that Securityholders (other than the Purchaser and the Parent) vote **FOR** the Arrangement Resolution.

The Unconflicted Board, after receiving the unanimous recommendation of the Special Committee and, upon careful consideration of, among other things, the Valuation, the Fairness Opinion and advice of its legal counsel, unanimously determined that the Arrangement is fair and reasonable to the Minority Shareholders and is in the best interests of the Corporation. Accordingly, the Unconflicted Board unanimously recommends that Securityholders (other than the Purchaser and the Parent) vote **FOR** the Arrangement Resolution.

Reasons for the Recommendations

In determining that the Arrangement is fair to Minority Shareholders and in the best interests of the Corporation, and in making their respective recommendations, the Special Committee and the Unconflicted Board considered and relied upon a number of factors, including: (a) the substantial premium the Consideration offers to the market value of the Common Shares prior to the announcement of the Arrangement; (b) the certainty of value and immediate liquidity offered by the Arrangement; (c) the conclusion set forth in the Valuation that, as of November 30, 2023, and subject to the assumptions, limitations and qualifications set out in the Valuator's written valuation report, the fair market value of the Common Shares was in the range of C$0.12 to C$0.17 per Common Share; (d) the Fairness Opinion concluding that, as of November 30, 2023, and subject to the assumptions, limitations and qualifications set out in the Valuator's written fairness opinion, the consideration to be received by the Minority Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Minority Shareholders; (e) an assessment that no credible alternatives to the Arrangement exist; (f) expected improvement in access to capital for the Corporation; (g) increasing risks to the Corporation's working capital; (h) the costs of being a public company; (i) the Arrangement and the Arrangement Agreement being the result of comprehensive arm's length negotiations; (j) the Voting Agreements committing approximately 4.6% of the Common Shares and 26.6% of the Common Shares entitled to vote in the "majority of the minority" vote to be voted in favour of the approval of the Arrangement Resolution; (k) the Arrangement having a reasonable likelihood of completion as the Consideration is not subject to any financing condition and no consent (other than approval by Securityholders and the Court) or regulatory approvals are expected to be required; (l) the ability of the Board to respond to unsolicited Acquisition Proposals; (m) the requirement that the Arrangement receive "majority of the minority" approval from Shareholders (other than the Purchaser and the Parent and any other Shareholder required to be excluded by MI 61-101) and approval from the Court; (n) the right of Registered Shareholders to exercise Dissent Rights and, if ultimately successful, receive fair value for their Common Shares; (o) the Arrangement will allow each Shareholder to dispose of its Common Shares without incurring brokerage fees or commissions; and (p) going private is expected to provide Forza Petroleum meaningful cost savings in the near-term while allowing sharper focus on potential future strategic opportunities and navigating the current business uncertainty in the Kurdistan Region.

The Special Committee and the Unconflicted Board did not attempt to assign relative weights to the various factors and individual members of the Special Committee and the Unconflicted Board may have given different weights to different factors. The discussion of the information and factors considered and evaluated by the Special Committee and the Unconflicted Board is not intended to be exhaustive of all factors considered and evaluated by the Special Committee and the Unconflicted Board. The conclusions and recommendations of the Special Committee and the Unconflicted Board were made considering the totality of the information and factors considered.

During its deliberations, the Unconflicted Board also identified and considered a variety of risks (as described in greater detail under "*Risk Factors*") and potentially negative factors relating to the Arrangement described under "*The Arrangement – Considerations of the Special Committee and the Unconflicted Board in Making their Recommendations – Potential Issues Relating to the Arrangement*".

Independent Valuation

In connection with its evaluation of the Arrangement, the Special Committee and the Board received and considered the presentation of the Valuation (subsequently confirmed in writing).

The Valuator concluded that, as of November 30, 2023, and subject to the assumptions, limitations and qualifications set out in the Valuator's written valuation report, the fair market value of the Common Shares was in the range of C$0.12 to C$0.17 per Common Share. A summary of the Valuation is included in this Circular, and the full text of the Valuation, which sets forth among other things, the assumptions made, procedure followed, information reviewed, matters considered, and limitations on the scope of review undertaken by the Valuator in connection with the Valuation, is attached as Appendix C to this Circular.

The summary of the Valuation set out above and in "*The Arrangement – Engagement of Cormark Securities – Valuation Conclusion*" is qualified in its entirety by the full text of the Valuation set out in Appendix C. Shareholders are urged to read the Valuation in its entirety.

Fairness Opinion

In connection with its evaluation of the Arrangement, the Special Committee and the Board received and considered the oral opinion of the Valuator (subsequently confirmed in writing).

The Valuator was of the opinion that, as of November 30, 2023, and subject to the assumptions, limitations and qualifications set out in the Valuator's written fairness opinion, the consideration to be received by the Minority Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Minority Shareholders. A summary of the Fairness Opinion is included in this Circular, and the full text of the Fairness Opinion, which sets forth among other things, the assumptions made, procedure followed, information reviewed, matters considered, and qualifications and limitations on the scope of review undertaken by the Valuator in connection with the Fairness Opinion, is attached as Appendix C to this Circular.

The summary of the Fairness Opinion set out above and in "*The Arrangement – Engagement of Cormark Securities – Fairness Opinion*" is qualified in its entirety by the full text of the Fairness Opinion set out in Appendix C. Shareholders are urged to read the Fairness Opinion in its entirety.

Arrangement Mechanics

If the Arrangement is approved at the Meeting and the other conditions set out in the Arrangement Agreement are satisfied or waived at or before the Effective Time, then upon consummation of the Plan of Arrangement each of the events set out in Section 3.1 of the Plan of Arrangement, attached as Appendix B to this Circular, will be deemed to occur in the order specified therein. See "*The Arrangement – Description of the Arrangement – Arrangement Mechanics*".

The Arrangement Agreement

On December 10, 2023, Forza Petroleum, the Purchaser and the Parent entered into the Arrangement Agreement, under which the Parties agreed, subject to certain terms and conditions, to implement the Arrangement on the terms and conditions set out in the Plan of Arrangement. Under the Arrangement Agreement, Forza Petroleum has agreed to, among other things, call the Meeting to seek approval of the Arrangement Resolution by Securityholders and, if approved, apply to the Court for the Final Order. For a summary of certain provisions of the Arrangement Agreement, see "*The Arrangement Agreement*".

Acquisition Proposals

The Arrangement Agreement does not restrict the Corporation from responding to an Acquisition Proposal received by the Corporation, any of its Subsidiaries or their Representatives. See "*The Arrangement Agreement – Acquisition Proposals*" for more information on the ability of the Corporation to consider an Acquisition Proposal.

Securityholder Approval of the Arrangement

To be effective, the Arrangement Resolution must be approved, with or without variation, by the affirmative vote of: (a) at least two thirds of votes cast on the Arrangement Resolution by Shareholders present or represented

by proxy at the Meeting; (b) at least two thirds of votes cast on the Arrangement Resolution by Securityholders present or represented by proxy at the Meeting, voting together as a single class, with each Shareholder and each Award Holder entitled to one vote per Common Share and per Share Award held, respectively; and (c) a simple majority of the votes cast on the Arrangement Resolution by Shareholders present or represented by proxy at the Meeting, excluding for this purpose the votes cast in respect of Common Shares held or controlled by persons described in Section 8.1(2) of MI 61-101.

The Arrangement Resolution must be passed for the Corporation to seek the Final Order and implement the Arrangement on the Effective Date. See "*The Arrangement – Certain Legal and Regulatory Matters – Securityholder Approval*".

Voting Agreements

The Purchaser has entered into Voting Agreements with each director and officer of the Corporation who owns Common Shares (other than Brad Camp, who is considered a joint actor with the Parent) and certain other Shareholders. An aggregate of 28,141,230 Common Shares are subject to such Voting Agreements with the Purchaser, representing a total of approximately (a) 4.6% of the issued and outstanding Common Shares, and (b) 26.6% of the total number of issued and outstanding Common Shares entitled to vote in the "majority of the minority" vote pursuant to applicable securities Laws. The Voting Agreements will terminate automatically in the event the Arrangement Agreement is terminated in accordance with its terms. See "*The Arrangement – Voting Agreements*" for more information on the terms of the Voting Agreements.

Court Approval of the Arrangement

The Arrangement requires approval by the Court under Section 192 of the CBCA. A copy of the Notice of Application applying for the Final Order approving the Arrangement is attached hereto as Appendix E. Subject to the approval of the Arrangement Resolution by Securityholders at the Meeting, the hearing in respect of the Final Order is expected to take place on February 15, 2024, at 10:00 a.m. (Eastern Standard Time) or as soon after that time as the motion can be heard at Toronto, Ontario. At the hearing, the Court will consider, among other things, the fairness and reasonableness of the terms and conditions of the Arrangement to the Securityholders. The Court may approve the Arrangement in any manner the Court may direct and determine appropriate. See "*The Arrangement – Certain Legal and Regulatory Matters – Court Approval of the Arrangement*".

MI 61-101 Requirements

Forza Petroleum is subject to MI 61-101. MI 61-101 regulates certain transactions where there is a potential for conflicts of interest because the transaction involves one or more interested or related parties who are parties to the transaction and have the potential to receive information, advantages, different consideration or other benefits that are not available to other shareholders. In certain instances, MI 61-101 requires enhanced disclosure, approval by a majority of securityholders excluding certain interested or related parties and their joint actors, independent valuations and/or approval and oversight of the transaction by a special committee of independent directors. The Arrangement is a "business combination" (as defined in MI 61-101) and, accordingly, certain requirements of MI 61-101 apply, including the requirements to obtain an independent, formal valuation of the Common Shares and "minority approval" of the Arrangement (as each is defined in MI 61-101). For further details on the impact of MI 61-101 on the Arrangement, see "*The Arrangement – Certain Legal and Regulatory Matters – Securities Law Matters*".

Stock Exchange De-Listing and Reporting Issuer Status

The Common Shares are currently listed on the TSX and trade under the stock symbol "FORZ". It is expected that shortly following the Effective Date, the Common Shares will be de-listed from the TSX. Following the Effective Date, the Corporation will also seek to be deemed to have ceased to be a reporting issuer under Canadian Securities Laws.

Dissent Rights

Registered Shareholders have been provided with the right to dissent in respect of the Arrangement Resolution in the manner provided in Section 190 of the CBCA, as amended by the Interim Order and the Plan of Arrangement. Registered Shareholders considering exercising Dissent Rights should seek the advice of their own legal counsel and tax and investment advisors and should carefully review the description of such rights set

forth in this Circular, including timing deadlines, and comply with the provisions of Section 190 of the CBCA, the full text of which is set out in Appendix F to this Circular, as modified by the Plan of Arrangement and the Interim Order (where such Dissent Rights may be further modified by the Final Order). See "*Dissent Rights of Shareholders*" for further details. Award Holders do not have the right to dissent with respect to the Arrangement Resolution.

Risk Factors

The Arrangement may not be completed. If the Arrangement is not completed, the Corporation will continue to face the risks that it currently faces with respect to its business and operations and future prospects. Additionally, failure to complete the Arrangement could materially and negatively impact the trading price of the Common Shares. These and other risk factors described under "*Risk Factors*" should be carefully considered by Securityholders.

Income Tax Considerations

Securityholders should carefully read the information under "*Certain Canadian Federal Income Tax Considerations*" in this Circular, which sets out a general summary of certain Canadian tax considerations that may be applicable to Securityholders. Such disclosure is not intended to be legal or tax advice to any particular Securityholders. Securityholders should consult their own tax advisors with respect to their particular circumstances.

VOTING INFORMATION

Solicitation of Proxies

Each Securityholder will receive a proxy or voting instruction form. The solicitation of proxies is intended to be made primarily by mail, but proxies may also be solicited by telephone, facsimile or other electronic means of communication or in person by the directors, officers and other employees of the Corporation. The entire cost of the solicitation of proxies will be borne by the Corporation.

Beneficial (or Non-Registered) Owners

The voting process is different depending on whether you are a Registered Shareholder or a Beneficial Shareholder.

If you have Common Shares registered in your own name, you are a Registered Shareholder. If you do not hold Common Shares in your own name, you are a beneficial or non-registered owner, also referred to as a Beneficial Shareholder in this Circular. If your Common Shares are listed in an account statement provided to you by an Intermediary, then it is likely that those shares will not be registered in your name, but under the Intermediary's name or under the name of an agent of the Intermediary such as CDS, the nominee for many Canadian brokerage firms, or its nominee.

There are two kinds of Beneficial Shareholders: (i) Objecting Beneficial Owners or OBOs – those who object to their name being made known to the issuers of shares which they own, and (ii) Non-Objecting Beneficial Owners or NOBOs – those who do not object to their name being made known to the issuers of the shares which they own.

Securities regulation requires brokers or agents to seek voting instruction from Beneficial Shareholders in advance of the Meeting. Beneficial Shareholders should be aware that Intermediaries can only vote Common Shares if instructed to do so by the Beneficial Shareholder. Your Intermediary (or its agent Broadridge) will have provided you with a voting instruction form or form of proxy to obtain your voting instructions. Every Intermediary has its own mailing procedures and provides instructions for voting. You must follow those instructions carefully to ensure your Common Shares are voted at the Meeting.

If you are a Beneficial Shareholder receiving a voting instruction form or form of proxy from an Intermediary, you cannot use that proxy to vote at the Meeting. To vote your Common Shares at the Meeting, the voting instruction form or proxy must be returned to the Intermediary well in advance of the Meeting. If you wish to participate and vote your Common Shares at the Meeting, follow the instructions for doing so provided by your Intermediary.

All Award Holders are considered registered holders of the Share Awards recorded in the securities register of the Corporation.

Securityholder Proxy Materials

These securityholder materials are being sent to Registered Shareholders, Beneficial Shareholders, and Award Holders. The Corporation has arranged for its registrar and transfer agent, Computershare Trust Company of Canada ("**Computershare**"), to send materials to Registered Shareholders and Award Holders. The Corporation will bear the cost of Intermediaries delivering proxy materials to Beneficial Shareholders.

Appointment and Revocation of Proxies

The persons named in the proxy are Shane Cloninger, who is Chief Executive Officer of the Corporation, and Kevin McPhee, who is General Counsel and Corporate Secretary of the Corporation.

In order for a vote by proxy or voting instruction form to be counted, it should be received by Computershare prior to 4:00 p.m. (Central European Time) / 10:00 a.m. (Eastern Standard Time) on Thursday, February 8, 2024 or, if the Meeting is adjourned or postponed, 48 hours (excluding Saturdays, Sundays and statutory holidays in Ontario) prior to the commencement of the Meeting. The Corporation reserves the right to accept late proxies and to waive or extend the proxy cut-off with or without notice but is under no obligation to accept or reject any particular late proxy. In order for your vote to be counted, you may vote by proxy or voting instruction form via mail, the Internet or telephone. If you are a Registered Shareholder or Award Holder, you may participate at the Meeting and submit your completed proxy or vote at that time.

Completion of a proxy gives discretionary authority to the proxyholder to vote as he or she sees fit in respect of amendments to matters identified in the Notice of Special Meeting of Securityholders, and other matters that may properly come before the Meeting or any adjournment thereof, whether or not the amendment or other matter that comes before the Meeting is or is not routine, and whether or not the amendment or other matter that comes before the Meeting is contested.

Management of the Corporation is not aware of any amendments, variations or other matters to be presented for action at the Meeting.

If you appoint Mr. Cloninger and/or Mr. McPhee as your proxyholder, they will vote in accordance with your directions. If you do not specify how you want your Common Shares or Share Awards voted, they will vote **FOR** the Arrangement Resolution. They will vote in accordance with their best judgment if any other matters are properly brought before the Meeting.

You may appoint any other person (who need not be a Shareholder or Award Holder) to represent you at the Meeting by inserting that person's name in the space provided on the accompanying proxy. That person is your proxyholder and must participate and vote at the Meeting in order for your vote to count.

You may revoke your proxy by providing new voting instructions in a new proxy or voting instruction form with a later date, or at a later time if you are voting on the Internet or by telephone. Any new voting instructions, however, will only take effect if received prior to 4:00 p.m. (Central European Time) / 10:00 a.m. (Eastern Standard Time) on Thursday, February 8, 2024 or, if the Meeting is adjourned or postponed, 48 hours (excluding Saturdays, Sundays and statutory holidays in Ontario) prior to the commencement of the Meeting. You may also revoke your proxy without providing new voting instructions by giving written notification addressed to Mr. Kevin McPhee, General Counsel and Corporate Secretary, Forza Petroleum, Route de Pré-Bois 14, 1216 Cointrin, Switzerland, not later than 24 hours (excluding Saturdays, Sundays and statutory holidays in Ontario) prior to the commencement of the Meeting, or to the Chair of the Meeting on the day of the Meeting or any postponement or adjournment thereof. Registered Shareholders and Award Holders may participate at the Meeting and vote thereat and, if they do so, any voting instructions previously given by such persons will be revoked.

Voting Securities and Principal Holders of Voting Securities

Each Common Share entitles the holder thereof to one vote on the Arrangement Resolution and such further and other business as may properly come before the Meeting or any adjournment or postponement thereof. Only holders of record of Common Shares as of the close of business on January 5, 2024 (the "**Record Date**") are entitled to receive notice of and to participate and vote at the Meeting or any postponement or adjournment thereof. As of the Record Date, there were 606,238,848 Common Shares outstanding. A Shareholder of record on the Record Date will be entitled to vote the Common Shares shown opposite the Shareholder's name on the Corporation's register of Shareholders at the Meeting or any postponement or adjournment thereof, even if the Shareholder disposes of the Common Shares after that time. No person becoming a Shareholder after the Record Date will be entitled to vote at the Meeting or any adjournment thereof.

In accordance with the Interim Order and the Plan of Arrangement, Awards Holders as of the close of business on the Record Date are also entitled to receive notice of and to participate and vote at the Meeting or any postponement or adjournment thereof. Each Share Award entitles the Award Holder to one vote on the Arrangement Resolution, voting together with Shareholders as a single class. As of the Record Date, there were 16,938,225 Share Awards outstanding. An Award Holder of record on the Record Date will be entitled to vote the Share Awards shown opposite the Award Holder's name on the Corporation's register of Share Awards at the Meeting or any postponement or adjournment thereof, even if the Award Holder ceases to hold Share Awards after that time. No person becoming an Award Holder after the Record Date will be entitled to vote at the Meeting or any adjournment thereof.

The form of proxy or voting instruction form permits Securityholders to vote **FOR** or **AGAINST** the Arrangement Resolution. If you do not specify how you want your Common Shares or Share Awards voted, the persons named as proxyholders in the form of proxy or voting instruction form sent to Securityholders intend to cast the votes represented by proxy at the Meeting **FOR** the Arrangement Resolution.

To the knowledge of the directors and officers of the Corporation, the only persons who, or corporations which, beneficially own, or control or direct, directly or indirectly, securities carrying 10% or more of the voting rights attached to all outstanding Common Shares are:

Shareholder	Shareholding	Percentage
Zeg Oil and Gas Ltd.	500,152,674	82.5%

As at the date of this Circular, Share Awards represent approximately 2.7% of the total number of voting rights attached to all outstanding Common Shares and Share Awards, which will vote together as a single class.

Voting Results

Following the Meeting, a report on the voting results will be filed with Canadian securities regulators on the Corporation's profile on SEDAR+ (www.sedarplus.com).

THE ARRANGEMENT

Background to the Arrangement

As part of the Corporation's ongoing focus on building long term value, the Board regularly reviews and assesses the Corporation's long-term goals and opportunities, industry trends, the competitive environment and short- and long-term performance, with the goal of maximizing shareholder value. The Board also discusses on an ongoing basis the trading price of the Common Shares, both on an absolute basis and relative to the Corporation's peers, and considers potential risks that the Corporation faces in executing its strategic plan, including challenging global and local economic and political conditions, general market conditions and trends, and other factors.

Operational challenges in 2015, together with a decreasing trend in oil prices, and disruptions to market access and payment for oil sales in the Kurdistan Region, led the Corporation to reduce investment activity, secure a $100 million credit facility from its then majority shareholder and implement staff reductions.

Forza Petroleum navigated another difficult period from 2016 through 2019, continuing with efforts to contain costs, re-negotiate liabilities and rationalize investments. Assets that were not priorities for capital investment were relinquished or divested. A limited amount of investment activity in the Hawler License Area during this period was focussed on production-maximizing activity and funded, in part, through a variety of equity financings, including a $30 million initial equity investment completed by the Parent in 2016, which resulted in the Parent subscribing for Common Shares that represented approximately 38% of the then outstanding Common Shares and a further $10 million subscription by the Parent in June 2017, which resulted in the Parent holding an aggregate of approximately 28% of the then outstanding Common Shares. During these years, the issuances of Common Shares were also used as a tool to settle principal and accrued interest owing under the above-mentioned credit facility.

In July 2020, the Parent completed a transaction with the Corporation's previous majority shareholder that resulted in the Parent becoming the owner of an aggregate of approximately 89% of the then outstanding Common Shares.

As a result of the above transactions, ownership of Common Shares became further consolidated and the public float of available Common Shares as a proportion of total Common Shares issued and outstanding grew smaller.

Exiting the most restrictive effects of the COVID-19 pandemic in the second half of 2020, the Corporation's operations quickly rebounded and strengthening oil prices led to positive financial results for the Corporation for 2021 and 2022. Nearly $100 million was invested by the Corporation during the two-year period, while gross oil production peaked at 15,000 barrels per day during Q3 2022 and the Corporation accumulated a cash balance of $71.1 million by December 31, 2022.

However, late in 2022 and early in 2023, the Corporation faced increasing delays in receiving payment for past oil sales in the Kurdistan Region. Then, on March 25, 2023, the Kurdistan Oil Export Pipeline was shut down because of an arbitration decision of the International Chamber of Commerce, impacting exports by the Kurdistan Regional Government through the port of Ceyhan in Turkey. With no international market access, the Corporation was required to curtail nearly all production from the Hawler License Area during the second quarter of 2023. While operations partially restarted in July 2023 to support restricted local oil sales, the revenue generated from such sales has been limited. No timeline has been announced for resumption of pipeline sales, and there continues to be a lack of clarity regarding collection of overdue payments for past oil sales and the terms applicable for future oil sales. Because of the uncertainty, Forza Petroleum's management is again working diligently to reduce costs, which has included further staff reductions.

The Board regularly evaluates the strategic direction of the Corporation and, increasingly in recent years, has considered the strategic alternatives available to the Corporation to maximize value for Shareholders. The Corporation has participated in confidential due diligence exercises with peers operating in the oil and gas industry, exchanging management presentations relating to the business of each party and contemplating potential deal structures. No such exercise advanced beyond the preliminary stages. Periodically, strategy discussions have included contemplation of the merits of continuing to be a public company, with a focus on the incremental costs and effort involved with maintaining a public listing and how a significant concentration in the ownership of Common Shares has limited trading liquidity and denied the Corporation certain advantages

typically available from a public listing, including the ability to efficiently raise capital by issuing shares from treasury.

At the Board's regularly scheduled meeting on July 25, 2023, management presented the latest internal views on potentially going private. The disadvantages facing trading of the Common Shares were surveyed and included a relatively modest market capitalization, small public float and concentrated ownership. It was explained that these factors contributed to low trading liquidity, no research coverage by analysts and limited investor interest, limiting the ability of the Corporation to leverage its public listing to raise equity capital. The Board was reminded that the price of Common Shares had declined significantly since the Corporation's initial public offering in 2013 and that 2023 average trading volumes of 32,000 Common Shares per day represented less than $3,000 per day in value. The annual costs associated with maintaining a public company were estimated at $1.9 million, and it was forecast that $1.3 million of such costs could be avoided by going private by way of an acquisition by the Corporation's controlling shareholder, the Parent. A profile of the Corporation's ownership was presented and General Counsel to the Corporation explained how a going private transaction would likely be effected by a plan of arrangement. Tax consequences, transaction costs and expected timeline for a transaction were discussed. Management highlighted the challenges facing the business of the Corporation in Iraq and how related uncertainties were expected to impact future public reporting and financing needs. The response of directors to the presentation was positive. Director Brad Camp, an advisor to the Parent, undertook to seek feedback from the Parent regarding a potential going private proposal.

Management of the Corporation followed-up with Mr. Camp on a number of occasions, but did not receive formal feedback from the Parent on a potential going private transaction until, on November 3, 2023, the Corporation received the Proposal, which proposed a transaction whereby the Parent would acquire 100% of the Common Shares not already owned by it for C$0.15 per Common Share in cash, which represented a 36% premium to the closing price of C$0.11 per Common Share on the TSX on November 2, 2023. The Proposal contemplated a proposed transaction that would not be subject to any financing condition or due diligence. The Proposal was circulated with the Board later the same day. General Counsel of the Corporation spoke with legal counsel for the Parent to clarify proposed terms, discuss the proposed structure and process for the proposed transaction, identify regulatory or contractual consents that may apply, and agree on efforts to maintain confidentiality.

At its regularly scheduled meeting on November 7, 2023, the Board acknowledged receipt of the Proposal and established the Special Committee of independent directors with a mandate to consider and evaluate the Proposal, negotiate revisions to the proposed transaction considered necessary or advisable, initiate and conduct discussions and negotiations with any third parties regarding any other transaction which might be in the best interests of the Corporation, and evaluate the terms of any proposals that would be an alternative to the proposed transaction. Immediately following the Board meeting, the Special Committee met to discuss engagement of independent legal counsel and a valuator who could complete an independent formal valuation of the Common Shares in accordance with the requirements of MI 61-101 relating to a business combination where a related party of the Corporation was acquiring the Corporation and to provide an opinion as to whether the proposed transaction was fair, from a financial point of view, to Minority Shareholders. General Counsel of the Corporation agreed to identify potential independent legal counsel for the Special Committee's consideration. A preliminary list of potential valuators was reviewed and discussed.

At a meeting of the Special Committee on November 10, 2023, members met with a partner of the Canadian law firm Stewart McKelvey to assess her capacity and interest in advising the Special Committee in connection with its mandate. After receipt post-meeting of a proposal to provide legal services, the Special Committee determined to engage Stewart McKelvey to provide advice to the Special Committee independent of the Corporation's management. At the meeting on November 10, 2023, members of the Special Committee also finalized a list of potential valuators to be contacted. Independent counsel to the Special Committee queried whether each valuator had the ability to assess an Iraqi oil and gas asset. Members of the Committee expressed preference for a Canadian based team that would be more familiar with the requirements of MI 61-101. At the request of the Special Committee, General Counsel of the Corporation agreed to reach out to the candidates to assess their interest in taking on a mandate from the Special Committee and to secure proposals.

On November 16, 2023, members of the Special Committee, together with independent counsel to the Special Committee and the General Counsel of the Corporation, met to review four proposals received from potential valuators. Discussion of the proposals related to the valuation methodologies proposed, capacity to assess political risks and other factors relevant to the business, and estimated fees and work plan. Three evaluators were identified for a follow-up call with members of the Special Committee. Later in the day, calls were

separately held with the three candidates. A list of questions submitted by members of the Special Committee was compiled and put to each of the potential valuators. After the three calls, members of the Special Committee discussed their impressions and ranked their preferences for valuator.

After some exchanges with the candidates, including on the matter of fees, the Special Committee decided on November 18, 2023 to engage the Valuator.

The Valuator met with members of the management of the Corporation on November 22 and 24, 2023 to discuss financial modeling and address other queries and requests from the Valuator. Following the meeting, management responded to various queries and requests from the Valuator, and updated models to reflect input from the Valuator.

An initial draft of the Arrangement Agreement was received from the Purchaser's legal counsel, Blake, Cassels & Graydon LLP, on November 25, 2023.

Members of the Special Committee, together with independent counsel to the Special Committee and the General Counsel of the Corporation, met with the Valuator on November 27, 2023, for the Valuator to probe the directors' views on the business and the risks and uncertainties it faces. There were also exchanges regarding the methodologies being employed by the Valuator to estimate the fair market value of the Common Shares. General Counsel of the Corporation provided members of the Special Committee with an overview of the initial draft of the Arrangement Agreement and sought feedback on a proposed approach to negotiations.

Later on November 27, 2023, General Counsel of the Corporation met with Purchaser's legal counsel to discuss the Arrangement Agreement. Discussions from the meeting were reflected in a second draft of the Arrangement Agreement which was circulated by the Purchaser's legal counsel to the Corporation on November 29, 2023. The revised agreement was circulated by the General Counsel of the Corporation to the Special Committee and its counsel for their review. Independent counsel to the Special Committee and the General Counsel of the Corporation responded to queries on the draft. Feedback from members of the Special Committee and Forza Petroleum's management were reflected in mark-ups which were returned to Purchaser's legal counsel on December 3 and 4, 2023. Through parallel work streams, the Plan of Arrangement and Voting Agreements were also negotiated.

A meeting of the Special Committee was convened on December 6, 2023 to receive from the Valuator a presentation of the Valuation and the Fairness Opinion. After outlining their credentials and independence, the Valuator explained the scope of its review and the assumptions and limitations of the Valuation and the Fairness Opinion. The Valuator then outlined its general approach to preparing the Valuation and the various methodologies relied upon. The Valuator concluded for purposes of the Valuation that, as of November 30, 2023, and subject to the various factors, assumptions, qualifications and limitations set out in the Valuator's written valuation report, the fair market value of the Common Shares was in the range of C$0.12 to C$0.17 per Common Share. The Valuator also provided an opinion to the Special Committee that, as of November 30, 2023, and subject to the assumptions, limitations and qualifications set out in the Valuator's written fairness opinion, the C$0.15 in cash proposed to be paid to the Minority Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Minority Shareholders.

After the departure of representatives of the Valuator, members of the Special Committee further discussed the presentation, acknowledging the challenge in finding comparable companies and transactions. The Special Committee received advice from independent counsel to the Special Committee regarding, among other things, the fiduciary duty of directors. There was a discussion confirming the Valuator's independence. There was also a broad discussion of various other factors relevant to the proposed transaction. There was consensus that the Valuation and the Fairness Opinion would provide support for a decision by the Special Committee to recommend that the Board approve the Arrangement. General Counsel of the Corporation provided an update on the status of the negotiation of the Arrangement Agreement. Members of the Special Committee reviewed the latest revisions to the draft Arrangement Agreement, asked questions regarding the terms of the draft Arrangement Agreement and provided feedback to the General Counsel. As the Arrangement Agreement had not yet been settled, the Special Committee decided to defer a final decision regarding any recommendation to the Board.

The Special Committee reconvened on December 10, 2023 to review a further revised form of the Arrangement Agreement. General Counsel of the Corporation explained the revisions made against the last version circulated and reported that all substantive matters had been settled.

The Special Committee was satisfied with the terms of the Arrangement Agreement and that such terms were the result of arm's length negotiations conducted among representatives of the Corporation and the Purchaser, under the supervision of the Special Committee.

After consideration and discussion of the advice and opinions provided to the Special Committee, the Special Committee unanimously determined and recommended, based on the factors set forth below under "*Considerations of the Special Committee and the Unconflicted Board in Making their Recommendations – Reasons for the Recommendations*", that: (i) the Board determine the Arrangement is fair to the Minority Shareholders and is in the best interests of the Corporation and that the Arrangement Agreement be approved by the Board, and (ii) the Board recommend that Minority Shareholders and Award Holders vote in favour of the Arrangement Resolution.

The Board met on December 10, 2023, following the Special Committee meeting. After receipt of the aforementioned recommendation of the Special Committee, the Unconflicted Board unanimously resolved, based on the factors set forth below under "*Considerations of the Special Committee and the Unconflicted Board in Making their Recommendations – Reasons for the Recommendations*": (i) that the Arrangement is fair to the Minority Shareholders and is in the best interests of the Corporation, and (ii) to recommend that Minority Shareholders and Award Holders vote in favour of the Arrangement Resolution.

On December 10, 2023, the Arrangement Agreement was executed and delivered by the Corporation, the Purchaser and the Parent. Before the Toronto Stock Exchange opened on December 11, 2023, the Corporation issued a news release announcing the entering into of the Arrangement Agreement.

Considerations of the Special Committee and the Unconflicted Board in Making their Recommendations

Reasons for the Recommendations

In determining that the Arrangement is fair to the Minority Shareholders and in the best interests of Forza Petroleum, and in making their respective recommendations, the Special Committee and the Unconflicted Board considered and relied upon a number of factors, including those listed below. The Special Committee and the Unconflicted Board did not attempt to assign relative weights to the various factors and individual members of the Special Committee and the Unconflicted Board may have given different weights to different factors. The following discussion of the information and factors considered and evaluated by the Special Committee and the Unconflicted Board is not intended to be exhaustive of all factors considered and evaluated by the Special Committee and the Unconflicted Board. The conclusions and recommendations of the Special Committee and the Unconflicted Board were made considering the totality of the information and factors considered.

The following contains forward-looking statements, and the reasons and potential issues are subject to various risks and assumptions. See "*Forward-Looking Statements*" and "*Risk Factors*".

- *Substantial Premium to Share Price*. The Consideration to be paid pursuant to the Arrangement for each Common Share (other than Common Shares held by the Purchaser or the Parent) represents a premium of approximately 36% to the closing price per Common Share on December 8, 2023, the last trading day prior to the announcement of the Arrangement, and a premium of approximately 31% to the volume-weighted average trading price of the Common Shares for the 20 trading days ended December 8, 2023.

- *Certainty of Value and Immediate Liquidity*. The Consideration to be received by Minority Shareholders is payable entirely in cash and provides such Shareholders with certainty of value and immediate liquidity and removes the uncertainties to such Shareholders associated with the potential future performance of the Corporation, including those related to reopening of the Kurdistan Oil Export Pipeline, disputes between the Kurdistan Region and the Federal Government of Iraq regarding regulation of the oil and gas industry, the validity of the Production Sharing Contract which defines and governs the Corporation's interest in the Hawler License Area, future pricing for oil sales, collectability of overdue receivables for past oil sales, as well as other risks that are beyond the control of the Corporation and its management.

- *Independent Valuation*. The Valuator provided to the Special Committee a formal valuation of the Common Shares which determined that, as of November 30, 2023, and subject to the factors, assumptions, limitations and qualifications set out in the Valuation, the fair market value of the Common

Shares was in the range of C$0.12 to C$0.17 per Common Share. See "*The Arrangement – Engagement of Cormark Securities – Valuation Conclusion*".

- *Fairness Opinion*. The Valuator has also provided an opinion to the Special Committee to the effect that, as of November 30, 2023, and subject to the assumptions, limitations and qualifications set out in the Fairness Opinion, the consideration to be received by the Minority Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Minority Shareholders. See "*The Arrangement – Engagement of Cormark Securities – Fairness Opinion*".

- *No Credible Alternatives*. The same risks and uncertainties that have prevented the Corporation from successfully advancing execution of its existing strategic plan since March 2023 have, in the past, resulted in confidential discussions with third parties regarding potential corporate transactions not advancing beyond the preliminary stages. The Arrangement represents the best current prospect for maximizing value for Minority Shareholders and improves the prospects for financial resilience of the business.

- *Improved Access to Capital*. A private company with streamlined ownership is expected to improve access to capital relative to what has been achievable with a small and illiquid publicly traded float.

- *Increasingly Vulnerable Working Capital*. To fulfil its potential, upon the renewal of access to crude oil export markets, Forza Petroleum's business will require significant further capital expenditures for the exploration, appraisal, development and maintenance of its Hawler License Area. Forza Petroleum also has a significant financing and carry obligation for its partners' share of contractor costs, and current liabilities include $76.2 million owed under the purchase consideration obligation to the vendor of the Hawler License Area. As disclosed for recent periods, significantly due to the prolonged delay in receiving proceeds of past oil sales, Forza Petroleum's ability to continue as a going concern is increasingly dependent on commitments from its principal shareholder, the Parent, to provide additional equity or debt capital to fund cash outflows. If the Arrangement were not to close, there would be no certainty that the Parent would continue to provide commitments of this nature, nor be able to increase its commitments in response to the Corporation's evolving working capital needs.

- *Costs Associated with Being a Public Company*. The Corporation has analyzed the costs associated with being a public company and recognizes that the Corporation's scope of activities and financial wherewithal makes it no longer sufficient to warrant bearing such costs, especially given the low liquidity of the Common Shares, the majority shareholdings of the Parent and the limited access to capital.

- *Arm's Length Negotiations*. The Arrangement and the Arrangement Agreement are the result of a comprehensive negotiation process that was undertaken at arm's length with the oversight and participation of the Special Committee and the participation of legal counsel, which resulted in an agreement with terms and conditions that are reasonable in the judgment of the Special Committee and the Unconflicted Board.

- *Voting Agreements*. The directors and officers of the Corporation who hold Common Shares (other than Brad Camp, who is considered to be acting jointly with the Parent and the Purchaser), and certain other Shareholders, have entered into the Voting Agreements with the Purchaser in respect of 28,141,230 Common Shares representing approximately 4.6% of the total number of issued and outstanding Common Shares and approximately 26.6% of the Common Shares eligible to vote in the "majority of minority" vote required by MI 61-101. Such Shareholders have agreed, among other things, to vote in favour of the approval of the Arrangement Resolution. In the event the Arrangement Agreement is terminated in accordance with its terms, obligations under the Voting Agreements automatically terminate.

- *Certainty of Closing*. The all-cash Consideration is not subject to any financing condition. Further, no consent (other than approval by Securityholders and the Court) or regulatory approvals are expected to be required in connection with the Arrangement to prevent or delay the consummation of the Arrangement.

- *Ability to Respond to Acquisition Proposals*. The terms and conditions of the Arrangement Agreement do not prevent a third party from making an unsolicited Acquisition Proposal. Subject to compliance with the terms of the Arrangement Agreement, the Board is not precluded from considering and responding

to an unsolicited Acquisition Proposal at any time, although practically any alternative transaction would require the support of the Parent, which holds approximately 82.5% of the Common Shares.

- *Shareholder and Court Approval*. The Arrangement Resolution must be approved by (a) at least two-thirds of the votes cast by all Shareholders, (b) at least two-thirds of the votes cast by all Shareholders and Award Holders, voting together as a single class, with each holder entitled to one vote per Common Share and one vote per Share Award held, and (c) a "majority of the minority" vote, being a simple majority of the votes cast by Shareholders, excluding the votes in respect of Common Shares held or controlled by persons to be excluded from the vote pursuant to MI 61-101, in each case voting in person or represented by proxy at the Meeting. The Arrangement must also be approved by the Court, which will consider the fairness and reasonableness of the Arrangement.

- *Availability of Dissent Rights*. Registered Shareholders may, upon compliance with certain conditions, exercise Dissent Rights and, if ultimately successful, receive fair value for their Common Shares.

- *No Brokerage Fees or Commissions*. The Arrangement will allow each Shareholder to dispose of its Common Shares without incurring brokerage fees or commissions.

- *Increased Efficiency and Focus*. Going private is expected to provide Forza Petroleum meaningful cost savings in the near-term while allowing sharper focus on potential future strategic opportunities and navigating the current business uncertainty in the Kurdistan Region.

Potential Issues Relating to the Arrangement

In the course of their deliberations, the Special Committee and the Board, in consultation with independent counsel to the Special Committee and General Counsel of the Corporation, also considered a number of potential risks (as described in greater detail under the heading "*Risk Factors*") and issues relating to the Arrangement, including the following:

- closing of the Arrangement is subject to certain conditions which may not be satisfied;

- the risks to the Corporation if the Arrangement is not completed, including the costs to the Corporation in pursuing the Arrangement and the diversion of the Corporation's management team from the conduct of the Corporation's day-to-day business, the potential impact on the Corporation's current business relationships and the potential adverse effect on the market price of the Common Shares;

- if the Arrangement is completed, the Corporation will no longer exist as a publicly traded Canadian company and current Minority Shareholders will be unable to participate in the longer-term potential benefits of the business of the Corporation, including any benefits that may result from any improvement in the Corporation's financial results;

- if the Arrangement Agreement is terminated by the Corporation due to a wilful breach of the Arrangement Agreement by the Purchaser, or failure by the Purchaser to fund the aggregate Consideration at the closing of the Arrangement, irreparable harm may occur for which money damages would not be an adequate remedy, or the claim for which fails, and the Corporation may not be successful in pursuing equitable relief, which could include injunctive relief or specific performance; and

- the purchase by the Purchaser of Common Shares from Minority Shareholders will be a taxable transaction for Canadian federal income tax purposes (and may also be a taxable transaction under other applicable tax Laws) and, as a result, Minority Shareholders will generally be required to pay taxes on gains, if any, that result from the receipt of the Consideration for their Common Shares under the Arrangement.

Recommendation of the Special Committee

The Special Committee, upon careful consideration of, among other things, the Valuation and the Fairness Opinion and advice of legal advisors, unanimously recommended to the Board that it determine the Arrangement is fair to the Minority Shareholders and is in the best interests of the Corporation and that the Unconflicted Board recommend that Minority Shareholders and Award Holders vote **FOR** the Arrangement Resolution.

Recommendation of the Unconflicted Board

The Unconflicted Board, after receiving the unanimous recommendation of the Special Committee and, upon careful consideration of, among other things, the Valuation and the Fairness Opinion and advice of its legal advisors, unanimously determined that the Arrangement is fair to the Minority Shareholders and is in the best interests of the Corporation. Accordingly, the Unconflicted Board unanimously recommends that Minority Shareholders and Awards Holders vote **FOR** the Arrangement Resolution.

Engagement of Cormark Securities

Mandate, Engagement and Fees

The Valuator was engaged by the Corporation, on behalf of the Special Committee, on November 18, 2023, to provide the Valuation and the Fairness Opinion.

In accordance with the terms of the Cormark Engagement Agreement, the Valuator has been paid a fixed fee by the Corporation for preparing and delivering the Valuation and the Fairness Opinion and will be reimbursed for reasonable out-of-pocket expenses upon submission of an invoice. In addition, the Corporation has agreed to indemnify the Valuator, its subsidiaries and affiliates, and their respective officers, directors, employees and agents, against certain expenses, losses, claims, actions, suits, proceedings, damages and liabilities which may arise directly or indirectly from services performed by the Valuator pursuant to the terms of the Cormark Engagement Agreement. The fee paid to the Valuator was not contingent in whole or in part upon the completion of the Arrangement or on the conclusions reached in the Valuation or the Fairness Opinion.

The Valuation was provided to the Special Committee for its use in considering the Arrangement and to comply with the formal valuation requirements of MI 61-101. The Valuator was not requested to identify, solicit, consider, or develop any potential alternatives to the Arrangement, and the Valuation and the Fairness Opinion do not address the relative merits of the Arrangement as compared to any other alternatives that may be available to Forza Petroleum, nor do they address the underlying business decision to enter into the Arrangement. The Valuator considered the Arrangement from the perspective of the Minority Shareholders generally and did not consider the specific circumstances of any particular Minority Shareholder.

Credentials and Independence

The Special Committee selected the Valuator based on, among other things, its qualifications, expertise and reputation and its experience with MI 61-101 valuations. The Valuator is a Canadian registered investment dealer providing investment research, equity sales and trading and investment banking services to a broad range of institutions and corporations. The Valuator is a member of the Canadian Investment Regulatory Organization ("**CIRO**") and the Canadian Investor Protection Fund. The Valuation and the Fairness Opinion represent the opinion of the Valuator, subject to the various factors, assumptions, qualifications and limitations set forth therein, and their form and content have been approved for release by a committee of senior investment professionals of the Valuator, each of whom is experienced in merger, acquisition, divestiture, valuation, fairness opinion and other capital market matters.

The Valuator has confirmed that it is familiar with the requirements of MI 61-101 in connection with the provision of the Valuation and the Fairness Opinion. The Valuator has also confirmed that it is "independent" within the meaning of MI 61-101, that it has the appropriate qualifications to prepare each of the Valuation and the Fairness Opinion, and that it has disclosed to the Special Committee or its representatives all material facts which could reasonably be considered relevant to its independence status.

The Valuator has confirmed that neither it nor any of its affiliated entities (as such term is defined in MI 61-101) (a) is an associated or affiliated entity or issuer insider (as such terms are defined for the purposes of MI 61-101) of any Interested Parties, (b) is an advisor to any of the Interested Parties in connection with the Arrangement other than to the Special Committee pursuant to the Cormark Engagement Agreement, or (c) has a material financial interest in the completion of the Arrangement. The Valuator has not provided any financial advisory services to Forza Petroleum, or any of its associates or affiliates for which it has received compensation in the past 24 months, other than services provided under the Cormark Engagement Agreement.

The Valuator acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have had, may have, and may in the future have, positions in the securities of the Interested Parties and, from time-to-time, may have executed or may execute transactions on behalf of such entities or other clients for

which it may have received or may receive compensation. As an investment dealer, the Valuator conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters with respect to the Arrangement or the Interested Parties.

The Valuator may in the future, in the ordinary course of its business, perform financial advisory or investment banking services for Forza Petroleum, the Parent, or any other Interested Party. However, there are no understandings or commitments involving the Valuator and the Interested Parties with respect to any future financial advisory or investment banking business.

Having regard to the factors described above and the factors specified in the Companion Policy to MI 61-101, the Special Committee determined that the Valuator is qualified and competent to provide the services for which it was engaged and is independent of all Interested Parties in the Arrangement for the purposes of MI 61-101.

Scope of Review

In connection with the Valuation and the Fairness Opinion, the Valuator has reviewed and relied upon, among other things, financial and other information, data, advice, opinions and representations obtained by it from public sources or provided to it by or on behalf of the Corporation and its directors, officers, agents and advisors or otherwise, as set forth in detail in the Valuation.

The Chief Executive Officer and the Finance Director of the Corporation represented to the Valuator, among other things, in respect of the Corporation (and its affiliates), the truth and completeness in all material respects of the information provided to the Valuator, the reasonable preparation of the forecasts and projections provided to the Valuator, that except as has been publicly disclosed or disclosed to the Valuator, there was no material change in the information provided to the Valuator and there was no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Corporation.

The Valuator has not, to the best of its knowledge, been denied access by Forza Petroleum to any information requested by the Valuator which would reasonably be expected to affect materially the Valuation or the Fairness Opinion. Given security considerations and based on the recommendation of the Canadian Government to avoid all travel to Iraq, the Valuator has not visited the Corporation's operations, which are located in the Kurdistan Region. The Valuator did not meet with the auditors of Forza Petroleum and has assumed the accuracy, completeness and fair presentation of, and has relied upon, without independent verification, the financial statements of Forza Petroleum and any reports of the auditors therein.

The Valuation and the Fairness Opinion have been prepared in accordance with the disclosure standards for formal valuations and fairness opinions requirements of MI 61-101 and Part E – *Professional Opinions* of the Corporation Investment Dealer and Partially Consolidated Rules of CIRO, but CIRO has not been involved in the preparation or review of the Valuation or the Fairness Opinion.

Valuation Approach

For the purpose of determining the fair market value of the Common Shares, the Valuator relied primarily on the following methodologies: (a) net asset value ("**NAV**"); (b) comparable market trading ("**Comparable Trading**"); and (c) comparable precedent transactions ("**Comparable Transactions**").

The NAV approach involves attributing values to each category of assets and liabilities of the Corporation using appropriate assumptions and methodologies. The sum of total assets net of associated liabilities yields the NAV. The Valuator used the NAV approach in determining its range of fair market values given the degree of preciseness that could be incorporated and the reliance on data from management forecasts. Management of the Corporation provided two production forecasts for the Hawler License Area, a Base Case and an Upside Case.

In the Base Case, the production forecast is in "blowdown" and only contains two years of production in 2024 and 2025 before being shut-in in 2026. The short production tenure is a result of low margins owing primarily to the assumption that the Kurdistan Oil Export Pipeline remains shut-in indefinitely, requiring oil sales into the local market on commercial terms comparable to those in place today based on management guidance. In the Upside Case, the production forecast extends until 2031 before the field is shut-in in 2032. The longer tenure in the Upside Case is due to the assumption that the Kurdistan Oil Export Pipeline is reopened on July 1, 2024

resulting in higher margins from sales into the international market at prices referenced to Brent oil pricing less quality and toll differentials provided by management of the Corporation.

The Valuator has relied on the Base Case in determining NAV for the Valuation and therefore the Upside Case is for information purposes only as there is no certainty that the Kurdistan Oil Export Pipeline will reopen, or that the Corporation's oil could be sold through the Kurdistan Oil Export Pipeline in the event of a reopening.

The Comparable Trading approach involves reviewing the trading multiples of selected publicly traded oil and natural gas exploration and production ("**E&P**") companies. In its selection of an appropriate peer group, the Valuator focused on companies that produce oil from onshore assets with operations in jurisdictions near the Kurdistan Region and where sufficient information exists in the public domain to derive transaction metrics implied by the consideration paid in connection with such transactions. Specific focus was directed to companies with core operations in the Kurdistan Region, where the Corporation derives all of its operating revenues. Peers are used to provide a representative group of comparative companies to Forza Petroleum in terms of certain components of production commodity mix, geographic location, operating characteristics, growth prospects, risk profile and size. In addition, due to the current state of the Kurdistan Oil Export Pipeline, companies with significant periods of shut-in production provided less reliable production and cash flow metrics. Therefore, the Valuator relied on the ratio of Price to Cash Flow Per Share, enterprise value ("**EV**") to estimated proved plus probable barrel of oil equivalent reserves ("**EV / 2P Reserves**") and EV to estimated proved plus probable barrel of oil equivalent reserves plus best estimate unrisked contingent resources ("**EV / 2P + 2C**").

The Comparable Transactions approach involves reviewing available public information with respect to relevant purchase and sale transactions involving companies and assets in the E&P sector. In addition to geographical considerations, this approach focuses on assessing the targets' respective operating and financial fundamentals, including commodity mix, operating characteristics, risk profile and size. In its selection of relevant transactions, the Valuator focused on transactions in which the target company or asset produced oil from onshore assets with operations in jurisdictions near the Kurdistan Region and where sufficient information exists in the public domain to derive transaction metrics implied by the consideration paid in connection with such transactions. This specific focus limited the range of comparable transactions and as such, the Valuator relied on the ratio of transaction EV to the barrels of oil equivalent production per day ("**EV / boepd**").

The valuation analysis was undertaken as of November 30, 2023.

Valuation Conclusion

The Valuator concluded that, as of November 30, 2023, and based upon and subject to the various factors, assumptions, qualifications and limitations set forth in the Valuation, the fair market value of the Common Shares was in the range of C$0.12 to C$0.17 per Common Share.

The summary of the Valuator's conclusions set out above is qualified in its entirety by the full text of the Valuation set out in the valuation and fairness opinion report of the Valuator, dated December 6, 2023 and attached to this Circular as Appendix C. The full text of the Valuation sets out, among other things, assumptions made, information reviewed, matters considered and limitations on the scope of the review undertaken in rendering the Valuation. Securityholders are urged to read the Valuation in its entirety. The Valuation was not and should not be construed as a recommendation to the Securityholders to accept or reject the Arrangement.

Fairness Opinion

Pursuant to the Cormark Engagement Agreement, the Valuator has also provided a written opinion as to the fairness, from a financial point of view, of the Consideration to be received by the Minority Shareholders pursuant to the Arrangement.

At the meeting of the Special Committee held on December 6, 2023 to evaluate the Arrangement, the Valuator rendered its oral opinion, which reflected the determination that, as of November 30, 2023, subject to the assumptions, limitations and qualifications set out in the Fairness Opinion, the Consideration of C$0.15 in cash per Common Share to be received by the Minority Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Minority Shareholders. The Valuator's conclusion as to the fairness of the Consideration to be received by the Minority Shareholders in connection with the Arrangement is based on its review of the Arrangement taken as a whole, rather than on any particular element of the Arrangement.

The summary of the Fairness Opinion set out above is qualified in its entirety by the full text of the Fairness Opinion set out in the valuation and fairness opinion report of the Valuator, dated December 6, 2023 and attached to this Circular as Appendix C. Securityholders are urged to read the Fairness Opinion in its entirety. The Fairness Opinion was not and should not be construed as a recommendation to the Securityholders to accept or reject the Arrangement.

Consideration of the Valuation and Fairness Opinion by the Special Committee and Unconflicted Board

In deciding to recommend and approve the Arrangement, the Special Committee and the Unconflicted Board considered, among other things, the Valuation, as well as the Fairness Opinion. The Valuation and the Fairness Opinion were only two of many factors considered by the Special Committee and the Unconflicted Board in evaluating the Arrangement and should not be viewed as determinative of the views of the Special Committee or the Unconflicted Board with respect to the Arrangement or the Consideration to be received by the Minority Shareholders pursuant to the Arrangement. In assessing the Valuation and the Fairness Opinion, the Special Committee and the Unconflicted Board considered and assessed the independence of the Valuator, taking into account that no portion of the fees paid to the Valuator was contingent in whole or in part upon the completion of the Arrangement or on the conclusions reached in the Valuation or the Fairness Opinion.

Voting Agreements

Each director and officer of the Corporation who owns Common Shares (other than Brad Camp, who is considered to be a joint actor with the Parent and the Purchaser), and certain other Shareholders, have entered into a Voting Agreement with the Purchaser pursuant to which he or she has agreed that, among other things, until the termination of the Voting Agreement in accordance with its terms, the individual will support the Arrangement and vote all Common Shares and Share Awards subject to such Voting Agreement in favour of the Arrangement Resolution.

The 28,141,230 Common Shares subject to such Voting Agreements collectively represent (a) approximately 4.6% of the total number of issued and outstanding Common Shares; and (b) approximately 26.6% of the total number of issued and outstanding Common Shares entitled to vote in the “majority of the minority” vote pursuant to applicable securities Laws, in each case as at the date of this Circular.

Notwithstanding any provision of the Voting Agreement to the contrary, the directors of the Corporation are not limited or restricted in any way whatsoever by the Voting Agreements in the exercise of their fiduciary duties as directors of the Corporation.

In the event the Arrangement Agreement is terminated in accordance with its terms, obligations under the Voting Agreements will terminate automatically.

The above is a summary of the key terms of the Voting Agreements and is qualified in its entirety by reference to the full text of each Voting Agreement. A copy of each Voting Agreement is available on the Corporation’s SEDAR+ profile at www.sedarplus.com.

Description of the Arrangement

The following summary of the Plan of Arrangement is qualified in its entirety by reference to the full text of the Plan of Arrangement, a copy of which is attached as Appendix B.

Plan of Arrangement

The Arrangement will be implemented by way of a Court-approved plan of arrangement under the CBCA pursuant to the terms of the Arrangement Agreement and the Interim Order.

Pursuant to the Plan of Arrangement, commencing at the Effective Time, each of the following events will occur and will be deemed to occur consecutively in the following order, five minutes apart, except where noted, without any further authorization, act or formality:

(a) each Share Award outstanding immediately prior to the Effective Time (whether vested or unvested) shall, notwithstanding the terms of the LTIP or any applicable grant agreement in relation thereto, be deemed to be assigned and transferred by the holder to the Corporation (free and clear of all Liens) in exchange for the Award Consideration and:

(i) each such Share Award shall immediately be cancelled;

(ii) each holder of a Share Award shall cease to be a holder of such Share Award;

(iii) each such holder's name shall be removed from the register of Share Awards maintained by or on behalf of Corporation;

(iv) the LTIP and all agreements, certificates and similar instruments relating to the LTIP shall be terminated or cancelled, as the case may be, and shall be of no further force and effect; and

(v) each holder of a Share Award shall thereafter have only the right to receive from the Corporation the Award Consideration at the time and in the manner specified therein;

(b) each of the Dissent Shares shall be deemed to have been transferred to the Purchaser (free and clear of all Liens) in consideration for a claim against the Purchaser under the CBCA, as modified by the Interim Order, for the fair value of such Dissent Share, and:

(i) the Dissenting Shareholders shall cease to be the holders of the Dissent Shares and to have any rights as holders of such Dissent Shares other than the right to be paid fair value for such Dissent Shares;

(ii) such Dissenting Shareholders' names shall be removed as the holders of such Dissent Shares from the register of Common Shares maintained by or on behalf of the Corporation; and

(iii) the Purchaser shall be deemed to be the transferee of such Dissent Shares free and clear of all Liens, and the Purchaser shall be entered in the register of Common Shares maintained by or on behalf of the Corporation, as the holder of such Dissent Shares;

(c) each Common Share outstanding (other than Common Shares then held by the Purchaser or the Parent, which includes the Dissent Shares transferred to the Purchaser pursuant to paragraph (b) above) shall be deemed to be assigned and transferred by the holder thereof to the Purchaser (free and clear of all Liens) in exchange for the Consideration for each Common Share held, and:

(i) the holders of such Common Shares shall cease to be the holders thereof and to have any rights as holders of such Common Shares other than the right to be paid the Consideration by the Depositary in accordance with the Plan of Arrangement;

(ii) such holders' names shall be removed from the register of the Common Shares maintained by or on behalf of the Corporation; and

(iii) the Purchaser shall be deemed to be the transferee of such Common Shares (free and clear of all Liens) and the Purchaser shall be entered in the register of the Common Shares maintained by or on behalf of the Corporation,

it being expressly provided that the events provided for above will be deemed to occur on the Effective Date, notwithstanding that certain procedures related thereto may not be completed until after the Effective Date.

Arrangement Mechanics

Deposit of Aggregate Consideration

Following receipt of the Final Order and in any event prior to the filing of the Articles of Arrangement, the Purchaser will deliver or cause to be delivered to the Depositary sufficient funds to satisfy the aggregate Consideration payable to the Shareholders in accordance with the Plan of Arrangement, which cash shall be held by the Depositary in escrow prior to the Effective Time and, following the Effective Time, as agent and nominee for such former Shareholders for distribution thereto in accordance with the Plan of Arrangement.

Certificates and Payment

Upon surrender to the Depositary for cancellation of a certificate or direct registration system (DRS) advice that immediately prior to the Effective Time represented outstanding Common Shares that were acquired by the Purchaser pursuant to the Plan of Arrangement, together with a duly completed and executed Letter of Transmittal and such other documents and instruments as the Depositary may require, a former Shareholder (other than a Dissenting Shareholder) holding such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder as soon as practicable following the Effective Time a cheque or, in certain circumstances, a wire transfer for the Consideration, less any amounts withheld and remitted pursuant to the Plan of Arrangement, and any certificate so surrendered shall forthwith be cancelled. In the event of a transfer of ownership of Common Shares that was not registered in the transfer records of the Transfer Agent, the amount of cash payable for such Common Shares under the Arrangement may be delivered to the transferee if the certificate representing such Common Shares is presented to the Depositary as provided above, accompanied by all documents and instruments required to evidence and effect such transfer.

The currency of the Consideration is denominated in Canadian dollars, however, a former Shareholder is to be paid a converted amount in United States dollars if either (a) the former Shareholder validly elected to receive United States dollars; or (b) the former Shareholder has an address of record outside of Canada and has not made a valid election to receive Canadian dollars, in each case on a Letter of Transmittal validly completed, duly executed and delivered to the Depositary prior to the Effective Date. An affiliate of the Depositary will effect any conversion of the Consideration payable to a Shareholder from Canadian dollars to United States dollars based on the prevailing rate of exchange available to such entity on the date of the currency conversion and may earn a commercially reasonable spread between its exchange rate and the rate used by any counterparty from which it purchases the elected currency. All risks and costs associated with the currency conversion from Canadian dollars to United States dollars will be at the applicable former Shareholder's sole risk and expense. See "*The Arrangement – Description of the Arrangement – Arrangement Mechanics – Letter of Transmittal*" and the Letter of Transmittal.

Pursuant to the Plan of Arrangement, any certificate, agreement or other instrument that immediately prior to the Effective Time represented outstanding Common Shares not duly surrendered with all other documents required under the Arrangement Agreement on or before the sixth anniversary of the Effective Date shall cease to represent a claim by or interest of any former Shareholder of any kind or nature against or in the Corporation or the Purchaser. On such date, all consideration to which such former holder was entitled under the Plan of Arrangement shall be deemed to have been surrendered to the Purchaser for no consideration.

Any payment made by way of cheque by the Depositary pursuant to the Plan of Arrangement that has not been deposited or has been returned to the Depositary or that otherwise remains unclaimed, in each case, on or before the sixth anniversary of the Effective Date, and any right or claim to payment under the Arrangement Agreement that remains outstanding on the sixth anniversary of the Effective Date shall cease to represent a right or claim of any kind or nature and the right of the holder to receive the Consideration for the Common Shares pursuant to the Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Purchaser for no consideration.

In the event any certificate that immediately prior to the Effective Time represented one or more outstanding Common Shares that were transferred pursuant to the Plan of Arrangement shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary shall issue and deliver to the Person claiming such certificate to be lost, stolen or destroyed, in exchange for such affidavit and the associated Letter of Transmittal, a wire transfer or cheque representing the aggregate consideration in respect thereof which such holder is entitled to receive pursuant to the Arrangement, deliverable in accordance with such holder's Letter of Transmittal. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Person to whom such payment is to be delivered shall, as a condition precedent to the delivery of such payment, give a bond in form satisfactory to the Purchaser and the Depositary in such sum as the Purchaser may direct, or otherwise indemnify the Purchaser, the Corporation and the Depositary in a manner satisfactory to the Purchaser and the Corporation, against any claim that may be made against the Purchaser, the Corporation and the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed.

On or as soon as practicable after the Effective Date, the Corporation shall pay or cause to be paid the Award Consideration, net of applicable withholdings, to Award Holders pursuant to the Plan of Arrangement, either (i)

pursuant to the normal payroll practices and procedures of the Corporation, or (ii) by cheque or similar means (delivered to such Award Holders, as reflected on the register maintained by or on behalf of Corporation in respect of the Share Awards).

The Plan of Arrangement provides that the Corporation, the Purchaser, the Depositary and any other Person that makes a payment shall be entitled to deduct and withhold from the amount payable to any Person under the Plan of Arrangement, such amounts as the Corporation, the Purchaser or the Depositary, as applicable, determines, acting reasonably, are required to be deducted or withheld with respect to such payment under the Tax Act or any provision of any other Law and remit such deducted and withheld amount to the appropriate Governmental Entity. To the extent that amounts are so deducted or withheld, such deducted or withheld amounts shall be treated for all purposes of the Plan of Arrangement as having been paid to the relevant recipient, provided that such deducted or withheld amounts are actually remitted to the appropriate Governmental Entity.

Letter of Transmittal

Registered Shareholders will have received with this Circular a Letter of Transmittal. In order to receive the Consideration, such Shareholders (other than the Dissenting Shareholders) must complete and sign the Letter of Transmittal enclosed with this Circular and deliver it and the other documents required by it, including the certificates or direct registration system (DRS) advice representing the Common Shares, to the Depositary in accordance with the instructions contained in the Letter of Transmittal. Beneficial Shareholders must contact their Intermediary for instructions and assistance in receiving the Consideration for their Common Shares.

The Letter of Transmittal contains procedural information relating to the Arrangement (including in relation to the currency election described under the heading "*The Arrangement – Description of the Arrangement – Arrangement Mechanics – Certificates and Payment*") and should be reviewed carefully. Registered Shareholders (other than the Dissenting Shareholders) can obtain additional copies of the Letter of Transmittal by contacting the Depositary. The Letter of Transmittal is also available on the Corporation's SEDAR+ profile at www.sedarplus.com.

The Purchaser, in its absolute discretion, reserves the right to instruct the Depositary to waive or not to waive any and all defects or irregularities contained in any Letter of Transmittal or other document and any such waiver or non-waiver will be binding upon the affected Shareholders. The granting of a waiver to one or more Shareholders does not constitute a waiver for any other Shareholders. The Purchaser reserves the right to demand strict compliance with the terms of the Letter of Transmittal and the Arrangement. The method used to deliver the Letter of Transmittal and any accompanying certificates representing the Common Shares is at the option and risk of the holder surrendering them, and delivery will be deemed effective only when such documents are actually received by the Depositary. The Corporation and the Purchaser recommend that the necessary documentation be hand delivered to the Depositary, and a receipt obtained therefor; otherwise the use of registered mail with an acknowledgment of receipt requested, and with proper insurance obtained, is recommended.

Certain Legal and Regulatory Matters

Implementation of the Arrangement and Timing

The Arrangement will be implemented by way of a Court-approved plan of arrangement under the CBCA pursuant to the terms of the Arrangement Agreement. The following procedural steps must be taken in order for the Arrangement to become effective: (a) the Required Securityholder Approval must be obtained; (b) the Court must grant the Final Order approving the Arrangement; (c) all conditions precedent to the Arrangement, as set forth in the Arrangement Agreement, must be satisfied or waived by the appropriate party; and (d) the Final Order and Articles of Arrangement in the form prescribed by the CBCA must be filed with the Director.

Except as otherwise provided in the Arrangement Agreement, the Corporation will file the Articles of Arrangement with the Director within five Business Days following the satisfaction or waiver of all conditions set forth in the Arrangement Agreement (excluding any conditions that, by their terms, cannot be satisfied until the Effective Date but subject to satisfaction or waiver of such conditions, to the extent they may be waived, on the Effective Date) or on such other date as may be agreed upon by the Parties in writing; provided that the Corporation is not required to file the Articles of Arrangement with the Director unless it has received

confirmation from the Depositary that the Depositary has received from, or on behalf of, the Purchaser, sufficient funds to satisfy the aggregate Consideration payable to the Shareholders pursuant to the Plan of Arrangement.

It is currently anticipated that the Arrangement will be completed in the first quarter of 2024. However, completion of the Arrangement is dependent on many factors, and it is not possible at this time to determine precisely when or if the Arrangement will become effective. As provided under the Arrangement Agreement, the Arrangement cannot be completed later than April 12, 2024, without triggering termination rights under the Arrangement Agreement, unless such Outside Date is extended to a later date with the consent of all Parties.

Securityholder Approval

To be effective, the Arrangement Resolution must be approved, with or without variation, by the affirmative vote of (a) at least two-thirds of the votes cast on the Arrangement Resolution by Shareholders present in person or represented by proxy at the Meeting; (b) at least two-thirds of the votes cast on the Arrangement Resolution by Shareholders and Award Holders present in person or represented by proxy at the Meeting, voting together as a single class, with each Shareholder and each Award Holder being entitled to one vote per Common Share and per Share Award held, respectively; and (c) a simple majority of the votes cast on the Arrangement Resolution by Shareholders present in person or represented by proxy at the Meeting, excluding for this purpose the votes cast in respect of Common Shares held or controlled by persons described in Section 8.1(2) of MI 61-101, which, in this case, consists of the Common Shares held by the Purchaser, the Parent or related parties of and/or joint actors of the Purchaser or the Parent, being an aggregate of approximately 82.5% of the Common Shares. See "*The Arrangement – Certain Legal and Regulatory Matters – Securities Law Matters*."

Notwithstanding the approval by Securityholders of the Arrangement Resolution, the Arrangement Resolution authorizes the Board to, without notice to or approval of the Securityholders, (a) amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement to the extent permitted thereby, and (b) subject to the terms of the Arrangement Agreement, determine not to proceed with the Arrangement and related transactions, in each case at any time prior to the filing of the Articles of Arrangement giving effect to the Arrangement.

Court Approval of the Arrangement

Interim Order

The Arrangement requires approval by the Court under Section 192 of the CBCA. Prior to the mailing of this Circular, the Corporation obtained the Interim Order providing for the calling and holding of the Meeting and other procedural matters, including, but not limited to: (a) the Required Securityholder Approval; (b) the Dissent Rights to Registered Shareholders; (c) the notice requirements with respect to the presentation of the application to the Court for the Final Order; (d) the ability of the Corporation to adjourn or postpone the Meeting from time to time in accordance with the terms of the Arrangement Agreement without the need for additional approval of the Court; and (e) unless required by Law, that the Record Date for the Securityholders entitled to notice of and to vote at the Meeting will not change in respect or as a consequence of any adjournment(s) or postponement(s) of the Meeting. A copy of the Interim Order is attached as Appendix D to this Circular.

Final Order

Subject to the terms of the Arrangement Agreement, following the approval of the Arrangement Resolution by Securityholders, the Corporation will make an application to the Court for the Final Order. An application for the Final Order approving the Arrangement is expected to be heard on February 15, 2024 before the Court at Toronto, Ontario (the "**Final Hearing**"). A copy of the Notice of Application for the Final Order is set forth in Appendix E to this Circular. Any Securityholder who wishes to appear or be represented and to present evidence or arguments at the Final Hearing must serve and file a Notice of Appearance four business days prior to the Final Hearing as set out in the Interim Order and satisfy any other requirements of the Court. At the Final Hearing, the Court will consider, among other things, the fairness of the Arrangement. The Court may approve the Arrangement in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit (with the consent of the Corporation and the Purchaser, each acting reasonably). In the event that the Final Hearing is postponed, adjourned or rescheduled then, subject to any further order of the Court, only those persons having previously served a notice of appearance in compliance with the Notice of Application and the Interim Order will be given notice of the postponement, adjournment or rescheduled date.

Securities Law Matters

This summary is of a general nature only and is not intended to be, and should not be construed to be, legal or business advice to any particular Securityholder. This summary does not include any information regarding securities law considerations for jurisdictions other than Canada. Securityholders, in particular those who reside in a jurisdiction outside of Canada, are urged to obtain independent advice in respect of the consequences to them of the Arrangement having regard to their particular circumstances.

Business Combination under MI 61-101

Forza Petroleum is a reporting issuer or equivalent in each of the provinces of Canada (except Quebec) and, accordingly, is subject to MI 61-101.

MI 61-101 regulates certain transactions where there is a potential for conflicts of interest because the transaction involves one or more interested or related parties who are parties to the transaction and have the potential to receive information, advantages, different consideration or other benefits that are not available to other shareholders. In certain instances, MI 61-101 requires enhanced disclosure, approval by a majority of securityholders excluding certain interested or related parties and their joint actors, independent valuations and/or approval and oversight of the transaction by a special committee of independent directors. The protections of MI 61-101 apply to, among other transactions, "business combinations", as defined in MI 61-101. A "business combination" includes, for an issuer, a transaction (including an arrangement) (a) as a consequence of which the interest of a holder of an equity security of the issuer may be terminated without the holder's consent, regardless of whether the equity security is replaced with another security, and (b) where a person who is a "related party", as defined in MI 61-101, of the issuer at the time the transaction is agreed to (such as a person that has beneficial ownership of, or control or direction over, directly or indirectly, securities of the issuer carrying more than 10% of the voting rights attached to all the issuer's outstanding voting securities) (i) would, as a consequence of the transaction, directly or indirectly acquire the issuer or the business of the issuer, or (ii) is entitled to receive, directly or indirectly, as a consequence of the transaction, a "collateral benefit", as defined in MI 61-101. The Arrangement is a business combination under MI 61-101 since (y) the Parent and the Purchaser are related parties of the Corporation and as a consequence of the Arrangement the Parent and the Purchaser will, directly or indirectly, own all of the Common Shares, and (z) it is a transaction in which the interests of a securityholder of Forza Petroleum could be terminated without such securityholder's consent. As a result, the Arrangement Resolution will require minority approval in accordance with MI 61-101. Pursuant to the minority approval requirement, and as described further below, the Arrangement Resolution must be approved by a simple majority of the votes cast by the Shareholders, excluding any votes attaching to the Common Shares beneficially owned, or over which control or direction is exercised, by an "interested party" (as such term is defined in MI 61-101), such as the Purchaser and the Parent, or any directors or senior officers of Forza Petroleum who are entitled to receive, directly or indirectly, a "collateral benefit" (as such term is defined in MI 61-101) as a consequence of the Arrangement.

Collateral Benefits

A "collateral benefit", as defined under MI 61-101, includes any benefit that a related party of Forza Petroleum (which includes the directors and senior officers, as defined under MI 61-101, of Forza Petroleum) is entitled to receive, directly or indirectly, as a consequence of the Arrangement, including, without limitation, an increase in salary, a lump sum payment, a payment for surrendering securities, or other enhancement in benefits related to past or future services as an employee, director or consultant of Forza Petroleum or another person, regardless of the existence of any offsetting costs to the related party or whether the benefit is provided, or agreed to, by the Corporation or another party to the transaction.

However, MI 61-101 excludes from the meaning of "collateral benefit", among other things, a payment or distribution per equity security that is identical in amount and form to the entitlement of the general body of holders in Canada of securities of the same class, as well as certain benefits to a related party received solely in connection with the related party's services as an employee, director or consultant of an issuer or an affiliated entity of the issuer or a successor to the business of the issuer if, among other things, (a) the benefit is not conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to the related party for securities relinquished under the transaction; (b) the conferring of the benefit is not, by its terms, conditional on the related party supporting the transaction in any manner; (c) full particulars of the benefit are disclosed in the disclosure document for the transaction; and (d) either (i) at the time the transaction was agreed to, the related party and its "associated entities" (as defined in MI 61-101) beneficially own, or exercise control or

direction over, less than 1% of the outstanding equity securities of any class of equity securities of the issuer (in the case of the Corporation, the Common Shares), or (ii) in the case of a business combination, (A) the related party discloses to an independent committee of the issuer the amount of consideration that the related party expects to be beneficially entitled to receive, under the terms of the transaction, in exchange for the equity securities beneficially owned by the related party, (B) an independent committee, acting in good faith, determines that the value of the collateral benefit, net of any offsetting costs to the related party, is less than 5% of the value referred to in (A), and (C) this determination is disclosed in the disclosure document for the transaction.

All of the senior officers of Forza Petroleum hold Share Awards. Pursuant to the Arrangement, among other things, each Share Award outstanding immediately prior to the Effective Time will be deemed to be assigned and transferred by the applicable Award Holder to the Corporation in exchange for a cash payment from the Corporation equal to the Award Consideration, less applicable withholdings, and each such Share Award will then immediately be cancelled, in each case at the Effective Time. See "*The Arrangement— Treatment of Share Awards*" and "*Information Regarding the Corporation – Ownership of Securities*".

Each of the senior officers, together with his or her associated entities, beneficially owns or exercises control or direction over less than 1% of the issued and outstanding Common Shares. Consequently, none of the senior officers are considered to be receiving a "collateral benefit" in connection with the Arrangement, and any Common Shares owned by each of them and each of their respective related parties can be counted in the minority approval required to approve the Arrangement Resolution (except that the Common Shares held by Brad Camp will be excluded from the minority approval vote on the basis that he is considered to be a joint actor with the Parent).

Minority Approval Requirements

MI 61-101 requires that, unless an exemption is available, in addition to any other required security holder approval, a "business combination" be subject to "minority approval", as defined in MI 61-101.

Minority approval entails a simple majority of the votes cast by all holders of a class of "affected securities" other than: (a) "interested parties", as defined in MI 61-101; (b) any related party of an "interested party", unless the related party meets that description solely in its capacity as a director or senior officer of one or more persons that are neither "interested party" nor "issuer insiders", as defined in MI 61-101, of the issuer; and (c) any person that is a "joint actor", as defined in MI 61-101, with any of the foregoing. For the Arrangement, the Common Shares are "affected securities".

In addition to obtaining approval of the Arrangement Resolution by (a) at least two thirds of the votes cast by the Shareholders who vote either in person or by proxy at the Meeting, and (b) at least two-thirds of the votes cast on the Arrangement Resolution by Shareholders and Award Holders who vote either in person or by proxy at the Meeting, voting together as a single class, each Shareholder and each Award Holder being entitled to one vote per Common Share and per Share Award held, respectively, approval will also be required from a simple majority of the votes cast by Shareholders who vote either in person or by proxy at the Meeting, after excluding the votes of such Shareholders that are required to be excluded pursuant to MI 61-101.

For the purposes of MI 61-101, "interested parties" includes any related parties of the issuer (including directors or senior officers) who receive a collateral benefit. As noted above, for the purposes of the Arrangement, there are no such persons.

To the knowledge of Forza Petroleum, after reasonable inquiry and based on the considerations described above, the votes to be excluded from the minority approval vote consist of the votes attaching to an aggregate of 500,431,626 Common Shares owned by the Parent and its joint actors (being approximately 82.5% of the issued and outstanding Common Shares as at the date of this Circular), as set out in further detail below:

Shareholder	Shareholding	Percentage
Zeg Oil and Gas Ltd.	500,152,674	82.5%
Brad Camp	139,476	0.02%
Nevin Karim	139,476	0.02%

Formal Valuation

Pursuant to MI 61-101, a formal valuation of the Common Shares is required since the Arrangement is a "business combination" within the meaning of MI 61-101 and "interested parties", being the Purchaser and the Parent, will as a consequence of the Arrangement, directly or indirectly, be considered to acquire the Corporation. Consequently, the Special Committee retained the Valuator to provide the Special Committee with the Valuation and the Fairness Opinion, which includes a formal valuation of the Common Shares in accordance with the requirements of MI 61-101.

No Prior Valuations

To the knowledge of the Corporation after reasonable inquiry, there are no "prior valuations" (as defined in MI 61-101) in respect of Forza Petroleum in the past 24 months preceding the date hereof.

No Prior Offers

Except as disclosed herein, Forza Petroleum has not received any *bona fide* prior offer relating to the subject matter of, or otherwise relevant to, the Arrangement in the past 24 months preceding the entry into the Arrangement Agreement.

Stock Exchange De-Listing and Reporting Issuer Status

The Purchaser and Forza Petroleum have agreed to use their commercially reasonable efforts to cause, and do or cause to be done all things reasonably necessary or advisable under applicable Law, and the rules and regulations of the TSX, to enable the Common Shares to be delisted from the TSX promptly, with effect as soon as practicable following the acquisition by the Purchaser of the Common Shares not already owned by it or the Parent pursuant to the Arrangement. It is also expected that, after the Effective Date, Forza Petroleum will apply to cease to be a reporting issuer in all the provinces of Canada under which it is currently a reporting issuer.

Treatment of Share Awards

A total of 16,938,225 Share Awards are unvested and outstanding as of the date of this Circular.

Pursuant to the Plan of Arrangement, notwithstanding the terms of the LTIP or any applicable share award agreements in relation thereto, each Share Award outstanding immediately prior to the Effective Time will be deemed to be assigned and transferred by the applicable Award Holder to the Corporation in exchange for a cash payment from the Corporation equal to the Award Consideration, less applicable withholdings, and each such Share Award will then immediately be cancelled.

On or as soon as practicable after the Effective Date, the Corporation shall deliver to each Award Holder, or to such other Person as such holder may direct, the cash payment which such Award Holder has the right to receive for such Share Awards, less any amount withheld pursuant to the withholding rights under the Plan of Arrangement, either pursuant to the normal payroll practices and procedures of the Corporation, or by cheque.

THE ARRANGEMENT AGREEMENT

The Arrangement Agreement and the Plan of Arrangement are the legal documents that govern the Arrangement. This section of the Circular describes the material provisions of the Arrangement Agreement but does not purport to be complete and may not contain all of the information about the Arrangement Agreement that is important to you. This summary is qualified in its entirety by the Arrangement Agreement, which is available on the Corporation's SEDAR+ profile at www.sedarplus.com, and the Plan of Arrangement, which is attached hereto as Appendix B. ***We encourage you to read the Arrangement Agreement in its entirety.*** The Arrangement Agreement establishes and governs the legal relationship between Forza Petroleum, the Purchaser and the Parent with respect to the transactions described in this Circular. It is not intended to be a source of business or operational information about Forza Petroleum, the Parent or the Purchaser.

The Arrangement

Final Order

If the Required Securityholder Approval is obtained at the Meeting as provided for in the Interim Order and as required by applicable Law, subject to the terms of the Arrangement Agreement, the Corporation will take all steps necessary or desirable to submit the Arrangement to the Court and diligently pursue an application for the Final Order pursuant to Section 192 of the CBCA as soon as reasonably practicable, but in any event not later than three Business Days after the Required Securityholder Approval is obtained.

Court Proceedings

Subject to the terms of the Arrangement Agreement, the Purchaser will cooperate with and assist the Corporation in seeking the Final Order, including by providing to the Corporation, on a timely basis, any information reasonably required to be supplied by the Purchaser in connection therewith. In connection with all Court proceedings relating to obtaining the Final Order, the Corporation will:

(a) provide the Purchaser's legal counsel with reasonable opportunity to review and comment upon drafts of all material to be filed with the Court in connection with the Arrangement, and will give reasonable consideration to all such comments;

(b) not file any material with the Court in connection with the Arrangement or serve any such material, or agree to modify or amend materials so filed or served, except as contemplated by the Arrangement Agreement or with the Purchaser's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed, provided the Purchaser is not required to agree or consent to any increase in or variation in the form of Consideration or other modification or amendment to such filed or served materials that expands or increases the Purchaser's obligations, or diminishes or limits the Purchaser's rights, set forth in any such filed or served materials or under the Arrangement Agreement or the Arrangement;

(c) provide to the Purchaser's legal counsel on a timely basis, copies of any notice of appearance, evidence or other Court documents served on the Corporation in respect of the application for Final Order or any appeal from it, and of any notice, whether written or oral, received by the Corporation indicating any intention to oppose the granting of the Final Order or to appeal the Interim Order or the Final Order;

(d) ensure that all materials filed with the Court in connection with the Arrangement are consistent in all material respects with the terms of the Arrangement Agreement and the Plan of Arrangement;

(e) not object to the Purchaser's legal counsel making such submissions on the application for the Final Order as such counsel considers appropriate, provided the Corporation is provided with copies of such written submissions, if any, with reasonably sufficient time prior to the hearing, the Corporation and the Corporation's legal counsel are provided with a reasonable opportunity to review and comment upon the drafts of such submissions and such submissions, if any, are consistent in all material respects with the Arrangement Agreement and the Plan of Arrangement; and

(f) oppose any proposal from any Person that the Final Order contain any provision inconsistent with the Arrangement Agreement, and, if at any time after the issuance of the Final Order and prior to the Effective Date, the Corporation is required by the terms of the Final Order or by Law to return to Court with respect to the Final Order, it will do so after notice to, and in consultation and cooperation with, the Purchaser.

Arrangement and Effective Date

The Articles of Arrangement will implement the Plan of Arrangement. The Articles of Arrangement will include the form of the Plan of Arrangement. The Corporation has agreed to file the Articles of Arrangement with the Director within five Business Days following the satisfaction or waiver of all conditions to completion of the Arrangement set out in the Arrangement Agreement, or on such other date agreed to in writing by the Parties. From and after the Effective Time, the Arrangement will have all of the effects provided by applicable Law.

Payment of Consideration

The Purchaser has agreed to, prior to the filing by Forza Petroleum of the Articles of Arrangement with the Director, deposit in escrow with the Depositary sufficient funds to satisfy the aggregate Consideration payable to the Shareholders pursuant to the Plan of Arrangement.

Covenants

Covenants of Forza Petroleum Regarding the Conduct of Business

Forza Petroleum has covenanted and agreed that during the period from the date of the Arrangement Agreement until the earlier of the Effective Date and the time that the Arrangement Agreement is terminated in accordance with its terms, and except as (a) expressly permitted or required by the Arrangement Agreement or the Plan of Arrangement; or (b) required by applicable Law or a Governmental Entity; or (c) to comply with Public Health Measures, or unless the Purchaser has otherwise requested or provided consent in writing, such consent not to be unreasonably withheld, conditioned or delayed, the Corporation will and will cause each of its Subsidiaries to conduct its and their respective businesses only in, and not take any action except in, the ordinary course of business consistent with past practice; and use commercially reasonable efforts to preserve intact its and their present business organization, goodwill, properties, business relationships and assets in all material respects and to keep available the services of its and their officers and employees as a group and to maintain good relations with suppliers, customers, landlords, licensors, lessors, creditors, distributors and all other Persons having business relationships with the Corporation and its Subsidiaries (other than the Parent and its affiliates).

The Corporation has further covenanted and agreed that during the period from the date of the Arrangement Agreement until the earlier of the Effective Date and the time that the Arrangement Agreement is terminated in accordance with its terms, the Corporation shall not, and shall cause each of its Subsidiaries not to, directly or indirectly: (a) amend constating documents; (b) issue, sell, grant, award, pledge, dispose of or otherwise encumber or agree to issue, sell, grant, award, pledge, dispose of or otherwise encumber any Common Shares or other equity or voting interests or any options, share appreciation rights, warrants, calls, conversion or exchange privileges or rights of any kind to acquire (whether on exchange, exercise, conversion or otherwise) any Common Shares or other equity or voting interests or other securities or any shares of its Subsidiaries (including, for greater certainty, any equity based awards), other than pursuant to the vesting or settlement of Share Awards in accordance with their terms; (c) adjust, split, combine or reclassify any outstanding Common Shares or the securities of any of its Subsidiaries; (d) redeem, purchase or otherwise acquire or offer to purchase or otherwise acquire Common Shares or other securities of the Corporation or any securities of its Subsidiaries or securities convertible into or exchangeable or exercisable for capital stock or other securities of the Corporation or any of its Subsidiaries; (e) amend the terms of any securities of the Corporation or any of its Subsidiaries; (f) adopt or propose a plan of liquidation or resolutions providing for the liquidation or dissolution of the Corporation or any of its Subsidiaries; (g) reorganize, amalgamate or merge the Corporation or its Subsidiaries with any other Person; (h) reduce the stated capital of the Common Shares or the shares of any of its Subsidiaries; (i) commence any Proceeding other than in connection with the collection of accounts or the enforcement of any rights under the Arrangement Agreement; (j) adopt or enter into certain employment arrangements or make certain amendments to an existing employee plan or employee contracts; (k) make or forgive any loans or advances to any of its officers, directors, employees, agents or consultants; (l) make any bonus or profit sharing distribution or similar payment of any kind; or (m) take any action or fail to take any action that would result in the termination, variance or relinquishment of any Authorization that is necessary under applicable Law to operate its assets, projects and properties as presently operated.

Additionally, the Corporation has further covenanted and agreed that during the period from the date of the Arrangement Agreement until the earlier of the Effective Date and the time that the Arrangement Agreement is terminated in accordance with its terms, and except as (a) expressly permitted or required by the Arrangement Agreement or the Plan of Arrangement; (b) required by applicable Law or a Governmental Entity; or (c) to comply with Public Health Measures, or unless the Purchaser has otherwise requested or provided consent in writing, such consent not to be unreasonably withheld, conditioned or delayed, to keep the Purchaser reasonably informed, on a current basis, of any events, discussions, notices or changes with respect to any Tax or regulatory investigation or any other investigation by a Governmental Entity or action involving the Corporation or any of its Subsidiaries (other than ordinary course communications which could not reasonably be expected to be material to the Corporation and its Subsidiaries, taken as a whole); consider in good faith any reasonable requests by the Purchaser that the Corporation or its Subsidiaries take any action regarding Tax

filing matters, including filing of notices of appeal and other actions in respect of notices of assessment from CRA or other Governmental Entity; upon the Purchaser's request, take or cause its Subsidiaries to take any action necessary to preserve the Corporation's or relevant Subsidiary's rights (including, without limitation, due to the potential expiry of any limitation or statute-barring period); give the Purchaser reasonable notice of any "investments" (as defined for purposes of section 212.3 of the Tax Act) in any corporation that is a "foreign affiliate" of the Corporation and/or any of its Subsidiaries (including, for greater certainty, an indirect investment described in paragraph 212.3(10)(f) of the Tax Act); and not authorize, agree to, propose, enter into or modify any contract, agreement, commitment or arrangement, to do any of the matters prohibited by the Arrangement Agreement or resolve to do so.

Mutual Covenants of the Parties Relating to the Arrangement

Each of the Parties has covenanted and agreed that, subject to the terms and conditions of the Arrangement Agreement, during that period from the date of the Arrangement Agreement until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in accordance with its terms:

(a) it will use its commercially reasonable efforts to, and will cause its Subsidiaries to use all commercially reasonable efforts to, satisfy (or cause the satisfaction of) the conditions precedent to its obligations under the Arrangement Agreement to the extent within its control and to take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable Laws to complete the Arrangement;

(b) it will not take any action, or refrain from taking any action, or permit any action to be taken or not taken, which is inconsistent with the Arrangement Agreement, or which would reasonably be expected to, individually or in the aggregate, impede or materially delay the consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement;

(c) it will use its commercially reasonable efforts to (i) defend all lawsuits or other legal, regulatory or other Proceedings against itself or any of its Subsidiaries challenging or affecting the Arrangement Agreement or the consummation of the transactions contemplated by the Arrangement Agreement; (ii) appeal, overturn or have lifted or rescinded any injunction or restraining order or other order, including Orders, relating to itself or any of its Subsidiaries which may materially adversely affect the ability of the Parties to consummate the Arrangement; and (iii) appeal or overturn or otherwise have lifted or rendered non-applicable in respect of the Arrangement, any Law that makes consummation of the Arrangement illegal or otherwise prohibits or enjoins the Corporation or the Purchaser from consummating the Arrangement; and

(d) it will carry out the terms of the Interim Order and Final Order applicable to it and use commercially reasonable efforts to comply promptly with all requirements which applicable Laws may impose on it or its Subsidiaries or affiliates with respect to the transactions contemplated hereby.

Shareholders should refer to the Arrangement Agreement for details regarding the additional covenants given by the Parties which include, among other things, covenants regarding employment and related obligations of the Corporation, access to information and confidentiality, insurance and indemnification and Regulatory Approvals.

TSX De-Listing

The Purchaser and Forza Petroleum have agreed to use their commercially reasonable efforts to do or cause to be done all things reasonably necessary or advisable under applicable Law, and the rules and regulations of the TSX, to enable the Common Shares to be delisted from the TSX promptly, with effect as soon as practicable following the acquisition by the Purchaser of the Common Shares pursuant to the Arrangement.

Representations and Warranties

The Arrangement Agreement contains certain representations and warranties of Forza Petroleum relating to, among other things, its corporate status and power; corporate authorization for the Arrangement; the execution and enforceability of the Arrangement Agreement; the determination that the Arrangement is fair and recommendation that Securityholders vote in favour of the Arrangement Resolution; its capitalization; its Subsidiaries; the Corporation's transfer agent; outstanding Share Awards; no shareholders' or similar agreements; the impact of the Arrangement on constating documents, material contracts, authorizations and

other matters; compliance with Laws and governmental Authorizations; listing of the Common Shares; the absence of undisclosed material liabilities and Material Adverse Effects; no cease trade orders; no claims; reporting issuer status; voting agreements; no finder's fee; prior valuations; and fairness opinion.

The Arrangement Agreement also contains certain representations and warranties of the Purchaser relating to its corporate status and power; corporate authorization for the Arrangement; the execution and enforceability of the Arrangement Agreement; non-contravention of certain contracts, authorizations and other matters; that it has sufficient funds; its ownership structure; the Purchaser's ownership of Common Shares; and arrangements relating in any way to the Common Shares, the transactions contemplated by the Arrangement Agreement or the Arrangement Resolution.

Conditions to Closing

Mutual Conditions Precedent

The Parties are not required to complete the Arrangement unless each of the following conditions is satisfied on or before the Effective Time, which conditions may only be waived with the mutual consent of the Parties:

(a) the Required Securityholder Approval shall have been obtained in accordance with the Interim Order;

(b) the Interim Order and the Final Order each have been obtained on terms consistent with the Arrangement Agreement and in form and substance acceptable to each of the Purchaser and the Corporation, acting reasonable, and have not been set aside or modified in a manner unacceptable to either Forza Petroleum or the Purchaser, each acting reasonably, on appeal or otherwise;

(c) all consents, Orders, regulations and approvals required or necessary for the completion of the Arrangement have been obtained or received from the persons, authorities or bodies having jurisdiction in the circumstances, and none of such consents, Orders, regulations or approvals contain terms or conditions that are unsatisfactory or unacceptable to the Purchaser or the Corporation, each acting reasonably; and

(d) no Governmental Entity has enacted, issued, promulgated, enforced or entered any Order or Law which is then in effect and has the effect of making the Arrangement illegal or otherwise prevents or prohibits consummation of the Arrangement.

Conditions in Favour of Purchaser

The Purchaser is not required to complete the Arrangement unless each of the following conditions is satisfied at or prior to the Effective Time, which conditions are for the exclusive benefit of the Purchaser and may only be waived, in whole or in part, by the Purchaser in its sole discretion:

(a) the representations and warranties of Forza Petroleum set forth in the Arrangement Agreement relating to (i) corporate status and power; corporate authorization for the Arrangement; the execution and enforceability of the Arrangement Agreement; the determination that the Arrangement is fair and the recommendation that Securityholders vote in favour of the Arrangement Resolution; its Subsidiaries; the impact of the Arrangement on constating documents, material contracts, authorizations and other matters; Material Adverse Effects; and no finder's fee are true and correct in all material respects as of the Effective Time (except that any such representation and warranty that by its terms speaks specifically as of the date of the Arrangement Agreement or another date shall be true and correct in all respects as of such date); (ii) capitalization and outstanding Share Awards are true and correct in all material respects as of the date of the Arrangement Agreement; (iii) the other provisions of the Arrangement Agreement are true and correct in all material respects as of the date of the Arrangement Agreement and as of the Effective Time (except for representations and warranties that by its terms speaks specifically as of the date of the Arrangement Agreement or another date, the accuracy of which will be determined as of such date), without regard to any materiality qualifications contained in them, except where the failure to be so true and correct in all respects, individually or in the aggregate, would not have a Material Adverse Effect; and (iv) Forza Petroleum has provided to the Purchaser and the Parent a certificate confirming same, executed by two senior officers of Forza Petroleum (on behalf of Forza Petroleum without personal liability) dated the Effective Date;

(b) Forza Petroleum has fulfilled or complied in all material respects with each of the covenants of Forza Petroleum contained in the Arrangement Agreement to be fulfilled or complied with by it on or prior to the Effective Time, and has delivered a certificate confirming same to the Purchaser, executed by two senior officers of Forza Petroleum (on behalf of Forza Petroleum without personal liability) addressed to the Purchaser and dated the Effective Date;

(c) there has not occurred, or has been disclosed to the public (if previously undisclosed to the public), a Material Adverse Effect;

(d) the number of Common Shares held by the Shareholders that have validly exercised Dissent Rights (and not withdrawn such exercise) shall not exceed 10% of the issued and outstanding Common Shares held by Minority Shareholders as of the date of the Arrangement Agreement; and

(e) there is no action or proceeding pending by a Governmental Entity that would, if successful (i) enjoin or prohibit the Purchaser's ability to acquire, hold or exercise full rights of ownership over, any Common Shares, including the right to vote Common Shares; or (ii) if the Arrangement is consummated, have a Material Adverse Effect.

Conditions in Favour of Forza Petroleum

Forza Petroleum is not required to complete the Arrangement unless each of the following conditions is satisfied on or before the Effective Time, which conditions are for the exclusive benefit of Forza Petroleum and may only be waived, in whole or in part, by Forza Petroleum in its sole discretion:

(a) (i) the representations and warranties of the Purchaser set forth in the Arrangement Agreement relating to its corporate status and power; corporate authorization for the Arrangement; the execution and enforceability of the Arrangement Agreement; and that it has sufficient funds are true and correct in all material respects as of the Effective Time (except that any such representation and warranty that by its terms speaks specifically as of the date of the Arrangement Agreement or another date shall be true and correct in all respects as of such date); (ii) the other provisions of the Arrangement Agreement are true and correct in all material respects as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which will be determined as of that specified date), without regard to any materiality qualifications contained in them, except where the failure of all such representations and warranties to be so true and correct in all respects, individually or in the aggregate, would not materially impede consummation of the Arrangement; and (iii) the Purchaser has provided to Forza Petroleum a certificate confirming same, executed by one senior officer of the Purchaser (without personal liability) and dated the Effective Date; and

(b) the Purchaser has fulfilled or complied in all material respects with each of the covenants of the Purchaser contained in the Arrangement Agreement to be fulfilled or complied with by it on or prior to the Effective Time, and the Purchaser has delivered a certificate confirming same to Forza Petroleum, executed by one senior officer of the Purchaser (without personal liability) addressed to Forza Petroleum and dated the Effective Date.

Acquisition Proposals

If at any time following the date of the Arrangement Agreement and prior to obtaining the Required Securityholder Approval at the Meeting, Forza Petroleum receives an Acquisition Proposal or any request for information in connection with any proposal that constitutes or may lead to an Acquisition Proposal, then Forza Petroleum shall promptly notify the Purchaser of such Acquisition Proposal or request.

Notwithstanding any Change in Recommendation, unless the Arrangement Agreement has been terminated in accordance with its terms, the Corporation shall cause the Meeting to occur and the Arrangement Resolution to be put to the Securityholders thereat for consideration in accordance with the Arrangement Agreement, and the Corporation shall not, except as required by applicable Law, submit to a vote of the Securityholders any Acquisition Proposal other than the Arrangement Resolution prior to the termination of the Arrangement Agreement.

Termination of the Arrangement Agreement

The Arrangement Agreement may be terminated at any time prior to the Effective Time:

(a) by mutual written agreement of the Corporation and the Purchaser;

(b) by either the Corporation or the Purchaser if:

(i) the Effective Time does not occur on or before the Outside Date, except that the right to terminate the Arrangement Agreement on such basis is not available to any Party whose failure to fulfill any of its covenants or agreements or breach of any of its representations and warranties under the Arrangement Agreement has been the cause of, or resulted in, the failure of the Effective Time to occur by such Outside Date;

(ii) after the date of the Arrangement Agreement, any applicable Law or Order is enacted or made that makes consummation of the Arrangement illegal or otherwise prohibits or enjoins the Corporation or the Purchaser from consummating the Arrangement and such Law, Order or enjoinment has become final and non-appealable; provided that the Party seeking to terminate the Arrangement Agreement on such basis has used its commercially reasonable efforts to (A) defend all lawsuits or other Proceedings challenging or affecting the Arrangement Agreement or the consummation of the transactions contemplated thereby; (B) appeal, overturn or have lifted or rescinded any injunction or restraining order or other order, including Orders, which may materially adversely affect the ability of the Parties to consummate the Arrangement; and (C) appeal or overturn or otherwise have lifted or rendered nonapplicable in respect of the Arrangement, any Law that makes consummation of the Arrangement illegal or otherwise prohibits or enjoins the Corporation or the Purchaser from consummating the Arrangement; or

(iii) the Required Securityholder Approval is not obtained at the Meeting as required by the Interim Order; provided that a Party may not terminate the Arrangement Agreement on such basis if the failure to obtain the Required Securityholder Approval has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement;

(c) by the Purchaser if:

(i) prior to obtaining the Required Securityholder Approval (A) the Unconflicted Board (I) fails to unanimously recommend or withdraws, amends, modifies or qualifies, in a manner adverse to the Purchaser or states an intention to withdraw, amend, modify or qualify the Board Recommendation; (II) accepts, approves, endorses or recommends, or publicly proposes to accept, approve, endorse or recommend an Acquisition Proposal or takes no position or a neutral position with respect to an Acquisition Proposal for more than five Business Days (or beyond the third Business Day prior to the date of the Meeting, if sooner); (III) publicly announces that it proposes to accept or enter into any agreement, understanding or arrangement in respect of an Acquisition Proposal; or (IV) fails to publicly reaffirm (without qualification) the Board Recommendation within five Business Days after having been requested in writing by the Purchaser to do so (or in the event the Meeting is scheduled to occur within such five (5) Business Day period, prior to the third Business Day prior to the Meeting); or (B) the Board resolves or proposes to take any of the foregoing actions (each of the foregoing described in clauses (A) or (B), a "**Change in Recommendation**");

(ii) Forza Petroleum breaches any of its representations or warranties, or fails to perform any covenants or agreements contained in the Arrangement Agreement, which breach or failure would cause either condition related to Forza Petroleum's representations and warranties or Forza Petroleum's covenants not to be satisfied, and such breach or failure is incapable of being cured the earlier of the Outside Date or the date that is 20 Business Days following receipt of a notice of termination by Forza Petroleum setting out the basis for termination; provided that the Purchaser is not then in breach of the Arrangement Agreement so as to directly or indirectly cause either closing condition related to the Purchaser's representations and warranties or any covenants of the Purchaser not to be satisfied; or

(iii) there has occurred a Material Adverse Effect which is incapable of being cured on or prior to the Outside Date; or

(d) by the Corporation if the Purchaser breaches any of its representations or warranties, or fails to perform any covenants or agreements contained in the Arrangement Agreement, which breach or failure would cause either closing condition related to the Purchaser's representations and warranties or related to the Purchaser's covenants not to be satisfied, and such breach is incapable of being cured or is not cured on or prior to the Outside Date provided that Forza Petroleum is not then in breach of the Arrangement Agreement so as to directly or indirectly cause either closing condition related to Forza Petroleum's representations and warranties or the covenants of Forza Petroleum not to be satisfied.

If the Arrangement Agreement is terminated pursuant to the exercise by either Party of its above-described termination rights, the Arrangement Agreement will become null and void and be of no further force or effect without liability of any Party (or any shareholder, director, officer, employee, agent, consultant or representative of such Party) to any other Party hereto, except as otherwise expressly contemplated in the Arrangement Agreement, and provided that no Party will be relieved or released from any liabilities or damages arising out of its breach of any provision of the Arrangement Agreement prior to termination.

Expenses

Except as otherwise provided in the Arrangement Agreement, all fees, costs and expenses incurred in connection with the Arrangement Agreement and the Plan of Arrangement will be paid by the Party incurring such fees, costs or expenses, whether or not the Arrangement is consummated.

Amendments

Subject to the provisions of the Interim Order, the Plan of Arrangement and applicable Laws, the Arrangement Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Meeting, but not later than the Effective Time, be amended by mutual written agreement of the Parties, without further notice to or authorization on the part of the Shareholders, and any such amendment may without limitation: (a) change the time for performance of any of the obligations or acts of the Parties; (b) waive any inaccuracies or modify any representation or warranty contained in the Arrangement Agreement or in any document delivered pursuant to the Arrangement Agreement; (c) waive compliance with or modify any of the covenants contained in the Arrangement Agreement and waive or modify performance of any of the obligations of the Parties; and/or (d) waive compliance with or modify any mutual conditions contained in the Arrangement Agreement; provided that no such amendment reduces or changes the form of or materially adversely affects the Consideration to be received by Shareholders without approval of the Shareholders given in the same manner as required for the approval of the Arrangement or as may be required by the Court.

DISSENT RIGHTS OF SHAREHOLDERS

Registered Shareholders have been provided with Dissent Rights. The following summary is qualified in its entirety by the provisions of Section 190 of the CBCA, the Interim Order and the Plan of Arrangement.

Any Dissenting Shareholder may be entitled, in the event the Arrangement becomes effective, to be paid by the Purchaser the fair value of the Common Shares held by such Dissenting Shareholder, which fair value, notwithstanding anything to the contrary contained in Part XV of the CBCA, shall be determined as of the close of business on the Business Day before the Arrangement Resolution was adopted. A Dissenting Shareholder will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Common Shares. Shareholders are cautioned that fair value could be determined to be less than the amount per Common Share payable pursuant to the terms of the Arrangement.

The Plan of Arrangement provides that no Person is entitled to exercise Dissent Rights with respect to less than all of the Common Shares held by such Person.

In many cases, Common Shares beneficially owned by a Beneficial Shareholder are registered either: (a) in the name of an Intermediary; or (b) in the name of a clearing agency (such as CDS) of which the Intermediary is a participant. Accordingly, a Beneficial Shareholder will not be entitled to exercise its Dissent Rights unless the Common Shares are re-registered in the Beneficial Shareholder's name. A Beneficial Shareholder who wishes to exercise Dissent Rights should immediately contact the Intermediary with whom the Beneficial Shareholder deals in respect of its Common Shares and instruct the Intermediary to re-register such Common Shares in the name of the Beneficial Shareholder.

A Registered Shareholder who wishes to dissent must provide a Dissent Notice to the Corporation at 3400 First Canadian Centre, 350 - 7th Avenue SW, Calgary, Alberta, Canada, T2P 3N9, Attention: Kevin McPhee, General Counsel and Corporate Secretary to be received not later than 4:00 p.m. (Eastern Standard Time) on February 8, 2024, or, if the Meeting is adjourned or postponed, 4:00 p.m. (Eastern Standard Time) on the Business Day that is two Business Days immediately preceding any adjourned or postponed Meeting. Failure to properly exercise Dissent Rights may result in the loss or unavailability of the right to dissent.

The filing of a Dissent Notice does not deprive a Registered Shareholder of the right to vote at the Meeting. However, no Registered Shareholder who has voted **FOR** the Arrangement Resolution shall be entitled to exercise Dissent Rights with respect to its Common Shares. A vote against the Arrangement Resolution, an abstention from voting, or a proxy submitted instructing a proxyholder to vote against the Arrangement Resolution does not constitute a Dissent Notice, but a Registered Shareholder need not vote its Common Shares against the Arrangement Resolution in order to dissent. Similarly, the revocation of a proxy conferring authority on the proxyholder to vote **FOR** the Arrangement Resolution does not constitute a Dissent Notice. However, any proxy granted by a Registered Shareholder who intends to dissent, other than a proxy that instructs the proxyholder to vote against the Arrangement Resolution, should be validly revoked in order to prevent the proxyholder from voting such Common Shares in favour of the Arrangement Resolution and thereby causing the Registered Shareholder to forfeit Dissent Rights.

Within 10 days after the Securityholders adopt the Arrangement Resolution, the Corporation is required to notify each Dissenting Shareholder that the Arrangement Resolution has been adopted. Such notice is not required to be sent to any Shareholder who voted **FOR** the Arrangement Resolution or who has withdrawn its Dissent Notice.

A Dissenting Shareholder who has not withdrawn its Dissent Notice prior to the Meeting must then, within 20 days after receipt of notice that the Arrangement Resolution has been adopted, or if a Dissenting Shareholder does not receive such notice, within 20 days after learning that the Arrangement Resolution has been adopted, send to the Corporation a written notice containing his or her name and address, the number of Dissent Shares, and a Demand for Payment. Within 30 days after sending a Demand for Payment, a Dissenting Shareholder must send to the Corporation certificates or a direct registration system (DRS) advice representing the Common Shares in respect of which he or she dissents. The Corporation will, or will cause its Transfer Agent to, endorse on the share certificates, if applicable, received from a Dissenting Shareholder a notice that the holder is a Dissenting Shareholder and will forthwith return such Common Share certificates to a Dissenting Shareholder.

Failure to comply with the requirements set forth in subsections 190(5), (7) and (8) of the CBCA, as modified by the Plan of Arrangement and the Interim Order, may result in the loss of any right to dissent.

After sending a Demand for Payment, a Dissenting Shareholder ceases to have any rights as a Shareholder in respect of its Dissent Shares other than the right to be paid the fair value of the Dissent Shares held by such Dissenting Shareholder, except where: (a) a Dissenting Shareholder withdraws its Demand for Payment before the Purchaser makes an Offer to Pay; or (b) the Purchaser fails to make an Offer to Pay and a Dissenting Shareholder withdraws the Demand for Payment, in which case a Dissenting Shareholder will be deemed to have participated in the Arrangement on the same basis and at the same time as any non-Dissenting Shareholder.

Pursuant to the Plan of Arrangement, in no case shall the Purchaser, the Corporation or any other Person be required to recognize any Dissenting Shareholder as a holder of Common Shares in respect of which Dissent Rights have been validly exercised after the time that is immediately prior to the Effective Time and the names of such Dissenting Shareholders shall be removed from the register of holders of Common Shares in respect of which Dissent Rights have been validly exercised at the Effective Time and the Purchaser shall be recorded as the registered holder of such Common Shares and shall be deemed to be the legal owner of such Common Shares.

In addition to any other restrictions under Section 190 of the CBCA, none of the following shall be entitled to exercise Dissent Rights: (a) Award Holders; and (b) Shareholders who vote or have instructed a proxyholder to vote its Common Shares **FOR** the Arrangement Resolution (but only in respect of such Common Shares).

Pursuant to the Plan of Arrangement, Dissenting Shareholders who are ultimately determined not to be entitled, for any reason, to be paid fair value for their Dissent Shares, shall be deemed to have participated in the Arrangement on the same basis as any Shareholder who is not a Dissenting Shareholder.

The Purchaser is required, not later than seven days after the later of the Effective Date or the date on which a Demand for Payment is received from a Dissenting Shareholder, to send to each Dissenting Shareholder who has sent a Demand for Payment an Offer to Pay for its Dissent Shares in an amount considered by the Purchaser to be the fair value of the Common Shares, accompanied by a statement showing the manner in which the fair value was determined. Every Offer to Pay for Common Shares must be on the same terms. The Purchaser must pay for the Dissent Shares of a Dissenting Shareholder within 10 days after an Offer to Pay has been accepted by a Dissenting Shareholder, but any such offer lapses if the Purchaser does not receive an acceptance within 30 days after the Offer to Pay has been made.

If the Purchaser fails to make an Offer to Pay for Dissent Shares, or if a Dissenting Shareholder fails to accept an Offer to Pay that has been made, the Purchaser may, within 50 days after the Effective Date or within such further period as a court may allow, apply to a court to fix a fair value for the Dissent Shares. If the Purchaser fails to apply to a court, a Dissenting Shareholder may apply to a court for the same purpose within a further period of 20 days or within such further period as a court may allow. A Dissenting Shareholder is not required to give security for costs in such an application.

Before the Purchaser makes an application to a court or not later than seven days after a Dissenting Shareholder makes an application to a court, the Purchaser will be required to give notice to each Dissenting Shareholder of the date, place and consequences of the application and of its right to appear and be heard in person or by counsel. Upon an application to a court, all Dissenting Shareholders who have not accepted an Offer to Pay will be joined as parties and be bound by the decision of the court. Upon any such application to a court, the court may determine whether any Person is a Dissenting Shareholder who should be joined as a party, and the court will then fix a fair value for the Dissent Shares of all Dissenting Shareholders. The final order of a court will be rendered against the Purchaser in favour of each Dissenting Shareholder for the amount of the fair value of its Dissent Shares as fixed by the court. The court may, in its discretion, allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder from the Effective Date until the date of payment.

There can be no assurance that the fair value of Dissent Shares as determined under the applicable provisions of the CBCA, as modified by the Interim Order and the Plan of Arrangement, will be greater than or equal to the Consideration under the Arrangement Agreement. Judicial determination of fair value could delay payment of Consideration in respect of Dissent Shares.

The foregoing is only a summary of the provisions of the CBCA regarding the rights of Dissenting Shareholders (as modified by the Plan of Arrangement and the Interim Order), which are technical and complex. Shareholders are urged to review a complete copy of Section 190 of the CBCA, attached as Appendix F to this Circular, the Interim Order, attached as Appendix D to this Circular, and the Plan of Arrangement, attached as Appendix B to this Circular, and those Shareholders who wish to exercise Dissent Rights are also advised to seek legal advice, as failure to comply strictly with the provisions of the CBCA, as modified by the Plan of Arrangement and the Interim Order, may result in the loss or unavailability of their Dissent Rights.

INFORMATION REGARDING THE CORPORATION

General

Forza Petroleum is an international oil exploration and production company founded in 2010. The Corporation's focus is appraisal, development and production of oil in the Kurdistan Region. As of the date of this Circular, Forza Petroleum has an interest in, and is the operator of, the Hawler License Area located in the Kurdistan Region.

The Corporation's head and registered office is at 3400 First Canadian Centre, 350 - 7th Avenue SW, Calgary, Alberta, Canada, T2P 3N9, and its service office is at Route de Pré-Bois 14, 1216 Cointrin, Switzerland.

Description of Share Capital

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares, issuable in series (the "**Preferred Shares**"). As of the date of this Circular, Forza Petroleum had 606,238,848 Common Shares and no Preferred Shares issued and outstanding.

Common Shares

The holders of Common Shares are entitled to receive notice of, and to cast one vote per share at, every meeting of shareholders of the Corporation, to receive such dividends as the Board may declare and to share equally in the assets of Forza Petroleum remaining upon the liquidation of Forza Petroleum after the debts owed to creditors of Forza Petroleum have been satisfied, subject to prior rights of holders of Preferred Shares.

Preferred Shares

The Preferred Shares are issuable in series, with each series consisting of such number of shares and having such rights, privileges, restrictions and conditions as may be determined by the Board prior to the issuance thereof. With respect to the payment of dividends and the distribution of assets in the event of liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, the Preferred Shares are entitled to preference over the Common Shares and any other shares ranking junior to the Preferred Shares and may also be given such other preference over the Common Shares and any other shares ranking junior to the Preferred Shares as may be determined at the time of creation of each series.

Trading in Shares

The Common Shares are listed and posted for trading on the TSX under the symbol "FORZ". The following table sets forth the high and low trading prices (denominated in CAD) and the trading volumes for the outstanding Common Shares for the periods indicated.

Calendar Period	High	Low	Volume
2023			
June	0.17	0.11	486,947
July	0.13	0.11	261,276
August	0.13	0.105	533,260
September	0.13	0.085	1,152,253
October	0.11	0.10	613,617
November	0.185	0.095	658,026
December	0.14	0.08	9,244,458
2024			
January 1 to 4	0.145	0.14	19,824

Source: Stockwatch

The closing price of the Common Shares on the TSX on December 8, 2023, the last full trading day on which the Common Shares traded on the TSX prior to the announcement of the Arrangement, was C$0.11. The Consideration represents a premium of 31% to the volume-weighted average price of the Common Shares on the TSX for the 20 trading days ended December 8, 2023, the last trading day prior to the announcement of the Arrangement.

Ownership of Securities

To the knowledge of the directors and officers of the Corporation, as of the date of this Circular, other than the Parent with holdings of 500,152,674 Common Shares, representing approximately 82.5% of the issued and outstanding Common Shares, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation.

The following table sets out the names of the directors, officers and other insiders of the Corporation, the positions held by them with the Corporation and the number and percentage of outstanding securities of the Corporation beneficially owned, or over which control or direction is exercised, by each of them and, where known after reasonable inquiry, by their respective associates or affiliates, as of the Record Date.

Name	Position with the Corporation	Common Shares		Share Awards	
		(#)	(%)	(#)	(%)
Vance Querio	Director; Chair	9,043,308	1.5	-	-
Brad Camp	Director	139,476	0.0	-	-
Peter Janele	Director	-	-	-	-
Peter Newman	Director	368,722	0.1	-	-
Shane Cloninger	Chief Executive Officer	5,645,516	0.9	3,966,683	23.4
Kevin McPhee	General Counsel and Corporate Secretary	5,520,551	0.9	2,819,716	16.6
Lindsey Rosebush	Finance Director	3,305,150	0.5	2,455,277	14.5
Yann Chiffoleau	Technical Director	4,257,983	0.7	2,903,665	17.1

No Commitments to Acquire Shares

None of the Corporation or its directors and officers or, to the knowledge of the directors and officers of the Corporation, any of their respective associates or affiliates, any other insiders of the Corporation or their respective associates or affiliates or any person acting jointly or in concert with the Corporation has made any agreement, commitment or understanding to acquire securities of the Corporation, other than the Parent and the Purchaser pursuant to the Arrangement Agreement.

Benefits from the Arrangement

Except as otherwise described in this Circular, none of the Corporation or its directors and officers or, to the knowledge of the directors and officers of the Corporation, any of their respective associates or affiliates, any other insiders of the Corporation, or their respective associates or affiliates or any person acting jointly or in concert with the Corporation will receive any direct or indirect benefits from the Arrangement. See "*The Arrangement – Certain Legal and Regulatory Matters – Securities Law Matters – Collateral Benefits*".

Insider Support of the Arrangement

Directors and officers of the Corporation who own Common Shares intend to vote the Common Shares held by them in favour of the Arrangement Resolution. See "*The Arrangement – Voting Agreements*".

Previous Purchases and Sales by the Corporation

No securities of the Corporation have been purchased or sold by the Corporation during the 12-month period prior to the date hereof.

Previous Distributions

Except as disclosed below, no Common Shares were distributed during the five-year period preceding the date of this Circular:

Date of Issuance	Nature of Distribution	# of Common Shares Issued	Price per Common Share	Proceeds to the Corporation
December 27, 2018	Private Placement	7,312,764	$0.1746	$1,276,809
August 19, 2019	Private Placement	23,901,430	$0.2123	$5,074,274
September 3, 2019	Exercise of Share Awards	6,837,566	n/a	n/a
September 16, 2019	Private Placement	6,711,444	$0.2123	$1,424,840
July 23, 2020	Exercise of Share Awards	10,248,050	n/a	n/a
July 31, 2020	Exercise of Share Awards	15,467,506	n/a	n/a
September 1, 2021	Exercise of Share Awards	6,778,984	n/a	n/a
September 1, 2022	Exercise of Share Awards	15,330,155	n/a	n/a
September 1, 2023	Exercise of Share Awards	4,927,808	n/a	n/a

Dividend Policy

Dividends have not previously been declared or paid by Forza Petroleum, and the Corporation does not maintain a dividend policy. The Board will determine if and when dividends should be paid based on Forza Petroleum's financial requirements, capital expenditure plans, financial condition and other factors considered to be relevant by the Board. If the Arrangement Agreement is terminated, there is no assurance as to the amount or timing of future dividends, if any.

Expenses of the Corporation

The aggregate fees and expenses expected to be incurred by the Corporation in connection with the Arrangement are estimated to be approximately $0.4 million, including legal, accounting, filing and printing costs, the costs of preparing and mailing this Circular and fees in respect of the Valuation and the Fairness Opinion.

Interest of Informed Persons in Material Transactions

Except as otherwise disclosed in this Circular, to the knowledge of the Corporation, no director or officer of the Corporation or a person or company that beneficially owns or controls or directs, directly or indirectly, more than 10% of the Common Shares, or an associate or affiliate thereof, had any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its Subsidiaries.

Material Change in the Affairs of the Corporation

Except as described in this Circular, the directors and officers of the Corporation are not aware of any plans or proposals for material changes in the affairs of the Corporation.

Other Information

There is no information not disclosed in this Circular but known to the Corporation that would be reasonably expected to affect the decision of Securityholders to vote for or against the Arrangement Resolution.

Auditors

The independent auditors of the Corporation are Deloitte S.A., at its offices located at Rue du Pré-de-la-Bichette 1, 1202 Geneva, Switzerland. Deloitte is independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants. Deloitte was first appointed by the Corporation on January 11, 2013.

Transfer Agent

Computershare Trust Company of Canada in Toronto, Ontario acts as registrar and transfer agent for the Common Shares.

INFORMATION REGARDING THE PURCHASER AND THE PARENT

The Purchaser is a corporation duly incorporated and validly existing under the Laws of the Province of British Columbia, Canada. The Purchaser was formed for the purpose of acquiring Common Shares under the Arrangement and is a wholly-owned subsidiary of the Parent. The Parent is ultimately controlled by Iraqi national Baz Karim. The Purchaser and its associates and affiliates are part of a corporate group that provides a broad range of engineering and construction services to the energy sector.

RISK FACTORS

The Unconflicted Board identified and considered a number of potential risk factors relating to the Arrangement in its deliberations, including, but not limited to, the risk factors set out below. The Unconflicted Board believes that any possible adverse effects or risks are more than outweighed by the potential benefits of the Arrangement. The following risk factors, as well as the other information contained in this Circular, should be carefully considered by Securityholders in evaluating the approval of the Arrangement Resolution.

Risks Relating to the Arrangement

Conditions Precedent and Required Approvals

There can be no certainty that all conditions precedent to the Arrangement will be satisfied or waived, nor can there be any certainty of the timing of their satisfaction or waiver. The completion of the Arrangement is subject to a number of conditions precedent, some of which are outside of the Corporation's control, including receipt of the Final Order. At the hearing on the Final Order, the Court will consider whether to approve the Arrangement based on the applicable legal requirements and the evidence before the Court. Other conditions precedent which are outside of the Corporation's control include, without limitation, the receipt of the Required Securityholder Approval. There can be no certainty, nor can the Corporation provide any assurance, that all conditions precedent to the Arrangement will be satisfied or waived, or, if satisfied or waived, when they will be satisfied or waived.

Uncertainty Surrounding the Arrangement

As the Arrangement is dependent upon satisfaction of a number of conditions precedent, its completion is uncertain. In response to this uncertainty, the attention of the Corporation's management could be diverted from the day-to-day operations of the business and employees, service providers or business partners may delay or defer decisions concerning the Corporation or may seek to modify or terminate their business relationship with the Corporation. Any delay or deferral of those decisions or modification or termination of business relationships by employees, service providers or business partners could adversely affect the business and operations of the Corporation, regardless of whether the Arrangement is ultimately completed. Similarly, uncertainty may adversely affect the Corporation's ability to attract or retain key personnel. In the event the Arrangement Agreement is terminated, the Corporation's relationships with employees, service providers or business partners and other stakeholders may be adversely affected. Changes in such relationships could adversely affect the business and operations of the Corporation.

Level of Securityholder Approval Required

The Arrangement Resolution will require the affirmative vote of: (a) at least two-thirds of the votes cast on the Arrangement Resolution by Shareholders present in person or represented by proxy at the Meeting; (b) at least two-thirds of the votes cast on the Arrangement Resolution by Shareholders and Award Holders present in person or represented by proxy at the Meeting, voting together as a single class, each Shareholder and each Award Holder being entitled to one vote per Common Share and per Share Award held, respectively; and (c) a simple majority of the votes cast on the Arrangement Resolution by Shareholders present in person or represented by proxy at the Meeting, excluding for this purpose the votes cast in respect of Common Shares held or controlled by persons described in Section 8.1(2) of MI 61-101. If such Securityholder approval is not obtained, the Arrangement will not be completed. See "*The Arrangement – Certain Legal and Regulatory Matters – Securities Law Matters*".

Termination in Certain Circumstances

Each of the Corporation and the Purchaser has the right, in certain circumstances, in addition to termination rights relating to the failure to satisfy the conditions of closing, to terminate the Arrangement Agreement. Accordingly, there can be no certainty, nor can the Corporation provide any assurance, that the Arrangement Agreement will not be terminated by either the Corporation or the Purchaser prior to the completion of the Arrangement. The Corporation's business, financial condition or results of operations could also be subject to various material adverse consequences, including that the Corporation would remain liable for significant costs relating to the Arrangement including, among others, legal, accounting, proxy solicitation, depositary and printing expenses. If the Arrangement Agreement is terminated and the Board decides to seek another similar transaction, there can be no assurance that it will be able to find a party willing to pay an equivalent or more attractive price than the Consideration to be paid by the Purchaser pursuant to the Arrangement.

Exercise of Dissent Rights may Result in the Arrangement not Being Completed

Registered Shareholders have the right to exercise Dissent Rights and demand payment of the fair value of their Common Shares in connection with the Arrangement in accordance with the CBCA, as modified by the Plan of Arrangement and the Interim Order. If the number of Common Shares in respect of which such Dissent Rights are exercised (and not withdrawn) exceeds 10% of the issued and outstanding Common Shares held by

Minority Shareholders as of the date of the Arrangement Agreement, the Purchaser and the Parent may determine not to complete the Arrangement. See "*Dissent Rights of Shareholders*" and "*The Arrangement Agreement – Conditions to Closing – Conditions in Favour of Purchaser*".

Covenant to Operate in the Ordinary Course

Pursuant to the Arrangement Agreement, the Corporation has agreed to certain interim period operating covenants intended to ensure that the Corporation and its Subsidiaries carry on business in the ordinary course of business consistent with past practice from the time of signing the Arrangement Agreement until the Arrangement is completed or the Arrangement Agreement is terminated in accordance with its terms, except as required or expressly authorized by the Arrangement Agreement. These operating covenants cover a broad range of activities and business practices. Consequently, it is possible that a business opportunity will arise that is out of the ordinary course or is not consistent with past practices, and that the Corporation will not be able to pursue or undertake the opportunity due to its covenants in the Arrangement Agreement.

Valuation and Fairness Opinion not Expected to be Updated

Neither the Special Committee nor the Unconflicted Board have obtained an updated valuation or fairness opinion from the Valuator as of the date of this Circular, nor does either expect to receive an updated, revised or reaffirmed valuation or fairness opinion prior to the completion of the Arrangement. Changes in the operations and prospects of the Corporation, general market and economic conditions and other factors that may be beyond the control of the Corporation, and on which the Valuation and the Fairness Opinion were based, may occur after the date of this Circular, which may significantly alter the value of the Corporation or the market price of the Common Shares by the time the Arrangement is completed. The Valuation and the Fairness Opinion do not speak as of the time the Arrangement will be completed or as of any date other than the date of preparation of such Valuation and the Fairness Opinion. Since the Valuation and the Fairness Opinion are not expected to be updated, they are not expected to address the valuation of the Common Shares or the fairness of the Consideration, from a financial point of view, at the time the Arrangement is completed. The Board Recommendation, however, is made as of December 10, 2023. See "*The Arrangement – Engagement of Cormark Securities – Valuation Conclusion*" and "*The Arrangement – Engagement of Cormark Securities – Fairness Opinion*".

Non-Resident Shareholders are Subject to Foreign Currency Exchange Risk

The Consideration being offered in connection with the Arrangement is denominated in Canadian dollars. Non-Resident Securityholders will be subject to foreign exchange risk in the event of relative fluctuations in the Canadian dollar, even if paid a converted amount in United States dollars as the conversion of the Consideration into U.S. dollars will be based on the prevailing market rate on the date of the currency conversion. See "*The Arrangement – Description of the Arrangement – Arrangement Mechanics – Certificates and Payment*" and the Letter of Transmittal.

Fees, Costs and Expenses of the Arrangement not Recoverable

If the Arrangement is not completed, the Corporation will not receive any reimbursement for the fees, costs and expenses incurred in connection with the Arrangement. Such fees, costs and expenses include, without limitation, legal fees, transfer agent fees, printing and mailing costs, and fees in respect of the Valuation and the Fairness Opinion, which will be payable whether or not the Arrangement is completed and may cause harm to the financial condition of the Corporation.

Market Price of the Common Shares

If, for any reason, the Arrangement is not completed or its completion is materially delayed and/or the Arrangement Agreement is terminated, the market price of the Common Shares may be materially adversely affected. See "*Information Regarding the Corporation – Trading in Shares*".

No Continued Benefit of Share Ownership

The Arrangement will result in the Corporation no longer existing as a publicly-traded Canadian company and as such, Shareholders whose Common Shares are acquired in the Plan of Arrangement will be unable to participate in the longer term potential benefits of the business of the Corporation, including any benefits that may result from any improvement in the Corporation's financial results. Accordingly, such former Shareholders

will not benefit from any appreciation in the value of, or dividends on, Common Shares after the completion of the Arrangement.

Directors and senior officers of the Corporation may have interests in the Arrangement that are different from those of Shareholders

In considering the recommendation of the Unconflicted Board to vote **FOR** the Arrangement Resolution, Shareholders should be aware that directors and senior officers of Forza Petroleum may have interests in connection with the Arrangement as described herein that may be in addition to, or separate from, those of Shareholders generally in connection with the Arrangement. See "*Interest of Certain Persons in Matters to be Acted Upon*".

Income Tax Consequences

The Arrangement will result in certain income tax consequences to the Shareholders. There can be no assurance that CRA or other applicable taxing authorities will agree with the Canadian federal income tax consequences of the Arrangement, as applicable, as set forth in this Circular. Furthermore, there can be no assurance that applicable Canadian income tax Laws, regulations or tax treaties will not change (legislatively, judicially or otherwise) or be interpreted in a manner, or that applicable taxing authorities will not take an administrative position, that is adverse to the Corporation, prior to completion of the Arrangement. See "*Certain Canadian Federal Income Tax Considerations*".

Risks Relating to the Corporation

If the Arrangement is not completed, the Corporation will continue to face the risks that it currently faces with respect to its affairs, business and operations and future prospects. Certain of such risk factors are set forth and described in the "Risk Factors" section of the Corporation's Annual Information Form dated March 23, 2023 and in the "Business Environment" and "Risks and uncertainties" sections of the Corporation's Management's Discussion and Analysis for the year ended December 31, 2022 and for the interim period ended September 30, 2023, each of which is available on the Corporation's SEDAR+ profile at www.sedarplus.com and which sections are incorporated by reference herein. A copy of such documents will be sent to any Securityholder without charge upon written request (a) to the Corporation's service office at c/o Forza Petroleum Services SA, Route de Pré-Bois 14, 1216 Cointrin, Switzerland, Attention: Kevin McPhee, General Counsel and Corporate Secretary; or (b) by email to info@forzapetroleum.com.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following summary describes the principal Canadian federal income tax considerations in respect of the Arrangement generally applicable to a Beneficial Shareholder who, for purposes of the Tax Act, and at all relevant times, deals at arm's length with each of Forza Petroleum and the Purchaser and is not affiliated with Forza Petroleum or the Purchaser, holds its Common Shares as capital property, and disposes of such Common Shares under the Arrangement (a "**Holder**"). Common Shares will generally be considered to be capital property to a Holder unless the Holder holds such Common Shares in the course of carrying on a business or the Holder acquired such Common Shares in a transaction or transactions considered to be an adventure or concern in the nature of trade. Certain Canadian Holders whose Common Shares might not otherwise be considered capital property may, in certain circumstances, make an irrevocable election in accordance with subsection 39(4) of the Tax Act to have the Common Shares (and all other "Canadian securities" as defined in the Tax Act) owned by such Holder in the taxation year in which the election is made, and in all subsequent taxation years, deemed to be capital property. Holders should consult with their own tax advisors if they contemplate making such an election.

This summary is based on the current provisions of the Tax Act and the administrative policies and assessing practices of the CRA made publicly available in writing prior to the date hereof. This summary also takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**") and assumes that all Tax Proposals will be enacted in the form proposed. However, there can be no assurance that the Tax Proposals will be enacted in their current form, or at all. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Tax Proposals, does not take into account or anticipate any changes in Law or administrative practice or assessing policies, whether by legislative, regulatory, administrative or judicial decision or action, nor does it take into account or consider other federal or any provincial, territorial or foreign

tax considerations, which may differ significantly from the Canadian federal income tax considerations described herein.

This summary is not applicable to: (a) a Holder that is a "financial institution" (for the purposes of the "mark-to-market" rules) or a "specified financial institution", each as defined in the Tax Act; (b) a Holder an interest in which would be a "tax shelter investment" within the meaning of the Tax Act; (c) a Holder whose "functional currency" for the purposes of the Tax Act is the currency of a country other than Canada; (d) a Holder that is exempt from Tax under Part I of the Tax Act; (e) a Holder that has entered or will enter into a "derivative forward agreement" or "dividend rental arrangement", as defined in the Tax Act, with respect to the Common Shares; or (f) a Holder that acquired Common Shares pursuant to the LTIP. Such Holders should consult their own tax advisors.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any Holder. This summary is not exhaustive of all Canadian federal income tax considerations. Consequently, **Shareholders are urged to consult their own tax advisors for advice regarding the income tax consequences to them of disposing of their Common Shares under the Arrangement, having regard to their own circumstances, and any other consequences to them of such transactions under Canadian federal, provincial, local and foreign tax Laws.** No advance income tax ruling has been obtained from the CRA to confirm the tax consequences of the Arrangement to Shareholders.

Holders Resident in Canada

The following section of this summary is generally applicable to a Holder who, for purposes of the Tax Act and any applicable income tax treaty or convention, is or is deemed to be a resident of Canada at all relevant times (a "**Resident Holder**").

Disposition of Shares under the Arrangement

Generally, a Resident Holder who disposes of Common Shares under the Arrangement will realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition to the Resident Holder exceed (or are less than) the aggregate of the adjusted cost base to the Resident Holder of such Common Shares and any reasonable costs of disposition. The taxation of capital gains and capital losses is discussed below under the heading "*Capital Gains and Capital Losses*".

Dissenting Resident Shareholders

A Resident Holder who dissents from the Arrangement (a "**Dissenting Resident Shareholder**"), will be deemed to have transferred such Dissenting Resident Shareholder's Common Shares to the Purchaser, and will be entitled to receive a payment from the Purchaser of an amount equal to the fair value of the Dissenting Resident Shareholder's Common Shares.

A Dissenting Resident Shareholder who exercises the right of dissent in respect of the Arrangement and is entitled to be paid the fair value of their Common Shares by the Purchaser will realize a capital gain (or capital loss) to the extent that such payment (other than any portion thereof that is interest awarded by a court) exceeds (or is less than) the aggregate of the adjusted cost base of the Common Shares to the Dissenting Resident Shareholder and reasonable costs of the disposition. See "*Capital Gains and Capital Losses*". A Dissenting Resident Shareholder will be required to include in computing its income any interest awarded by a court in connection with the Arrangement.

Additional income tax considerations may be relevant to Resident Holders who fail to perfect or withdraw their claims pursuant to their Dissent Rights. Resident Holders who intend to dissent from the Arrangement are urged to consult their own tax advisors.

Capital Gains and Capital Losses

Generally, a Resident Holder is required to include in computing its income for a taxation year one-half of the amount of any capital gain (a "**taxable capital gain**") realized in such taxation year. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder is required to deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized in a taxation year from taxable capital gains realized by the Resident Holder in the year. Allowable capital losses in excess of taxable capital gains may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent

taxation year against net taxable capital gains realized in such years to the extent and in the circumstances described in the Tax Act.

In the case of a Resident Holder that is a corporation, trust or partnership, the amount of any capital loss otherwise resulting from the disposition of Common Shares may be reduced by the amount of dividends previously received or deemed to be received to the extent and under the circumstances prescribed in the Tax Act. Similar rules apply where the Common Shares are owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. Such Resident Holders should consult their own tax advisors in this regard.

Alternative Minimum Tax

Capital gains realized by individuals and certain trusts may give rise to a liability for alternative minimum tax under the Tax Act. Resident Holders are urged to consult their own tax advisor with respect to the potential application of alternative minimum tax.

Additional Refundable Tax

A Resident Holder, including a Dissenting Resident Shareholder, that is throughout the year a "Canadian-controlled private corporation", as defined in the Tax Act, or a "substantive Canadian-controlled private corporation", as defined in the Tax Proposals, at any time in a taxation year may be liable to pay an additional refundable tax on its "aggregate investment income", as defined in the Tax Act, including amounts in respect of taxable capital gains and interest.

Holders Not Resident in Canada

The following section of this summary is generally applicable to a Holder who, (a) for the purposes of the Tax Act and any applicable income tax treaty or convention at all relevant times, is not, and is not deemed to be, a resident of Canada, and (b) does not, and is not deemed to, use or hold its Common Shares in a business in Canada (a "**Non-Resident Holder**"). Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer who carries on an insurance business or is deemed to carry on an insurance business in Canada and elsewhere or that is an "authorized foreign bank", as defined in the Tax Act. Such Non-Resident Holders should consult their own tax advisors.

For purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of securities (including dividends, adjusted cost base, and proceeds of disposition) must be expressed in Canadian dollars using the relevant rate of exchange required by the Tax Act.

Disposition of Shares under the Arrangement

A Non-Resident Holder (other than a Dissenting Non-Resident Shareholder, as defined below) who transfers, or is deemed to transfer, its Common Shares to the Purchaser under the Arrangement will be considered to have disposed of each Common Share for proceeds of disposition equal to the Consideration for each such Common Share. Such a Non-Resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realized on the disposition of its Common Shares under the Arrangement unless: (a) the Common Shares constitute "taxable Canadian property" (as defined in the Tax Act, as discussed below) of the Non-Resident Holder at the time of the disposition, and (b) the Common Shares are not "treaty-protected property" (as defined in the Tax Act) of the Non-Resident Holder at the time of the disposition.

Generally, a Common Share will not constitute "taxable Canadian property" of a Non-Resident Holder at the time of disposition provided that such a share is listed on a designated stock exchange (which currently includes the TSX) at that time, unless at any particular time during the sixty-month period immediately preceding the disposition the following two conditions have been met concurrently: (a) one or any combination of: (i) the Non-Resident Holder; (ii) persons with whom the Non-Resident Holder does not deal with at arm's length for purposes of the Tax Act; (iii) partnerships in which the Non-Resident Holder or a person referred to in (ii) holds a membership interest directly or indirectly through one or more partnerships, own 25% or more of the issued shares of any class or series of shares in the capital stock of the Corporation; and (b) more than 50% of the fair market value of the Common Share at such time was derived, directly or indirectly, from one or any combination of real or immovable property situated in Canada, Canadian resource properties (as defined in the Tax Act), timber resource properties (as defined in the Tax Act), and options in respect of, or interests in, or for civil law rights in, any of the foregoing properties (whether or not such property exists). While not binding on either

Holders or the CRA, the Corporation is of the view that the condition in (b) above has not been satisfied at any time in the preceding sixty months. Notwithstanding the foregoing, a Common Share may be deemed to be "taxable Canadian property" in certain circumstances set out in the Tax Act. Non-Resident Holders whose Common Shares may constitute taxable Canadian property should consult their own tax advisors in this regard.

Even if the Common Shares are considered to be taxable Canadian property of a Non-Resident Holder, any taxable capital gain or an allowable capital loss resulting from the disposition of such Non-Resident Holder's Common Shares will not be included in computing the Non-Resident Holder's taxable income earned in Canada for purposes of the Tax Act, and will therefore not be subject to tax in Canada, if, at the time of the disposition, the Common Shares constitute "treaty-protected property" (as defined in the Tax Act) of the Non-Resident Holder. Common Shares owned by a Non-Resident Holder will generally be treaty-protected property if the gain from the disposition of such shares would, because of an applicable income tax treaty or convention the benefits of which such Non-Resident Holder is fully entitled to, be exempt from tax under Part I of the Tax Act. Non-Resident Holders whose Common Shares may constitute treaty-protected property should consult their own tax advisors in this regard.

If a Common Share constitutes taxable Canadian property of a Non-Resident Holder and is not treaty-protected property of the Non-Resident Holder at the time of disposition, the Canadian federal income tax consequences to the Non-Resident Holder as a result of the disposition of such Common Share under the Arrangement generally will be the same as those discussed above for a Resident Holder under the headings "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Disposition of Shares under the Arrangement*" and "*Capital Gains and Capital Losses*".

A Non-Resident Holder that disposes of taxable Canadian property that is not treaty-protected property may have to file a Canadian income tax return for the taxation year in which the disposition occurs, regardless of whether or not the Non-Resident Holder realizes any gain or is liable to Canadian tax as a result of the disposition.

Dissenting Non-Resident Shareholders

Under the Arrangement, a Non-Resident Holder that is a Dissenting Shareholder (a "**Dissenting Non-Resident Shareholder**") will be deemed to have transferred its Common Shares to the Purchaser, and will be entitled to receive a cash payment from the Purchaser equal to the fair value of the Dissenting Non-Resident Shareholder's Common Shares. Such a Dissenting Non-Resident Shareholder will be considered to have disposed of such Common Shares for proceeds of disposition equal to the amount received by the Dissenting Non-Resident Shareholder (less any interest awarded by a court) and will be treated in the same manner as described above under "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Disposition of Shares under the Arrangement*". A Dissenting Non-Resident Shareholder generally will not be subject to Canadian tax on any amount received on account of interest or deemed to be received on account of interest, provided that such interest does not constitute "participating debt interest", as defined in the Tax Act. Non-Resident Holders who intend to dissent from the Arrangement are urged to consult their own tax advisors.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

See "*The Arrangement – Certain Legal and Regulatory Matters – Securities Law Matters*" and "*Information Regarding the Corporation – Ownership of Securities*" for information concerning benefits to be received by the senior officers of the Corporation upon completion of the Arrangement.

INTERESTS OF EXPERTS

Certain legal matters in connection with the Arrangement will be passed upon by Fasken Martineau DuMoulin LLP, on behalf of the Corporation, and by Stewart McKelvey, on behalf of the Special Committee. As at the date of this Circular, (a) partners and associates of Fasken Martineau DuMoulin LLP, as a group, beneficially owned, directly or indirectly, less than 1% of the outstanding Common Shares, and no interests in any securities of the Corporation's associates or its affiliates or in property of any of the Corporation, its associates or its affiliates; and (b) partners and associates of Stewart McKelvey, as a group, beneficially owned, directly or indirectly, less than 1% of the outstanding Common Shares, and no interests in any securities of the Corporation's associates or its affiliates or in property of any of the Corporation, its associates or its affiliates.

Cormark Securities Inc. was engaged by the Special Committee to provide the Valuation and the Fairness Opinion. As at the date of this Circular, the designated professionals of the Valuator beneficially own, directly or indirectly, less than 1% of the outstanding Common Shares, and no interests in any securities of the Corporation's associates or its affiliates or in property of any of the Corporation, its associates or its affiliates.

OTHER BUSINESS

As of the date of this Circular, the directors of the Corporation know of no other matters to come before the Meeting. If any other matters properly come before the Meeting, it is the intention of the persons named as proxyholders in the form of proxy or voting instruction form sent to Securityholders to vote the same in accordance with their best judgment of such matters.

ADDITIONAL INFORMATION

If you have any questions that are not answered by this Circular, or would like additional information, you should contact your professional advisors. If you require assistance in completing your form of proxy, you can contact Computershare Trust Company of Canada, by telephone at +1 514-982-7555 or at +1 800-564-6253 (toll free in North America).

Additional information relating to the Corporation is available on SEDAR+ at www.sedarplus.com and on the Corporation's website at www.forzapetroleum.com. Securityholders may request copies of the Corporation's financial statements and management's discussion and analysis without charge by emailing info@forzapetroleum.com.

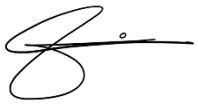
Financial information is provided in the Corporation's consolidated financial statements and management's discussion and analysis for the financial year ended December 31, 2022 and for the interim period ended September 30, 2023.

APPROVAL BY DIRECTORS

The content and the sending of the Notice of Special Meeting of Securityholders and this Circular to each director, to each Securityholder entitled to notice of the Meeting and to the auditors of the Corporation, have been approved by the Board of Directors of the Corporation.

Dated at Geneva, Switzerland this 5th day of January, 2024.

By order of the Board of Directors,



Vance Querio
Chair of the Board of Directors

CONSENT OF CORMARK SECURITIES

We refer to the report of our firm dated December 6, 2023 (the "**Cormark Report**"), consisting of a formal valuation and fairness opinion of our firm (the "**Valuation**" and the "**Fairness Opinion**", respectively), forming part of the management proxy circular dated January 5, 2024 (the "**Circular**") of Forza Petroleum Limited ("**Forza Petroleum**"), which we prepared for the Special Committee of Forza Petroleum in connection with its consideration of the Arrangement (as defined in the Circular).

We consent to the inclusion of the Cormark Report in its entirety, together with a summary of the Valuation and the Fairness Opinion, in the Circular, and all references thereto, and to the filing thereof with the securities regulatory authorities in the provinces of Canada under which Forza Petroleum is currently a reporting issuer and the Court.

Cormark Securities Inc.

Cormark Securities Inc.

APPENDIX A – ARRANGEMENT RESOLUTION

BE IT RESOLVED THAT:

1. The arrangement (the "**Arrangement**") under Section 192 of the *Canada Business Corporations Act* involving Forza Petroleum Limited (the "**Company**"), pursuant to the arrangement agreement among the Company, Zeg Oil and Gas Ltd. and 1453709 B.C. Ltd. (the "**Purchaser**") dated December 10, 2023, as it may be modified, supplemented or amended from time to time in accordance with its terms (the "**Arrangement Agreement**"), as more particularly described and set forth in the management proxy circular of the Company dated January 5, 2024 (the "**Circular**"), and all transactions contemplated thereby, are hereby authorized, approved and adopted.

2. The plan of arrangement of the Company, the full text of which is set out as Appendix B to the Circular, as it has been or may be modified, supplemented or amended in accordance with the Arrangement Agreement and its terms (the "**Plan of Arrangement**"), is hereby authorized, approved and adopted.

3. The: (i) Arrangement Agreement and all the transactions contemplated therein; (ii) actions of the directors of the Company in approving the Arrangement and the Arrangement Agreement; and (iii) actions of the directors and officers of the Company in executing and delivering the Arrangement Agreement and any modifications, supplements or amendments thereto, and causing the performance by the Company of its obligations thereunder, are hereby ratified and approved.

4. The Company is hereby authorized to apply for a final order from the Ontario Superior Court of Justice (Commercial List) (the "**Court**") to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement (as they may be, or may have been, modified, supplemented or amended).

5. Notwithstanding that this resolution has been passed (and the Arrangement adopted) by the holders of common shares of the Company and holders of awards issued pursuant to the Company's long-term incentive plan (together, the "**Company Securityholders**") entitled to vote thereon or that the Arrangement has been approved by the Court, the directors of the Company (other than interested directors required to abstain from voting) are hereby authorized and empowered, without further notice to or approval of the Company Securityholders: (i) to amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement to the extent permitted by their terms; and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and any related transactions.

6. Any officer or director of the Company is hereby authorized and directed, for and on behalf of the Company, to execute and deliver for filing with the Director under the *Canada Business Corporations Act* articles of arrangement and such other documents as may be necessary or desirable to give effect to the Arrangement in accordance with the Arrangement Agreement, such determination to be conclusively evidenced by the execution and delivery of such articles of arrangement and any such other documents.

7. Any officer or director of the Company is hereby authorized and directed, for and on behalf of the Company, to execute or cause to be executed and to deliver or cause to be delivered, whether under the corporate seal of the Company or otherwise, all such other documents and instruments and to perform or cause to be performed all such other acts and things as, in such person's opinion, may be necessary or desirable to give full force and effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of any such other document or instrument or the doing of any such other act or thing.

APPENDIX B – PLAN OF ARRANGEMENT
UNDER SECTION 192
OF THE *CANADA BUSINESS CORPORATIONS ACT*

ARTICLE 1
INTERPRETATION

1.1 Definitions

Unless indicated otherwise, where used in this Plan of Arrangement, capitalized terms used but not defined shall have the meanings specified in the Arrangement Agreement and the following terms shall have the following meanings:

"**affiliate**" has the meaning ascribed thereto in NI 45-106, provided that, for purposes of this Plan of Arrangement, a reference to an affiliate of the Parent or the Purchaser does not include the Company and its Subsidiaries and a reference to an affiliate of the Company does not include the Parent, the Purchaser or their respective Subsidiaries which are not also Subsidiaries of the Company;

"**Arrangement**" means the arrangement of the Company under Section 192 of the CBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations thereto made in accordance with the terms of the Arrangement Agreement and Section 6.1 of this Plan of Arrangement or made at the direction of the Court in the Final Order (with the prior written consent of both the Company and the Purchaser, each acting reasonably);

"**Arrangement Agreement**" means the arrangement agreement made as of December 10, 2023 among the Purchaser, the Parent and the Company, including all schedules annexed thereto, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof;

"**Arrangement Resolution**" means the special resolution of the Company Securityholders approving the Plan of Arrangement considered at the Company Meeting substantially in the form of Schedule B to the Arrangement Agreement;

"**Articles of Arrangement**" means the articles of arrangement of the Company in respect of the Arrangement, required by subsection 192(6) of the CBCA to be sent to the Director after the Final Order is made, which shall include the Plan of Arrangement and otherwise be in a form and content satisfactory to the Company and the Purchaser, each acting reasonably;

"**Authorization**" means, with respect to any Person, any authorization, Order, permit, approval, grant, licence, concession, registration, consent, right, notification, condition, franchise, privilege, certificate, judgement, writ, injunction, award, determination, direction, decision, decree, by-law, rule or regulation, of, from or required by any Governmental Entity having jurisdiction over the Person;

"**Award**" means a conditional grant of a Company Share from treasury by the Company pursuant to the LTIP;

"**Award Consideration**" means $0.15 in cash per Award;

"**Business Day**" means any day, other than a Saturday, a Sunday or any day on which banks are closed or authorized to be closed for business in Toronto, Ontario or Calgary, Alberta, provided however that for the purposes of counting the number of Business Days elapsed, each Business Day will be deemed to commence at 9:00 a.m. (Toronto time) and end at 5:00 p.m. (Toronto time) on the applicable day;

"**Canadian Securities Laws**" means the *Securities Act* (Ontario), together with all other applicable securities Laws of Ontario or of any other province or territory of Canada;

"**CBCA**" means the *Canada Business Corporations Act*;

"**Certificate of Arrangement**" means the certificate to be issued by the Director pursuant to subsection 192(7) of the CBCA giving effect to the Arrangement;

"**Company**" means Forza Petroleum Limited, a corporation incorporated under the CBCA;

"**Company Meeting**" means the special meeting of the Company Securityholders, including any adjournment or postponement thereof, called and held in accordance with the Interim Order to consider the Arrangement Resolution;

"**Company Securityholders**" means, collectively, the Company Shareholders and holders of Awards;

"**Company Shareholders**" means the registered and/or beneficial holders of Company Shares;

"**Company Shares**" means the common shares in the authorized share capital of the Company;

"**Consideration**" means $0.15 in cash per Company Share;

"**Court**" means the Ontario Superior Court of Justice (Commercial List);

"**Depositary**" means Computershare Trust Company of Canada;

"**Director**" means the Director appointed pursuant to Section 260 of the CBCA;

"**Dissent Rights**" has the meaning specified in Section 4.1;

"**Dissent Shares**" means the Company Shares held by a Dissenting Shareholder and in respect of which the Dissenting Shareholder has validly exercised Dissent Rights in accordance with the CBCA and the terms of the Interim Order and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights;

"**Dissenting Shareholder**" means a registered Company Shareholder who has duly and validly exercised its Dissent Rights in accordance with the CBCA and the terms of the Interim Order and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of the Company Shares in respect of which Dissent Rights are validly exercised by such registered Company Shareholder in accordance with the CBCA and the terms of the Interim Order;

"**Effective Date**" means the date shown on the Certificate of Arrangement giving effect to the Arrangement;

"**Effective Time**" means 12:01 a.m. Toronto time on the Effective Date, or such other time as the Company and Purchaser agree to in writing before the Effective Date;

"**ETA**" means Part IX of the *Excise Tax Act* (Canada);

"**Final Order**" means the final order of the Court in a form acceptable to the Purchaser and the Company, each acting reasonably, pursuant to Section 192 of the CBCA approving the Arrangement, as such order may be amended, modified, supplemented or varied by the Court (with the consent of both the Purchaser and the Company, each acting reasonably) at any time prior to the Effective Date;

"**Governmental Entity**" means: (a) any international, multinational, national, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, commissioner, board, minister, ministry, bureau, agency or instrumentality, domestic or foreign; (b) any stock exchange, including the TSX; (c) any subdivision, agent, commission, board or authority of any of the foregoing; or (d) any quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, antitrust, foreign investment, expropriation or taxing authority under or for the account of any of the foregoing;

"**GST**" means all Taxes payable under the ETA (including, for greater certainty, harmonized sales tax) or under any provincial legislation similar to the ETA, and any reference to a specific provision of the ETA or any such provincial legislation shall refer to any analogous or successor provision thereto of like or similar effect;

"**Interim Order**" means the interim order of the Court contemplated by Section 2.2 of the Arrangement Agreement and made pursuant to the CBCA in a form acceptable to both the Company and the Purchaser, each acting reasonably, providing for, among other things, the calling and holding of the Company Meeting, as such order may be amended, modified, supplemented or varied by the Court (with the consent of both the Company and the Purchaser, each acting reasonably);

"**Law**" or "**Laws**" means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, by-laws, statutes, codes, rules, regulations, principles of law and equity, orders, rulings, ordinances, judgments, injunctions, determinations, awards, decrees, codes, constitutions or other similar requirements, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended, and, for greater certainty, includes the terms and conditions of any Authorization of or from any Governmental Entity, and Canadian Securities Laws;

"**Letter of Transmittal**" means the letter of transmittal sent to registered Company Shareholders for use in connection with the Arrangement;

"**Liens**" means any hypothecs, mortgages, pledges, assignments, liens, charges, security interests, encumbrances and adverse rights or claims, other third party interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing;

"**LTIP**" means the long-term equity incentive plan of the Company dated May 13, 2015 governing the outstanding Awards;

"**NI 45-106**" means National Instrument 45-106 – *Prospectus Exemptions*;

"**Order**" means all judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, injunctions, orders, decisions, rulings, determinations, awards, settlements, stipulations, or decrees of any Governmental Entity (in each case, whether temporary, preliminary or permanent);

"**Parent**" means Zeg Oil and Gas Ltd., a corporation incorporated under the laws of the British Virgin Islands;

"**Person**" includes any individual, corporation, limited liability company, unlimited liability company, partnership, limited partnership, limited liability partnership, firm, joint venture, syndicate, capital venture fund, trust, association, body corporate, trustee, executor, administrator, legal representative, estate, government (including any Governmental Entity) and any other form of entity or organization, whether or not having legal status;

"**Plan of Arrangement**" means this plan of arrangement and any amendments or variations hereto made in accordance with the Arrangement Agreement and this Plan of Arrangement or upon the direction of the Court (with the prior written consent of the Company and the Purchaser, each acting reasonably) in the Final Order;

"**Purchaser**" means 1453709 B.C. Ltd., a corporation incorporated under the laws of the Province of British Columbia;

"**Subsidiary**" has the meaning ascribed thereto in the NI 45-106;

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

"**Tax**" or "**Taxes**" means (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever however denominated, including any interest, penalties or other additions that may become payable in respect thereof, imposed by any Governmental Entity (whether foreign or domestic), whether computed on a separate, consolidated, unitary, combined or other basis, which taxes shall include, without limiting the generality of the foregoing, all income or profits taxes (including, but not limited to, federal income taxes and provincial income taxes), payroll and employee withholding taxes, employment insurance premiums, unemployment insurance, social insurance taxes, Canada Pension Plan contributions, sales, use and goods and services taxes, GST, value added taxes, ad valorem taxes, excise taxes, franchise taxes, gross receipts taxes, environmental taxes, capital taxes, production taxes, recapture,

withholding taxes, employee health taxes, surtaxes, customs, import and export taxes, business license taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, transfer taxes, workers' compensation and other governmental charges, and other obligations of the same or of a similar nature to any of the foregoing; (ii) any fine, penalty, interest or addition to amounts described in (i), (iii) or (iv); (iii) any tax imposed, assessed, or collected or payable pursuant to any tax-sharing agreement or any other contract relating to the sharing, an indemnity or payment of or for any such tax, levy, assessment, tariff, duty, deficiency, or fee; and (iv) any liability for any of the foregoing as a transferee, successor, guarantor, or by contract, by statute or by operation of Law; and

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

1.2 Interpretation Not Affected by Headings

The division of this Plan of Arrangement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect the construction or interpretation of this Plan of Arrangement. The terms "this Plan of Arrangement", "hereof", "herein", "hereunder" and similar expressions refer to this Plan of Arrangement and not to any particular Article, Section or other portion hereof.

1.3 Currency

Unless otherwise stated, all references in this Plan of Arrangement to sums of money are expressed in lawful money of Canada and "$" refers to Canadian dollars.

1.4 Gender and Number

In this Plan of Arrangement, unless the contrary intention appears, words importing the singular include the plural and *vice versa*, and words importing gender shall include all genders.

1.5 Certain Phrases, etc.

In this Plan of Arrangement, the words (i) "including", "includes" and "include" mean "including (or includes or include) without limiting the generality of the foregoing" (ii) "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of," and (iii) unless stated otherwise, "Article", "Section", and "Schedule" followed by a number or letter mean and refer to the specified Article or Section of or Schedule to this Plan of Arrangement.

1.6 Statutes

In this Plan of Arrangement, any reference to a statute refers to such statute and all rules, resolutions, policies, instruments and regulations made under it, as it or they may have been or may from time to time be amended, supplemented or re-enacted, unless stated otherwise.

ARTICLE 2
EFFECT OF ARRANGEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to and subject to the provisions of the Arrangement Agreement, except in respect of the sequence of the steps comprising the Arrangement, which shall occur in the order set forth herein.

2.2 Binding Effect

At the Effective Time, this Plan of Arrangement and the Arrangement shall without any further authorization, act or formality on the part of the Court become effective and be binding upon the Purchaser, the Parent, the Company, the Depositary, the registrar and transfer agent of the Company, all registered and beneficial Company Shareholders (including Dissenting Shareholders), all holders of Awards and all other Persons.

ARTICLE 3
ARRANGEMENT

3.1 Arrangement

Commencing at the Effective Time, each of the following events shall occur and shall be deemed to occur consecutively in the following order, five minutes apart, except where noted, without any further authorization, act or formality:

(a) each Award outstanding immediately prior to the Effective Time (whether vested or unvested) shall, notwithstanding the terms of the LTIP or any applicable grant agreement in relation thereto, be deemed to be assigned and transferred by such holder to the Company (free and clear of all Liens) in exchange for the Award Consideration and:

(i) each such Award shall immediately be cancelled;

(ii) each holder of an Award shall cease to be a holder of such Award;

(iii) each such holder's name shall be removed from the register of Awards maintained by or on behalf of Company;

(iv) the LTIP and all agreements, certificates and similar instruments relating to the LTIP shall be terminated or cancelled, as the case may be, and shall be of no further force and effect; and

(v) each holder of an Award shall thereafter have only the right to receive from the Company, as described in Section 5.1 below, the Award Consideration, at the time and in the manner specified herein;

(b) each of the Dissent Shares shall be deemed to have been transferred to the Purchaser (free and clear of all Liens) in consideration for a claim against the Purchaser under the CBCA, as modified by the Interim Order, for the amount determined under Section 4.1, and:

(i) such Dissenting Shareholders shall cease to be the holders of such Dissent Shares and to have any rights as holders of such Dissent Shares other than the right to be paid fair value for such Dissent Shares as set out in Section 4.1;

(ii) such Dissenting Shareholders' names shall be removed as the holders of such Dissent Shares from the registers of Company Shares maintained by or on behalf of Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Dissent Shares free and clear of all Liens, and the Purchaser shall be entered in the registers of Company Shares maintained by or on behalf of Company, as the holder of such Dissent Shares; and

(c) each Company Share outstanding (other than Company Shares then held by the Purchaser or the Parent, which includes the Dissent Shares transferred to the Purchaser pursuant to Section 3.1(b)) shall be deemed to be assigned and transferred by the holder thereof to the Purchaser (free and clear of all Liens) in exchange for the Consideration for each Company Share held, and:

(i) the holders of such Company Shares shall cease to be the holders thereof and to have any rights as holders of such Company Shares other than the right to be paid the Consideration by the Depositary in accordance with this Plan of Arrangement;

(ii) such holders' names shall be removed from the register of the Company Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Company Shares (free and clear of all Liens) and the Purchaser shall be entered in the register of the Company Shares maintained by or on behalf of the Company,

it being expressly provided that the events provided for in this Section 3.1will be deemed to occur on the Effective Date, notwithstanding that certain procedures related thereto may not be completed until after the Effective Date.

3.2 Adjustments to Consideration

If, between the date of the Arrangement Agreement and the Effective Time, the Company sets a record date, or otherwise declares, sets aside or pays any dividend or distribution, then: (a) to the extent that the amount of such dividends or distributions per Company Share does not exceed the Consideration, the Consideration shall be reduced by the per Company Share amount of such dividends or distributions; and (b) to the extent that the amount of such dividends or distributions per Company Share exceeds the Consideration, the Consideration shall be reduced to zero and such excess amount shall be placed in escrow for the account of the Purchaser or another Person designated by the Purchaser or the Parent. If, between the date of the Arrangement Agreement and the Effective Time, the Company effects a stock split or consolidation of the Company Shares, the Award Consideration and the Consideration will be adjusted to reflect the effect of such stock split or consolidation of the Company Shares.

ARTICLE 4
DISSENT RIGHTS

4.1 Dissent Rights

(a) In connection with the Arrangement, each registered Company Shareholder may exercise rights of dissent ("**Dissent Rights**") with respect to the Company Shares held by such Company Shareholder pursuant to and in the manner set forth in Section 190 of the CBCA, as modified by the Interim Order, the Final Order and this Section 4.1(a); provided that, notwithstanding Section 190(5) of the CBCA, the written objection to the Arrangement Resolution referred to in Section 190(5) of the CBCA must be received by Company not later than 4:00 p.m. (Toronto time) two Business Days immediately preceding the date of the Company Meeting (as it may be adjourned or postponed from time to time). Dissenting Shareholders who:

(i) are ultimately entitled to be paid by the Purchaser fair value for their Dissent Shares (1) shall be deemed not to have participated in the transactions in Article 3 (other than Section 3.1(b)); (2) shall be deemed to have transferred and assigned such Dissent Shares (free and clear of any Liens) to the Purchaser in accordance with Section 3.1(b); (3) will be entitled to be paid the fair value of such Dissent Shares by the Purchaser, which fair value, notwithstanding anything to the contrary contained in the CBCA, shall be determined as of the close of business on the day before the Arrangement Resolution was adopted at the Company Meeting; and (4) will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Company Shares; or

(ii) are ultimately not entitled, for any reason, to be paid by the Purchaser fair value for their Dissent Shares, shall be deemed to have participated in the Arrangement in respect of those Company Shares on the same basis as a non-dissenting Company Shareholder and shall be entitled to receive, and shall receive, only the consideration set forth in Section 3.1(c).

(b) In no event shall the Parent, the Purchaser, the Company or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is the registered holder of the Company Shares in respect of which Dissent Rights are purported to be exercised.

(c) In no event shall the Parent, the Purchaser, the Company or any other Person be required to recognize a Dissenting Shareholder as a registered or beneficial holder of Company Shares or

any interest therein (other than the rights set out in this Section 4.1) at or after the Effective Time, and at the Effective Time the names of such Dissenting Shareholders shall be deleted from the central securities register of the Company as at the Effective Time.

(d) For greater certainty, in addition to any other restrictions in the Interim Order, no Person shall be entitled to exercise Dissent Rights with respect to (i) Company Shares which such Person has voted or has instructed a proxyholder to vote in favour of the Arrangement Resolution, (ii) less than all of the Company Shares held by such Person, or (iii) Awards.

ARTICLE 5
CERTIFICATES AND PAYMENT

5.1 Certificates and Payments

(a) Following receipt of the Final Order and in any event prior to the filing of the Articles of Arrangement, the Purchaser shall deliver or cause to be delivered to the Depositary sufficient funds to satisfy the aggregate Consideration payable to the Company Shareholders in accordance with Section 3.1(c), which cash shall be held by the Depositary in escrow as agent and nominee for such former Company Shareholders for distribution thereto in accordance with the provisions of this Article 5.

(b) Upon surrender to the Depositary of a certificate or DRS statement which immediately prior to the Effective Time represented outstanding Company Shares that were transferred pursuant to Section 3.1(c), together with a duly completed and executed Letter of Transmittal and any such additional documents and instruments as the Depositary may reasonably require, the registered holder of the Company Shares represented by such surrendered certificate or DRS statement shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such Company Shareholder, as soon as practicable, the Consideration that such Company Shareholder has the right to receive under the Arrangement for such Company Shares, less any amounts withheld pursuant to Section 5.3, and any certificate or DRS statement so surrendered shall forthwith be cancelled.

(c) On or as soon as practicable after the Effective Date, the Company shall pay or cause to be paid the Award Consideration, net of applicable withholdings, to holders of Awards pursuant to Section 3.1(a), either (i) pursuant to the normal payroll practices and procedures of Company, or (ii) by cheque or similar means (delivered to such holder of Awards, as reflected on the register maintained by or on behalf of Company in respect of the Awards).

(d) After the Effective Time and until surrendered for cancellation as contemplated by Section 5.1(b), each certificate that immediately prior to the Effective Time represented one or more Company Shares (other than Company Shares held by the Purchaser, the Parent or any of their respective affiliates) shall be deemed at all times to represent only the right to receive from the Depositary in exchange therefor the Consideration that the holder of such certificate is entitled to receive in accordance with Section 3.1(c), less any amounts withheld pursuant to Section 5.3.

(e) No holder or former holder of Company Shares or Awards shall be entitled to receive any consideration with respect to such Company Shares or Awards other than any cash payment to which such holder is entitled to receive in accordance with Section 3.1 and this Section 5.1 and, for greater certainty, no such holder will be entitled to receive any interest, dividends, premium or other payment in connection therewith.

5.2 Lost Certificates

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Company Shares that were transferred pursuant to Section 3.1(c) shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate the Consideration deliverable in accordance with such holder's duly completed and executed Letter of Transmittal. When authorizing such

payment in exchange for any lost, stolen or destroyed certificate, the Person to whom such cash is to be delivered shall as a condition precedent to the delivery of such Consideration, give a bond satisfactory to the Purchaser and the Depositary (acting reasonably) in such sum as the Purchaser may direct, or otherwise indemnify the Purchaser, Parent and the Company in a manner satisfactory to the Purchaser, Parent and the Company, each acting reasonably, against any claim that may be made against the Purchaser, Parent and the Company with respect to the certificate alleged to have been lost, stolen or destroyed.

5.3 Withholding Rights

The Purchaser, the Company, the Parent and the Depositary, as applicable, shall be entitled to deduct or withhold, or to direct any Person to deduct or withhold on their behalf, from any consideration or other amounts otherwise payable or otherwise deliverable to any of the Company Shareholders (including Dissenting Shareholders), the holders of Awards or any other Person under this Plan of Arrangement or the Arrangement Agreement such amounts as the Purchaser, the Company, the Parent or the Depositary, as applicable, reasonably determines are required to be deducted or withheld from such consideration or other amount payable under any provision of any Law in respect of Taxes. To the extent that amounts are so deducted or withheld, such amounts will be treated for all purposes under this Plan of Arrangement as having been paid to the applicable recipient in respect of which such deduction or withholding was made, provided that such deducted or withheld amounts are actually remitted to the appropriate taxing authority.

5.4 Limitation and Proscription

To the extent that a former Company Shareholder shall not have complied with the provisions of Section 5.1 or Section 5.2 on or before the date that is six (6) years after the Effective Date (the "**final proscription date**"), then:

(a) the Consideration that such former Company Shareholder was entitled to receive shall cease to represent a right or claim of any kind or nature and the right of the holder to receive the applicable consideration for the Company Shares pursuant to this Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Purchaser for no consideration,

(b) the Consideration that such former Company Shareholder was entitled to receive shall be delivered to the Purchaser by the Depositary,

(c) the certificates formerly representing Company Shares shall cease to represent a right or claim of any kind or nature as of such final proscription date, and

(d) any payment made by way of cheque by the Depositary pursuant to this Plan of Arrangement that has not been deposited or has been returned to the Depositary or that otherwise remains unclaimed, in each case, on or before the final proscription date shall cease to represent a right or claim of any kind or nature.

5.5 No Liens

Any exchange or transfer of Company Shares pursuant to this Plan of Arrangement shall be free and clear of any Liens or other claims of third parties of any kind.

5.6 Paramountcy

From and after the Effective Time: (i) this Plan of Arrangement shall take precedence and priority over any and all Company Shares and Awards issued prior to the Effective Time; (ii) the rights and obligations of the holders of Company Shares (other than the Purchaser, Parent or any of their respective affiliates), Awards, and of the Company, the Purchaser, Parent, the Depositary and any transfer agent or other depositary in relation thereto, shall be solely as provided for in this Plan of Arrangement and the Arrangement Agreement; and (iii) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Company Shares and/or Awards shall be deemed to have been settled, compromised, released and determined without liability except as set forth herein.

ARTICLE 6
AMENDMENTS

6.1 Amendments

(a) The Purchaser and the Company reserve the right to amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that any such amendment, modification or supplement must be agreed to in writing by each of the Company and the Purchaser and filed with the Court, and, if made following the Company Meeting, then: (i) approved by the Court, and (ii) if the Court directs, approved by the Company Securityholders and communicated to the Company Securityholders if and as required by the Court, and in either case in the manner required by the Court. The Parent shall be deemed to have agreed and consented to any amendment, modification and/or supplement to this Plan of Arrangement if agreed and consented to by the Purchaser.

(b) Subject to the provisions of the Interim Order, any amendment, modification or supplement to this Plan of Arrangement, if agreed to by the Company and the Purchaser, may be proposed by the Company and the Purchaser at any time prior to or at the Company Meeting, with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the Company Meeting shall become part of this Plan of Arrangement for all purposes.

(c) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Company Meeting will be effective only if it is agreed to in writing by each of the Company and the Purchaser and, if required by the Court, by some or all of the Company Securityholders voting in the manner directed by the Court.

(d) Any amendment, modification or supplement to this Plan of Arrangement may be made by the Company and the Purchaser without the approval of or communication to the Court or the Company Securityholders, provided that it concerns a matter which, in the reasonable opinion of the Company and the Purchaser is of an administrative or ministerial nature required to better give effect to the implementation of this Plan of Arrangement and is not materially adverse to the economic interests of any of the Company Securityholders.

(e) This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the Arrangement Agreement.

ARTICLE 7
FURTHER ASSURANCES

7.1 Further Assurances

Notwithstanding that the transactions and events set out in this Plan of Arrangement shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Arrangement Agreement shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order to further document or evidence any of the transactions or events set out in this Plan of Arrangement.

December 6, 2023

The Special Committee of the Board of Directors
Forza Petroleum Limited
3400 First Canadian Centre
350-7th Avenue SW
Calgary, AB T2P 3N9

To the Special Committee of the Board of Directors:

Cormark Securities Inc. ("**Cormark**" or "**we**") understands that Forza Petroleum Limited (including its affiliates, "**Forza**" or the "**Company**") received a proposal made by Zeg Oil and Gas Ltd. (including its affiliates, "**Zeg**") to acquire all of the issued and outstanding common shares of Forza (the "**Forza Shares**") that Zeg does not currently own, from holders of Forza Shares other than Zeg (the "**Minority Shareholders**"), for cash consideration of C$0.15 per Forza Share (the "**Consideration**") by way of a plan of arrangement (the "**Arrangement**") under the *Canada Business Corporations Act* to be set forth and contained in an arrangement agreement (the "**Arrangement Agreement**").

Pursuant to the Arrangement, Zeg has proposed to acquire the Forza Shares and conditional grants of Forza Shares pursuant to Forza's long term equity incentive plan ("**Awards**"), whether vested or unvested. The Forza Shares to be acquired pursuant to the Arrangement represent 17.5% of the Forza Shares on an undiluted basis and 19.7% of the Forza Shares on a fully diluted basis based on the 106,086,174 Forza Shares and 16,938,225 Awards issued and outstanding on the date hereof. Cormark understands that the terms and conditions of the Arrangement will be more fully described in a notice of meeting and accompanying management proxy circular (the "**Circular**"), which will be mailed to the holders of Forza Shares and holders of Awards in connection with the special meeting (the "**Meeting**") of Forza securityholders to be held for the purpose of considering the Arrangement. Completion of the Arrangement is subject to a number of terms and conditions which must be either satisfied or waived including, among other things, the approval of the Arrangement by: (i) at least 66 2/3% of the votes cast by the Forza shareholders present in person or represented by proxy at the Meeting; (ii) at least 66 2/3% of the votes cast by the Forza shareholders and holders of Awards present in person or represented by proxy at the Meeting, voting together as a single class, with each Forza shareholder and each holder of Awards being entitled to one vote per Forza Share and per Award held, respectively; and (iii) a majority of the votes cast by the Forza shareholders present in person or represented by proxy at the Meeting, excluding those votes in respect of Forza Shares that are required to be excluded pursuant to Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions and Companion Policy 61-101 to Multilateral Instrument 61-101 (collectively, "**MI 61-101**"). In addition, the Arrangement is subject to the receipt of approval of the Ontario Superior Court of Justice (Commercial List) and other regulatory, stock exchange and other approvals.

Cormark further understands that the board of directors (the "**Board**") of the Company has constituted a committee of independent directors (the "**Special Committee**") to consider and evaluate the terms of the Arrangement and to report to the Board thereon. The Special Committee on behalf and for the benefit of the Company, has retained Cormark to prepare and deliver to the Special Committee: (i) a formal valuation

of the Forza Shares (the "**Valuation**") in accordance with the requirements of MI 61-101, and (ii) an opinion (the "**Fairness Opinion**") as to the fairness, from a financial point of view, of the Consideration to be received by the Minority Shareholders.

The Valuation and Fairness Opinion provided to the Special Committee were prepared as of November 30, 2023 (the "**Analysis Date**").

ENGAGEMENT OF CORMARK

Cormark was first contacted by the Special Committee on November 10, 2023 and engaged by the Special Committee pursuant to an engagement agreement dated November 24, 2023 (the "**Engagement Letter**") to prepare and deliver the Valuation and Fairness Opinion to the Special Committee in connection with the Arrangement. The terms of the Engagement Letter provide that Cormark is to be paid a fixed fee of US$300,000 by the Company for the delivery of the Valuation and the Fairness Opinion and is to be reimbursed for its reasonable out-of-pocket expenses, including the reasonable fees and disbursements of its legal counsel. The fees payable to Cormark under the Engagement Letter are not contingent in whole or in part on the success of the Arrangement or on the conclusion reached in the Valuation or the Fairness Opinion. Furthermore, Forza has agreed to indemnify Cormark in certain circumstances, against certain expenses, losses, claims, actions, suits, proceedings, damages and liabilities, which may arise directly or indirectly from services performed by Cormark in connection with the Engagement Letter.

Subject to the terms of the Engagement Letter, Cormark consents to the inclusion of the Valuation and the Fairness Opinion via this letter in the Circular, with a summary thereof, in a form acceptable to Cormark, and to the filing thereof by the Company with the securities commissions or similar regulatory authorities in Canada.

CREDENTIALS OF CORMARK

Cormark is a Canadian registered investment dealer providing investment research, equity sales and trading and investment banking services to a broad range of institutions and corporations. Cormark has participated in a significant number of transactions involving public and private companies, maintains a particular expertise advising companies across multiple sectors, including energy and energy services, and has extensive experience in providing valuations and fairness opinions to special committees and boards.

The Valuation and the Fairness Opinion represent the opinion of Cormark and their form and content have been approved for release by a committee of senior investment banking professionals of Cormark, each of whom is experienced in merger, acquisition, divestiture, valuation, fairness opinion and other capital markets matters.

INDEPENDENCE OF CORMARK

Neither Cormark nor any of its affiliated entities (as such term is defined in MI 61-101) (i) is an associated or affiliated entity or issuer insider (as such terms are defined for the purposes of MI 61-101) of the Company, Zeg, or any of their respective associated or affiliated entities (the "**Interested Parties**"), (ii) is an advisor to any of the Interested Parties in connection with the Arrangement other than to the Special Committee pursuant to the Engagement Agreement, or (iii) has a material financial interest in the completion of the Arrangement.

Cormark has not been engaged to provide any financial advisory services nor has it participated in any underwriting involving the Interested Parties during the 24-month period preceding the date Cormark was first contacted in respect of the Arrangement.

Cormark acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have had, may have, and may in the future have, positions in the securities of the Interested Parties and, from time-to-time, may have executed or may execute transactions on behalf of such entities or other clients for which it may have received or may receive compensation. As an investment dealer, Cormark conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters with respect to the Arrangement or the Interested Parties. Cormark may in the future, in the ordinary course of business, seek to perform financial advisory or investment banking services from time-to-time with the Interested Parties.

There are no understandings or commitments involving Cormark and the Interested Parties with respect to any future financial advisory or investment banking business. Cormark may in the future, in the ordinary course of its business, perform financial advisory or investment banking services for the Company, Zeg, or any other Interested Party.

SCOPE OF REVIEW

In connection with the Valuation and the Fairness Opinion, Cormark has reviewed and relied upon or carried out, among other things, the following:

1. a copy of the non-binding proposal dated November 3, 2023;

2. a draft of the Arrangement Agreement provided to Cormark on November 28, 2023;

3. the voting agreements in respect of the Arrangement between Zeg and each of the directors and senior officers of the Company and certain other shareholders of the Company;

4. public filings submitted by the Company to securities commissions or similar regulatory authorities in Canada which are available on the System for Electronic Data Analysis and Retrieval+ ("**SEDAR+**") including audited annual financial statements of the Company as at and for the years ended December 31, 2022, 2021 and 2020, the annual information form dated March 23, 2023 for the year ended December 31, 2022, management's discussion and analysis of the financial condition and results of operations of the Company for the years ended December 31, 2022, 2021 and 2020, for the nine month period ended September 30, 2023 and 2022, six month period ended June 30, 2023 and three month period ended March 31, 2023, the interim financial statements as at and for the nine month period ended September 30, 2023 and 2022, six month period ended June 30, 2023 and three month period ended March 31, 2023, management information circulars, prospectuses and material change reports;

5. the report dated March 9, 2023, prepared with an effective date as at December 31, 2022 by Netherland Sewell & Associates, Inc. concerning the oil reserves and resources of Forza's license areas and the net present value of future net revenue associated with such oil reserves and risked net present value of future net revenue associated with the best estimate contingent oil resources sub-classified as development pending, based on forecast prices and cost assumptions as at December 31, 2022 and prepared in accordance with National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*;

6. press releases issued by the Company through commercial newswires;

7. certain internal financial, operational, corporate and other information with respect to Forza, including financial models prepared by management of the Company, as well as internal operating

and financial projections prepared by the Company (and discussions with management of the Company with respect to such information, model and projections);

8. discussions with management of Forza relating to the Company's current business, plan, financial condition and prospects;

9. discussions with the Special Committee and the Special Committee's legal counsel;

10. a letter of representation dated December 6, 2023 as to certain factual matters and the completeness and accuracy of the information upon which the Valuation and Fairness Opinion are based, addressed to Cormark and provided by the Chief Executive Officer and the Finance Director of the Company;

11. discussions with local legal counsel familiar with political and legal considerations related to oil production in the Kurdistan Region and the Kurdistan oil export pipeline ("**KOEP**");

12. public information relating to the business, operations, financial performance and equity trading history of the Company and other selected public issuers considered by Cormark to be relevant;

13. public information with respect to other transactions and issuers of a comparable nature considered by Cormark to be relevant;

14. select investment research reports published by equity research analysts and industry sources regarding Forza and other public companies to the extent considered by Cormark to be relevant; and

15. such other economic, financial market, industry and corporate information, investigations and analyses as Cormark considered necessary or appropriate in the circumstances.

Cormark has not, to the best of its knowledge, been denied access by the Company to any information requested by Cormark which would reasonably be expected to affect materially the Valuation or the Fairness Opinion. Given security considerations and based on the Government of Canada recommendation, Cormark has not visited the Company's operations, which are located in the Kurdistan Region. Cormark did not meet with the auditors of the Company and has assumed the accuracy, completeness and fair presentation of, and has relied upon, without independent verification, the financial statements of the Company and any reports of the auditors thereon.

PRIOR VALUATIONS

The Company has represented to Cormark that no prior valuations (as such term is defined in MI 61-101) have been prepared in the past 24 months.

ASSUMPTIONS AND LIMITATIONS

Cormark has, in accordance with the terms in the Engagement Agreement, relied upon the completeness, accuracy and fair presentation of all of the financial and other information, data, advice, opinions and representations obtained by us from public sources or provided to us by or on behalf of the Company and their respective directors, officers, agents and advisors or otherwise (collectively, the "**Information**") and we have assumed that the Information did not omit to state any material fact or any fact necessary to be stated to make the Information not misleading. The Valuation and Fairness Opinion assume, and are conditional upon, such completeness, accuracy, and fair presentation of such Information. Subject to

applying its professional judgment, and except as expressly described herein, Cormark has not independently verified the completeness, accuracy or fair presentation of any of the Information.

The Chief Executive Officer and Finance Director of the Company have represented to Cormark, to the best of their knowledge, in a certificate delivered on December 6, 2023, among other things, in respect of the Company (and its affiliates): (i) the Information (as defined above) was complete, true and correct in all material respects as at and for the periods then specified or the effective date of such Information, and did not contain any untrue statement of a material fact in respect of the Company or the Arrangement and did not omit to state a material fact in respect of the Company or the Arrangement necessary to make the Information not misleading, in light of the circumstances under which the Information was prepared and provided; (ii) the forecasts and projections provided to Cormark were reasonably prepared on a basis reflecting the best currently available estimates and judgment of management of the Company as to the matters covered thereby using the identified assumptions which were, in the opinion of management of Company, reasonable in the circumstances; (iii) since the dates specified in the Information, or, alternatively, the dates on which such Information was provided to Cormark, as applicable, and except as has been publicly disclosed or disclosed to Cormark, there was no material change in the Information and there was no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company; (iv) there were no material agreements, undertakings, commitments or understandings (written or oral, formal or informal) relating to the Arrangement, except as had been disclosed to Cormark; and (v) there was no Information relevant to, or which might reasonably be considered relevant to, the Valuation and Fairness Opinion that they were aware of and which was not provided to Cormark.

In preparing the Valuation and Fairness Opinion, Cormark relied on management's forecasts for production rates, local realized sales prices, discounts to BRENT pricing, royalties, operating costs, general and administrative expenses, other expenses, capital expenditures, carry impacts net to Forza, capacity building payments, production bonus payments and deal payments. Additionally, Cormark has made several assumptions, including that all conditions required to implement the Arrangement will be satisfied in due course and in a reasonable amount of time; all consents, permissions, exemptions or orders will be obtained, without adverse conditions or qualifications; and that the disclosure provided or incorporated by reference in the Circular to be filed on SEDAR+ and mailed to securityholders of the Company in connection with the Arrangement and any other documents in connection with the Arrangement, prepared by a party to the Arrangement Agreement, will be accurate in all material respects and will comply with the requirements of all applicable laws, that all of the conditions required to implement the Arrangement will be met, that the procedures being followed to implement the Arrangement are valid and effective, and that the Circular will be distributed to securityholders of the Company in accordance with applicable laws. We are not legal, tax nor accounting experts and we express no opinion concerning any legal, tax or accounting matters concerning the Arrangement. The Valuation and Fairness Opinion are effective as of the date hereof. The Valuation and Fairness Opinion have been completed in the context of securities markets, economic and general business and financial conditions prevailing as of the Analysis Date and the conditions and prospects, financial and otherwise, of the Company as reflected in the Information and documents reviewed by Cormark and as represented to Cormark in Cormark's discussions with the senior management of the Company, and their advisors and consultants. In Cormark's analyses and in connection with the preparation of the Valuation and Fairness Opinion, numerous assumptions were made with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of Cormark or any party involved in the Arrangement. Although Cormark believes that the assumptions used in its analyses and in preparing the Valuation and Fairness Opinion are appropriate in the circumstances, some or all of them may prove to be incorrect. A key assumption underpinning the Valuation and Fairness Opinion relates to the re-opening of the KOEP. The KOEP was shut down on March 25, 2023 and it has significantly impacted the Company's ability to market and sell its oil to international markets. As a result, the Company is currently selling its oil locally at meaningfully lower prices than global

commodity benchmarks. Due to the uncertainty of the KOEP reopening, Cormark has assumed that the KOEP will remain shut-in indefinitely. However, if there is a change clarifying that and when the KOEP would open, Cormark's Valuation and Fairness Opinion could be changed materially.

Cormark believes that its analyses must be considered as a whole and that selecting portions of its analyses and/or factors considered by it without considering all factors and analyses together could create a misleading view of the process employed, and that its analyses are not necessarily amenable to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on a particular factor or analysis. Cormark disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Valuation and Fairness Opinion that may come or be brought to Cormark's attention after the date hereof. Without limiting the foregoing, if there is any material change in any fact or matter affecting the Valuation and Fairness Opinion after the date hereof, Cormark reserves the right to change, modify or withdraw the Valuation and Fairness Opinion. The Valuation and Fairness Opinion are addressed to the Special Committee, and are for the sole use and benefit of the Special Committee and may not be reproduced, relied upon, or used by anyone else other than the Special Committee and the Board, without the prior written consent of Cormark. The Valuation and Fairness Opinion are not to be construed as a recommendation to any holder of Forza Shares or Awards as to how a holder of Forza Shares or Awards should vote on the Arrangement or any matters related thereto. Cormark's conclusion as to the fairness of the Consideration to be received by the Minority Shareholders in connection with the Arrangement is based on its review of the Arrangement taken as a whole, rather than on any particular element of the Arrangement, and the Valuation and Fairness Opinion should be read in their entirety. The Valuation and Fairness Opinion do not address the relative merits of the Arrangement as compared to other arrangements or business strategies that might be available to the Company, nor do they address the underlying business decision to enter into the Arrangement. Cormark considered the Arrangement from the perspective of the Minority Shareholders generally and did not consider the specific circumstances of any particular Minority Shareholder. The Valuation and Fairness Opinion have been prepared in accordance with the disclosure standards for formal valuations and fairness opinions requirements of MI 61-101 and Part E – *Professional Opinions* of the Corporation Investment Dealer and Partially Consolidated Rules of the Canadian Investment Regulatory Organization. The Company has not been involved in the preparation or review of the Valuation or the Fairness Opinion.

The following descriptions are derived from the Information. In the Valuation and Fairness Opinion, we have made the assumption of a barrel of oil equivalent of natural gas and crude oil on the basis of 1 barrel of oil equivalent ("**boe**") for 6 thousand cubic feet ("**Mcf**") of natural gas (this conversion factor is an industry accepted norm and is not based on either energy content or current prices). Disclosure provided herein in respect of boes may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf:1 barrel ("**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 an energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value, although, as discussed above, it is an industry-accepted norm.

OVERVIEW OF THE COMPANY

Forza is an international oil exploration, development and production company. The Forza Shares are listed on the Toronto Stock Exchange (the "**TSX**") and trade under the symbol "FORZ". Forza has a 65% working interest in and operates the Hawler license area in the Kurdistan Region of Iraq, which has yielded oil discoveries in four fields, three of which have contributed to production to date. Oil and gas revenue is generated by the production and sale of crude oil from the Company's interests in oil and gas properties.

The four fields Ain Al Safra, Banan, Demir Dagh and Zey Gawra cover a total development license area of approximately 788km^2. The Hawler license area development is under a 20-year Production Sharing Contract ("**PSC**") between Forza and the Kurdistan Regional Government ("**KRG**"). The PSC development period was entered into in February 2014 after the exploration period ended because of a declaration of commerciality. At the option of the Company, the original 20-year development period can be extended by five years.

Oil production from the Hawler license area commenced in June 2014 and the license area had cumulatively produced approximately 23 MMbbl [(1)] as at December 31, 2022. The Company is currently producing oil from 16 wells as per the 2022 AIF. Crude oil production goes to the Demir Dagh Processing Facility ("**DDPF**"), which has a capacity of 40,000 barrels of oil per day ("**bopd**") for handling sweet/sour and light/heavy volumes and capacity expansion potential. Connection to the KOEP is achieved via a 1.2km 16-inch pipeline at the DDPF.

Gross production from the Hawler license area in Q3 2023 was 6,500 bopd (4,200 bopd net to Forza) approximately half of what it was in Q1 2023 (gross production of 12,800 bopd; 8,300 bopd net to Forza) due to the shut-in of the KOEP in March 2023.

The KOEP was shut down on March 25, 2023 impacting Iraqi oil exports to the port of Ceyhan, Turkey. On March 27, 2023, the Company announced that the operator of the KOEP had notified OP Hawler Kurdistan Limited ("**OPHKL**"), the Company's operating subsidiary in the Kurdistan Region of Iraq, of a shutdown of the pipeline. The shutdown, which is ongoing as of the date of this analysis, relates to an arbitration decision of the International Chamber of Commerce impacting exports by the KRG through the port of Ceyhan in Turkey. The March 27, 2023 announcement also shared that a statement from the Federal Government of Iraq indicated that exports from the port may only resume with the consent of the Federal Government of Iraq. This interruption to the Company's operations has materially impacted the Company's ability to market its oil and the price that could be achieved from sales of the Company's oil by restricting oil sales by the Company to the domestic market. Due, in part, to the quality characteristics of the Company's produced oil and the supply-demand dynamics of the domestic market, the price that the Company has been able to achieve for the sale of oil has been meaningfully lower than other markets and global commodity benchmarks. The Company's average realized sales price in the quarter subsequent to the shutdown of the pipeline, Q2 2023, of US$28.28/bbl compares to the benchmark BRENT oil average price of US$78.21/bbl during the same period. For comparison, the Company's average realized sales price in the quarter before the pipeline was shut down, Q1 2023, was US$54.19/bbl with a BRENT oil average price of US$81.17/bbl.

Due to the impact on realized pricing due to the KOEP shut-in, the Company has significantly scaled back its work plans, which has reduced the Company's forecasted oil production, revenue and cash flow indefinitely. As of the date hereof, the Company was unable to provide an expected date for the reopening of the KOEP and there is no certainty that the KOEP will reopen. Furthermore, even if the KOEP were to reopen, there is no certainty that the Company will be able to sell its oil and gas production in any market other than the domestic market in the Kurdistan Region of Iraq which sales have historically taken place at a significant discount to other markets and global commodity benchmarks.

As at December 31, 2022, Forza had 245 employees and exclusively engaged consultants. Of these, 11 were located in Geneva, Switzerland and 234 were located in Erbil, Kurdistan Region.

As at September 30, 2023, the Company has revenue receivables outstanding on its balance sheet payable by the KRG for an amount equal to US$60.7MM (US$55.9MM adjusted for the credit loss provision).

[(1)] As per NSAI as at December 31, 2022

Cormark understands that there are no assurances that the full amounts will be collected nor are there assurances on the expected timing of such collections although similar situations have been resolved in the past.

Historical Financial Results

The following tables summarize Forza's financial results for the last three fiscal years and the nine-month period ending September 30, 2023:

	Nine months ending September 30,	Year ending December 31,		
(in US$ thousands)	**2023**	**2022**	**2021**	**2020**
Field production (bopd)	6,600	14,500	12,200	10,600
Forza sales production (bopd)	4,300	9,400	7,900	6,900
Income Statement				
Revenue	63,498	323,769	187,796	81,956
Royalties	(25,945)	(132,514)	(76,940)	(34,660)
Net revenue	**37,553**	**191,255**	**110,856**	**47,296**
Other expenses (income)				
Operating expense	(20,061)	(37,221)	(30,074)	(24,806)
Depreciation, depletion and amortization	(16,227)	(49,225)	(38,253)	(22,943)
Impairment loss	(121,421)	(220,584)	(32,440)	(116,216)
G&A expense	(4,516)	(8,192)	(5,657)	(9,491)
Reduction / (increase) in materials inventory provision	(3,220)	85	1,831	(1,530)
Other income / (expense) [(1)]	(25)	(468)	(290)	2,542
Decrease / (increase) in expected credit loss against trade and other receivables	(4,782)	-	3,538	(205)
Gain on deconsolidation of subsidiary	-	-	15,725	-
Change in fair value of purchase consideration	(1,795)	(6,801)	(11,256)	110
Operating income	**(134,494)**	**(131,151)**	**13,980**	**(125,243)**
Gain on settlement of borrowings	-	-	-	26,892
Finance income / (expense)	1,296	(332)	(125)	(8,245)
Foreign exchange gains / (losses)	(150)	(2)	37	(353)
EBT [(2)]	**(133,348)**	**(131,485)**	**13,892**	**(106,949)**
Income tax expense	(1,308)	(6,499)	(3,622)	(1,794)
Net income (loss)	**(134,656)**	**(137,984)**	**10,270**	**(108,743)**
Adjusted EBITDA				
Net income (loss)	(134,656)	(137,984)	10,270	(108,743)
Income tax expense	1,308	6,499	3,622	1,794
Finance (income) / expense	(1,296)	332	125	8,245
Depreciation, depletion and amortization	16,227	49,225	38,253	22,943
Other adjustments [(3)]	131,368	227,302	22,565	91,302
Adjusted EBITDA [(2)]	**12,951**	**145,374**	**74,835**	**15,541**

Totals and subtotals may not match financial disclosure due to rounding

(1) Other income / (expense) includes curtailment of retirement benefit obligation in year ended December 31, 2021 and 2020, of $10 and $3,051, respectively

(2) "EBT" and "Adjusted EBITDA" are not recognized under IFRS. These measures may not be comparable to data presented by other companies

(3) Other adjustments remove the effects of impairment loss, Δ in materials inventory provision, Δ in expected credit loss against trade and other receivables, gain on deconsolidation of subsidiary, Δ in fair value of purchase consideration, gain on settlement of borrowings and foreign exchange gains / losses

(in US$ thousands)	Nine months ending September 30, 2023	Year ending December 31, 2022	2021	2020
Balance Sheet				
Current assets				
Cash and cash equivalents	68,981	71,103	24,672	13,158
Other current assets	2,011	2,675	1,861	1,340
Trade and other receivables	55,953	62,500	34,481	26,026
Inventories	10,924	12,969	9,205	8,786
Non-current assets				
Deferred tax assets	255	247	241	229
Property, plant and equipment	176,337	247,335	469,517	506,980
Intangible assets	-	51,351	47,748	48,893
Total assets	**314,461**	**448,180**	**587,725**	**605,412**
Current liabilities				
ZOG credit facility	-	-	-	5,000
Trade and other payables	98,738	97,102	24,803	46,156
Non-current liabilities				
Decommissioning obligation	17,655	18,947	26,213	39,485
Retirement benefit obligation	1,517	1,394	2,242	1,760
Trade and other payables	-	-	67,640	56,632
Total liabilities	**117,910**	**117,443**	**120,898**	**149,033**
Equity				
Share capital	420	1,365,467	1,363,221	1,362,633
Contributed surplus	1,365,467	-	-	-
Reserves	22,121	22,072	23,301	23,182
Accumulated deficit [(1)]	(1,191,457)	(1,056,802)	(919,695)	(929,436)
Total equity	**196,551**	**330,737**	**466,827**	**456,379**
Total equity and liabilities	**314,461**	**448,180**	**587,725**	**605,412**

(1) Accumulated deficit includes accumulated remeasurement of defined benefit obligation, net of income tax in year ended December 31, 2021 and 2020, of ($6,166) and ($5,637), respectively

Market for Securities

The Forza Shares are listed for trading on the TSX under the trading symbol "FORZ". The following table sets forth, for the periods indicated, the high and low closing prices quoted and the volume traded on the TSX:

	Close Price (C$)		Total
	High	Low	Volume
November 2023	0.16	0.10	658,026
October 2023	0.11	0.11	613,617
September 2023	0.13	0.09	1,152,253
August 2023	0.13	0.11	533,260
July 2023	0.13	0.12	261,276
June 2023	0.17	0.12	486,947
May 2023	0.19	0.14	1,071,407
April 2023	0.21	0.18	529,552
March 2023	0.27	0.19	1,181,568
February 2023	0.23	0.20	372,421
January 2023	0.20	0.17	400,537
December 2022	0.19	0.15	264,860

Source: Bloomberg

The closing price of the Forza Shares on the TSX on November 30, 2023 was C$0.10.

Issued and Outstanding Shares

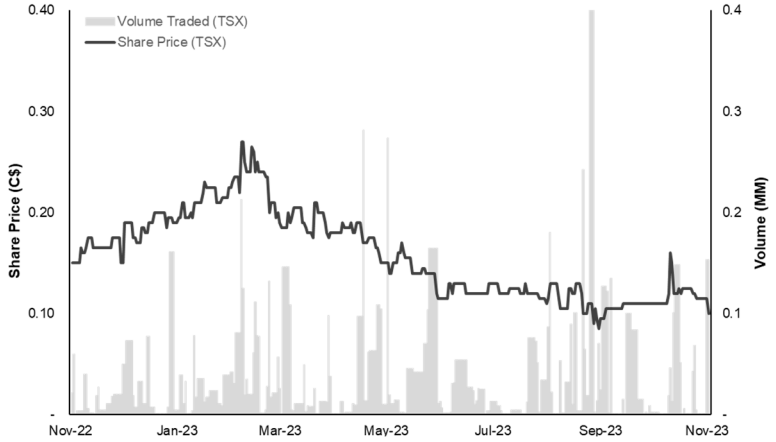
The following table displays the basic shares and share awards outstanding as at Analysis Date and date hereof:

	Analysis Date		date hereof	
Basic Shares Outstanding				
Management and Board	24,022,723	4.0%	24,022,723	4.0%
Zeg	500,152,674	82.6%	500,152,674	82.5%
Other shareholders	81,058,768	13.4%	82,063,451	13.5%
Total	**605,234,165**	**100.0%**	**606,238,848**	**100.0%**
Share Awards Outstanding				
Management and Board	9,241,676	51.5%	9,241,676	54.6%
Zeg	-	-	-	-
Other shareholders	8,706,373	48.5%	7,696,549	45.4%
Total	**17,948,049**	**100.0%**	**16,938,225**	**100.0%**

Source: Public company disclosure, SEDI and management as at November 30 and December 6, 2023

Trading Volumes

The average daily trading volume of the Forza Shares on the TSX during the year prior to and including the Analysis Date was 29,949 shares (for an aggregate average daily value of approximately C$0.16 per share based on the volume-weighted average trading prices during that period). Over that period Forza Shares traded in the range of C$0.09 to C$0.27 per share, with the low price of approximately C$0.09 per share occurring on September 28, 2023 and the high price of C$0.27 per share occurring on March 7, 2023. The volume-weighted average trading price of the Forza Shares on the TSX for the 20-day period ending November 30, 2023 was approximately C$0.13 per share. The chart below depicts the daily closing prices and daily volume for the trading of the Forza Shares on the TSX for the twelve month period ending November 30, 2023.



THE VALUATION

General Approach

For the purposes of the Valuation, fair market value is defined as the monetary consideration that, in an open and unrestricted market, a prudent and informed buyer would pay to a prudent and informed seller, each acting at arm's length with the other and under no compulsion to act. In accordance with MI 61-101, Cormark has not made any downward adjustment to the value of the Forza Shares to account for the liquidity of the Forza Shares, the effect of the Arrangement on the Forza Shares, or the fact that Forza Shares held by individual holders do not form part of a controlling interest. Consequently, the Valuation provides a conclusion on a per share basis with respect to Forza's "en bloc" value or the price at which all of the Forza Shares could be sold to one or more buyers at the same time.

Valuation Approach and Methodologies

For the purpose of determining the fair market value of the Forza Shares, Cormark relied primarily on the following methodologies:

i. Net asset value ("**NAV**") approach;

ii. Comparable market trading ("**Comparable Trading**") approach; and

iii. Comparable precedent transactions ("**Comparable Transactions**") approach

Although not forming part of our Valuation analysis, Cormark also reviewed historical trading data for the Forza Shares and control premiums paid for shares of target companies in select Canadian energy transactions. The following Valuation analyses contained herein are as of the Analysis Date.

The NAV approach involves attributing values to each category of assets and liabilities of the Company, using assumptions and methodologies that are appropriate in each case. Accordingly, the NAV approach explicitly addresses the unique characteristics of each major asset and liability. The sum of total assets net of associated liabilities yields the NAV. Cormark used the NAV approach in determining its range of fair market values given the degree of preciseness that could be incorporated and the reliance on data from management forecasts. Management provided two cases, a Base Case and an Upside Case. Cormark utilized the Base Case for determining its range of NAVs and reviewed the Upside Case for information purposes only. Limitations of the NAV approach include (i) uncertainty with respect to future financial and operational forecasts, (ii) uncertainty regarding the collection of the revenue receivables owed by the KRG, (iii) uncertainty associated with the payment liability owed to the seller of OPHKL and (iv) uncertainty regarding the value of the undeveloped acreage.

The Comparable Trading approach involves reviewing the trading multiples of selected publicly traded oil and natural gas exploration and production ("**E&P**") companies. In its selection of an appropriate peer group, Cormark focused on companies that produce oil from onshore assets with operations in jurisdictions near the Kurdistan Region. Specific focus was directed to companies with core operations in the Kurdistan Region, where the Company derives all of its operating revenues. Peers are used to provide a representative group of comparative companies to Forza in terms of certain components of production commodity mix, geographic location, operating characteristics, growth prospects, risk profile and size. In addition, due to the current state of the KOEP, companies with significant periods of shut-in production provided less reliable production and cash flow metrics. Therefore, Cormark relied on the ratio of Price to Cash Flow Per Share, enterprise value ("**EV**") to estimated proved plus probable barrel of oil equivalent reserves ("**EV / 2P Reserves**") and EV to estimated proved plus probable barrel of oil equivalent reserves plus best estimate

unrisked contingent resources ("**EV / 2P + 2C**"). As there are a relatively small number of publicly traded producers that closely share these characteristics with Forza, Cormark placed less weighting on the Comparable Trading approach.

The Comparable Transactions approach involves reviewing available public information with respect to relevant purchase and sale transactions involving companies and assets in the E&P sector. In its selection of relevant transactions, Cormark focused on transactions in which the target company or asset produced oil from onshore assets with operations in jurisdictions near the Kurdistan Region and where sufficient information exists in the public domain to derive transaction metrics implied by the consideration paid in connection with such transactions. This specific focus limited the range of comparable transactions and as such, Cormark relied on the ratio of transaction EV to the barrels of oil equivalent production per day ("**EV / boepd**").

NAV Approach

Overview

The NAV approach utilized by Cormark, assigns value to the Base Case and Upside Case production forecasts from the Hawler license area provided by the Company, on the basis of discounted future after-tax cash flows ("**DCF**"). The cash flows are net of capital expenditures required to develop the asset under each development plan, carry amounts, G&A, future decommissioning obligations and taxes.

DCF Analysis

The DCF takes into account the amount, timing and relative uncertainty of a stream of future cash flows from the Company's forecasts. The forecasted production for both the Base Case and Upside Case were provided by management and are risked to reflect a chance of success applied to each new well. Management also ran the production forecasts to the end of the PSC and applied an economic cut-off. In the Base Case, the production forecast is in "blowdown" and only contains two years of production in 2024 and 2025 before being shut-in in 2026. The short production tenure is a result of low margins owing primarily to the assumption that the KOEP remains shut-in indefinitely, requiring oil sales into the local market on commercial terms comparable to those in place today based on management guidance. In the Upside Case, the production forecast extends until 2031 before the field is shut-in in 2032. The longer tenure in the Upside Case is due to the assumption that the KOEP is reopened on July 1, 2024 resulting in higher margins from sales into the international market at prices referenced to BRENT oil pricing less quality and toll differentials provided by management. In addition, the Upside Case production is supported by a development plan that includes 2 locations in 2025, 3 locations in 2026 and 2 locations in 2027.

Operating costs were modeled by management as entirely variable to best account for the fixed amount falling off over time as certain fields are shut-in and the operating costs from those fields are no longer incurred. All prices, capital expenditures, operating costs and G&A were escalated by 2% per annum. In the Base Case, capital expenditures were limited to seismic expenditures and other minor capital unrelated to development drilling. In the Upside Case, capital expenditures from the Base Case were included plus capital expenditures from gas handling and capital required to drill seven wells.

Discount Rates

Projected unlevered free cash flows were discounted using a weighted average cost of capital ("**WACC**"). The WACC was calculated based on Forza's estimated cost of equity, weighted based upon an assumed optimal capital structure. The assumed optimal capital structure has no debt due to the uncertainty of cash flows from shut-in production in the Kurdistan Region. Due to the lack of debt, the tax rate has no impact

on the cost of capital calculation, therefore, it is excluded from the analysis. Cormark used the capital asset pricing model ("**CAPM**") approach to determine the appropriate cost of equity. The CAPM approach calculates the cost of equity with reference to the risk-free rate of return, the volatility of equity prices relative to a benchmark ("**beta**") of the equity risk premium, a country risk premium and a size premium. Cormark used the unlevered betas from the comparable trading companies selected in the Comparable Trading approach to select the appropriate beta for Forza as outlined below. Due to the lack of debt in the capital structure, the unlevered beta equals the levered beta used in CAPM.

Based on the foregoing, the WACC ranged from 21.0% to 23.0% and Cormark used the midpoint of the range of 22.0% in its NAV analysis.

Weighted Average Cost of Capital

	Low	High
Capital Structure		
Equity	100%	100%
Debt	-	-
Levered Beta		
Unlevered beta	0.50	0.70
Marginal tax rate [(1)]	-	-
Debt / equity ratio	-	-
Levered beta	0.50	0.70
Cost of Equity		
Risk free rate [(2)]	4.4%	4.4%
Equity risk premium [(3)]	5.5%	5.5%
Country risk premium [(4)]	8.0%	8.0%
Size premium [(5)]	6.4%	6.4%
Cost of equity	21.5%	22.6%
Cost of Debt		
Pre-tax cost of debt	n/a	n/a
Marginal tax rate	n/a	n/a
After-tax cost of debt	n/a	n/a
Weighted Average Cost of Capital	**21.5%**	**22.6%**
Selected Range	**21.0%**	**23.0%**

Peers

	Unlevered Beta
Genel Energy	1.3
Gulf Keystone Petroleum	0.7
Tethys Oil	0.6
ShaMaran Petroleum	0.3
Tethys Petroleum	0.1
Average	*0.6*
Median	*0.6*

(1) Forza's tax related to oil sales are deemed to be collected by the government through its allocation of Profit Oil under the Hawler PSC

(2) 10-year U.S. Treasury Bond yield as of November 30, 2023

(3) Kroll recommended U.S. equity risk premium

(4) Iraq estimated rating-based country default spread per Aswath Damodaran at NYU Stern

(5) Kroll size premium for decile 10y (companies with a market capitalization between US$79 million and US$124 million) calculated as of December 31, 2022

Commodity Pricing Assumptions

Commodity prices have a significant impact on resulting values within the DCF analysis. Due to the uncertainty of the KOEP reopening, management created a Base Case and an Upside Case to capture the range of outcomes in the DCF analysis. The Base Case assumes that KOEP remains shut-in indefinitely and Forza sells its oil in the local market, at substantially lower prices than international prices. The Upside Case assumes Forza sells its oil at local market prices from January 1, 2024 to June 30, 2024 until the KOEP reopens and exports resume on July 1, 2024. At this point, Forza would sell its oil internationally and receive BRENT pricing less quality and toll differentials. Cormark assumed BRENT strip pricing as at November 30, 2023 using the discount provided by management. Consistent with management's view, Cormark applied an annual 2% escalation in 2031 and onwards to forecast BRENT pricing for the Upside Case.

	Base Case	Upside Case [2]		
	Local Sales [1] (US$/bbl)	BRENT (US$/bbl)	Discount (US$/bbl)	Excl. Quality Diff. Oil Price (US$/bbl)
2024	33.24	78.62	(32.60)	46.02
2025	33.57	75.79	(20.44)	55.35
2026	36.41	72.82	(20.32)	52.50
2027	37.14	70.59	(20.23)	50.36
2028	37.89	69.02	(20.17)	48.85
2029	38.64	67.92	(20.12)	47.80
2030	39.42	67.35	(20.10)	47.25
2031	40.20	68.70	(20.16)	48.54
2032	41.01	70.07	(20.21)	49.86
2033	41.83	71.47	(20.27)	51.21
2034	42.66	72.90	(20.32)	52.58
2035	43.52	74.36	(20.38)	53.98
2036	44.39	75.85	(20.44)	55.41
2037	45.28	77.36	(20.50)	56.86
2038	46.18	78.91	(20.56)	58.35
2039	47.11	80.49	(20.63)	59.86

Source: Bloomberg

BRENT Strip pricing as at November 30, 2023

(1) Based on management forecast of local sales price

(2) Local sales starting January 1, 2024 until June 30, 2024, pipeline sales start on July 1, 2024

General & Administrative Expenses

Future estimates of general and administrative expense were included as part of the cash flow forecasts for the Hawler license area provided by management. The general and administrative expenses were discounted at 22% based on the WACC analysis as part of the DCF analysis.

Current Financial Assets and Liabilities

Cormark assessed the current financial assets and liabilities of Forza as at September 30, 2023. Current assets include cash and cash equivalents, prepaid charges and other current assets and deposits, revenue receivables, expected credit loss provision and other receivables and inventories. Cormark considers the collectability of the revenue receivables due to the shut-in of the KOEP, uncertain and has discounted it accordingly in the NAV approach. Current liabilities include trade accounts payable, amounts payable to joint operations partners, other payables and accrued liabilities and payment consideration owing to the seller of OPHKL.

NAV Approach Summary Table

The table below shows the NAVs using both the Base Case and the Upside Case using a 22% WACC as the discount rate discounted to October 1, 2023. As referred to above, Cormark has relied on the Base Case in the Valuation and therefore the Upside Case is for information purposes only. The discounted cash flows from the Hawler license area were discounted using the WACC and include revenue net to Forza along with Forza's share of operating costs, capital costs, abandonment costs, G&A, and carry. Corporate adjustments were then included such that assets were added and liabilities were subtracted. Cash and cash equivalents were positive contributions to the NAV for both the Base Case and the Upside Case. The uncollected adjusted revenue receivable is comprised of the revenue receivables of US$60.7MM (as per Q3 2023 financial statements) discounted to October 1, 2023. In the Base Case the uncollected adjusted revenue receivable is assumed to be received on a monthly basis in equal installments equivalent to US$5MM annually beginning on October 1, 2023 while for the Upside Case the uncollected adjusted revenue receivable is assumed to be received on July 1, 2025, 12 months after the KOEP reopens. Working capital for the business includes inventory, other current assets and trade and other payables. The payment liability is the amount owed to the seller of OPHKL and it is assumed it cannot be paid immediately therefore it is treated as debt. The NAV was calculated on a fully diluted basis. The estimated value of undeveloped resource was calculated using a C$0.25 per bbl of 2P + 2C resource, based on metrics from comparable trading companies, and multiplied by Forza's gross working interest unrisked 2P + 2C volumes as per the December 31, 2022 NSAI report net of Forza's working interest production in each respective model and the nine-months of Forza working interest production as per the Q3 2023 MD&A. As there is no certainty that the KOEP will reopen, or that the Company's oil could be sold through the KOEP in the event of a reopening, Cormark has presented the Upside Case for informational purposes, but does not rely on it for the purposes of the Valuation.

For Informational Purposes Only

	Base Case		Upside Case	
	(US$MM)	(US$ per share)	(US$MM)	(US$ per share)
Discounted Cash Flows from Hawler Asset Development [1]	**24**	**0.04**	**64**	**0.10**
Corporate Adjustments (as at September 30, 2023)				
Add: Cash and Cash Equivalents	69	0.11	69	0.11
Add: Uncollected Adjusted Revenue Receivable [2]	23	0.04	43	0.07
Less: Working Capital Deficit [3]	(10)	(0.02)	(10)	(0.02)
Less: Payment Liability [4]	(76)	(0.12)	(76)	(0.12)
Total Corporate Adjustments	**6**	**0.01**	**25**	**0.04**
Fully Diluted Shares Outstanding (as per Forza November 28, 2023)		623		623
NAV: Total DCF and Total Corporate Adjustments	**30**	**0.05**	**89**	**0.14**
Estimated Value of Undeveloped Resource [5]	**33**	**0.05**	**31**	**0.05**
Total NAV	**62**	**0.10**	**120**	**0.19**
Total NAV (in C$)	**85**	**0.14**	**163**	**0.26**

- To capture the value of the potential KOEP re-opening, we have considered that the fair value on a NAV basis should include additional upside of 10% - 30% over the base case which attributes value to the potential from the KOEP re-opening

Source: Public company disclosure and Bloomberg

(1) Base Case Model and Upside Case model as defined on pg 22. Hawler Asset effective October 1, 2023 using a WACC of 22%

(2) Base Case: Revenue Receivables of US$60.7MM (Q3 2023 FS) received US$5MM every year (equally split per month starting October 1, 2023 until November 1, 2035); Upside Case: Revenue Receivables of US$60.7MM (Q3 2023 FS) received 12 months after KOEP re-opens paid in full on July 1, 2025. Base Case and Upside Case effective October 1, 2023 using a WACC of 22%

(3) Current Assets less Current Liabilities net of Revenue Receivables net of expected credit loss provision

(4) Balance owed to the seller of OPHKL

(5) $0.25/bbl multiplied by Gross W.I. Unrisked 2P + 2C volumes (December 31, 2022 NSAI Report) net of Forza W.I. production in model and 9 month Forza W.I. production as per Q3 2023 MD&A

COMPARABLE TRADING APPROACH

Cormark utilized the Comparable Trading approach to determine a range of fair market values of Forza. Under this approach, Cormark assessed E&P companies with focused onshore oil operations in the Middle East, Africa, Central Asia and Eastern Europe, on a comparative basis to Forza, and included a review of capital structure. Cormark identified five publicly traded companies similar to Forza on the elements described above, and derived market trading multiples for such companies set forth below. Cormark determined that the most appropriate metrics on which these companies should be compared to Forza were EV / Current Production, P / LTM CFPS, EV / 2P and EV / 2P + 2C.

In the Energy sector, it is common to include working capital as part of the net debt calculation for E&P companies, which is the method used in our calculations. Due to the shut-in state of the KOEP and the KRG's control over revenue receivables of companies with working interests in the region, we determined two approaches to calculate net debt to reflect the collectability of revenue receivables as at September 30, 2023 (Gulf Keystone Petroleum and Genel Energy had to be as at June 30, 2023 given they do not report Q3 2023 statements). The low end approach considers revenue receivables net of provisions as current assets which is reflected in net debt, resulting in a lesser EV. The high end approach considers revenue receivables net of provisions as non-current assets which is not reflected in net debt, resulting in a greater EV.

Operating Comparables

			COMPANY DETAIL					EV MULTIPLES				
			Capitalization				Current Oil Sales Prod.	Oil Sales Prod.	Adj. EBITDA [2]	Reserves [4]	Resources [4]	P / CFPS [5]
Company	Ticker	Area	Price [1]	Mkt. Cap [2]	Net Debt [2]	EV	Total [2]	Current [2]	LTM	2P	2P + 2C	LTM [2]
			($/sh.)	($MM)	($MM)	($MM)	(boepd)	($/boepd)	(x)	($/boe)	($/boe)	(x)
Gulf Keystone Petroleum	LSE:GKP	Kurdistan	2.21	510 [3]	(176) - 34 [3]	334 - 544 [3]	23,100 [3]	14,475 - 23,565 [3]	1.3x - 2.1x [3]	0.83 - 1.34	0.51 - 0.83	2.0x [3]
Tethys Petroleum	TSXV:TPL	Kazakhstan	0.61	70	(10)	60	4,304	14,000	1.2x	0.73	0.73	3.2x
Average								**14,238 - 18,783**	**1.3x - 1.7x**	**0.78 - 1.04**	**0.62 - 0.78**	**2.6x**
Median								**14,238 - 18,783**	**1.3x - 1.7x**	**0.78 - 1.04**	**0.62 - 0.78**	**2.6x**

- Gulf Keystone Petroleum's sales production ramped back up to ~23,100 bopd during August 19-29, 2023, since the KOEP shut-down, which is about half of production to prior
- Gulf Keystone Petroleum values are based on Q2 2023 ended June 30, 2023

Non-Operating Comparables

			COMPANY DETAIL					EV MULTIPLES				
			Capitalization				Current Oil Sales Prod.	Oil Sales Prod.	Adj. EBITDA [2]	Reserves [4]	Resources [4]	P / CFPS [5]
Company	Ticker	Area	Price [1]	Mkt. Cap [2]	Net Debt [2]	EV	Total [2]	Current [2]	LTM	2P	2P + 2C	LTM [2]
			($/sh.)	($MM)	($MM)	($MM)	(boepd)	($/boepd)	(x)	($/boe)	($/boe)	(x)
ShaMaran Petroleum	TSXV:SNM	Kurdistan	0.05	143	187 - 288	330 - 431	3,489	94,692 - 123,503	3.4x - 4.5x	4.83 - 6.31	3.01 - 3.92	2.4x
Tethys Oil	OM:TETY	Oman	5.73	185 [6]	(43) [6]	142 [6]	4,536	31,293	1.3x	5.94	3.68	1.6x
Genel Energy	LSE:GENL	Kurdistan	1.24	356 [3]	(256) - (127) [3] [7]	100 - 229 [3] [7]	- [3]	N/A [3]	0.4x - 1.0x [3]	0.29 - 0.66	0.21 - 0.48	1.1x [3]
Average								**62,992 - 77,398**	**1.7x - 2.3x**	**3.69 - 4.30**	**2.30 - 2.69**	**1.7x**
Median								**62,992 - 77,398**	**1.3x - 1.3x**	**4.83 - 5.94**	**3.01 - 3.68**	**1.6x**
Forza (Q3 2023)	**TSX:FORZ**	**Kurdistan**	**0.10**	**62 [8]**	**(52) - 24**	**10 - 86 [8]**	**4,300**	**2,340 - 19,988**	**0.2x - 1.9x**	**0.32 - 2.74**	**0.06 - 0.47**	**1.1x**
Adj. EV Forza (Q3 2023)	**TSX:FORZ**	**Kurdistan**	**0.10**	**62 [8]**	**(21) [9]**	**41 [8] [9]**	**4,300**	**9,596**	**0.9x**	**1.32**	**0.23**	**1.1x**

- ShaMaran Petroleum's receivable on oil sales is treated as current asset, consistent with Forza's revenue receivables
- Genel Energy values are based on Q2 2023 ended June 30, 2023, however, due to the shut-down of the KOEP sales was zero

General Comments

- Net Debt is debt (principal amount for term debt if disclosed) + CL (accounts payable + deferred revenue + current income tax liability) - CA (cash + accounts receivable + prepaid expenses + inventory)
- Adjusted EBITDA is revenue - royalties - opex - other income / (expense) (exc. inventory provision Δ) - G&A expense - SBC expense
- Ranges: high end assumes no revenue receivables net of expected credit loss provision (if present) and low end assumes current and non-current revenue receivables net of expected credit loss provision (if present)

Sources: Public Disclosures, S&P Capital IQ and Forza Petroleum Ltd. as at November 30, 2023

(1) Share price as at November 30, 2023
(2) Q3 2023 ended September 30, 2023 unless specified otherwise
(3) Q2 2023 ended June 30, 2023
(4) Gross W.I. reserve and unrisked resource volumes as at December 31, 2022
(5) Cash flow from operations
(6) Includes subsequent share issuance from warrant exercise in October 2023
(7) Includes subsequent transaction of bond repurchases on October 13, 2023
(8) Includes 17,948,049 share awards as per Forza (November 28, 2023)
(9) Net Debt in Adj. EV Forza (Q3 2023) is based on the average Uncollected Adjusted Revenue Receivable of Base Case and Upside Case of US$33MM

COMPARABLE TRANSACTIONS APPROACH

Cormark utilized the Comparable Transactions approach to determine a range of fair market values of Forza. Under this approach, Cormark assessed recent merger, acquisition and divestitures transactions of E&P assets and corporations with focused onshore oil operations in the Middle East, Africa, Central Asia and Eastern Europe, on a comparative basis to Forza. In addition to geographical considerations, the approach focuses on assessing the targets' respective operating and financial fundamentals, including commodity mix, operating characteristics, risk profile and size. Cormark identified three transactions with focused operations in the Iraq / Kurdistan Region and seven transactions with focused operations in parts of the Middle East and Africa that were most relevant. Cormark determined that the most appropriate metric on which these companies should be compared to Forza was Transaction Value / Production.

The comparable transactions evidence a broad range of Transaction Value / Production multiples, which Cormark attributed to several different variables, many of which would be difficult to accurately ascertain, or appropriately weigh for relevance, in any given circumstance. These variables would include, without limitation, a target's individual economic and operating circumstances; an acquiror's individual economic and operating circumstances and motivation to proceed with a transaction; synergies between the target's

and the acquiror's asset base; the availability and strategic nature of infrastructure assets; the nature of E&P contracts and quality of oil; anticipated future development capital; the perceived growth potential associated with the assets on a go-forward development plan; and asset retirement obligations.

Iraq / Kurdistan

TRANSACTION INFORMATION										MULTIPLES			
Date		Deal			Transaction						Adjusted	Gross W.I. Reserves	
Announced	Closed	Type	Acquiror	Target	Value	Cash %	Area	Production	% Gas	Production	EBITDA	1P	2P
					(C$MM)	(%)		(boepd)	(%)	($/boepd)	(x)	($/boe)	($/boe)
2021-07-12	2022-09-14	Asset	ShaMaran Petroleum	TEPKRI Sarsang	176	100%	Kurdistan	9,500 (1)	-	18,545	N/A	N/A	N/A
2019-04-03	2019-05-30	Asset	ShaMaran/Taqa	Marathon Oil KDV	73	100%	Kurdistan	4,800 (2)	-	15,105	N/A	N/A	N/A
2018-03-23	2018-03-28	Corporate	ITOCHU	Shell Iraq	707	100%	Iraq	79,380	-	8,911	N/A	N/A	N/A
Average										**14,187**	**N/A**	**N/A**	**N/A**
Median										**15,105**	**N/A**	**N/A**	**N/A**

- ShaMaran and Taqa acquired 15% interest of Atrush block from Marathon Oil, each owning half. Taqa did not disclose the transaction value and CSI assumes that Taqa paid an equivalent amount to ShaMaran's disclosed purchase price

Middle East and Africa (Excluding Iraq / Kurdistan)

TRANSACTION INFORMATION										MULTIPLES			
Date		Deal			Transaction						Adjusted	Gross W.I. Reserves	
Announced	Closed	Type	Acquiror	Target	Value	Cash %	Area	Production	% Gas	Production	EBITDA	1P	2P
					(C$MM)	(%)		(boepd)	(%)	($/boepd)	(x)	($/boe)	($/boe)
2020-12-29	2021-05-14	Corporate	Magnetic Oil	Kom Munai & Tasbulat Oil	149 (3) (7)	100%	Kazakhstan	6,450	N/A	23,033	N/A	$6.81 (2)	N/A
2019-10-15	2019-12-16	Corporate	Seplat Petroleum	Eland Oil & Gas	600 (4)	100%	Nigeria	9,948 (5)	-	60,322	3.9x	$27.57 (6)	$14.74 (6)
2019-07-23	2020-02-28	Corporate	United Oil & Gas	Rockhopper Egypt	21 (7)	69%	Egypt	1,100	N/A	19,116	N/A	N/A	$7.96
2018-11-06	2018-12-21	Corporate	Panoro	OMV Tunisia	85 (7)	100%	Tunisia	2,000	-	42,672	N/A	N/A	N/A
2018-09-24	2019-04-09	Corporate	United Energy Group	Kuwait Energy	1,169 (4) (8)	100%	Egypt, Iraq	27,273 (2)	N/A	42,881	10.1x (9)	N/A	N/A
2018-09-20	2019-04-02	Corporate	SOCO International	Merlon Petroleum	306	63%	Egypt	7,859	-	38,967	N/A	N/A	N/A
2018-04-05	2018-04-05	Corporate	Indian Oil	Shell E&P Oman	421 (7)	100%	Oman	20,400	-	20,636	N/A	N/A	N/A
Average										**35,375**	**7.0x**	**$17.19**	**$11.35**
Average (excluding high 10% & low 10%)										**33,638**	**7.0x**	**$17.19**	**$11.35**
Median										**38,967**	**7.0x**	**$17.19**	**$11.35**

- Production and reserves as disclosed in the announcement press release unless otherwise specified
- Asset transaction value is net purchase price after closing adjustments. Corporate transaction value is total consideration of equity and net debt as per announcement press release, CSI assumes debt in press release to be net debt, unless otherwise specified
- Adjusted EBITDA is based on LTM financial statements preceding announcement date (Revenue - Royalties - Opex - Other income / (expense) - G&A expense - SBC expense)
- Net Debt is Debt (Principal amount for term debt if disclosed) + CL (Accounts payable + Deferred revenue + Current income tax liability) - CA (Cash + Accounts receivable + Prepaid expenses + Inventory)

Sources: Public Disclosures and S&P Capital IQ as at November 20, 2023

(1) Adds immediate net 5,000 bopd and includes net 18% W.I. in new 25,000 bopd facility at Swara Tika, CSI assumes full capacity

(2) As per closing press release

(3) As per February 2, 2022 press release

(4) CSI assumes Net Debt and Non-controlling interest from most recent F.S.

(5) As per Q2 2019 ended June 30, 2019 Interim Results

(6) As per March 14, 2019 press release, CSI multiplied 1P and 2P gross reserves by W.I.

(7) No financial statements found, CSI assumes no debt

(8) Includes expected cash proceeds from the disposal of Iraq Block 9 interest to Dragon Oil and associated liabilities

(9) Includes JV share of results as per income statements

VALUATION CONCLUSION

For the purposes of determining the fair market value of the Forza Shares, Cormark utilized the NAV approach, Comparable Trading approach and Comparable Transactions approach. Given the current state of the KOEP and the impact on realized prices and netbacks, comparable transaction data has less utility, similarly, given that the limited amount of comparable trading companies in the region were also impacted by the shut-in of the KOEP, relative valuation metrics were less reliable. As a result, Cormark has placed more emphasis on the NAV approach versus the Comparable Transactions approach or the Comparable Trading approach. The Adjusted EV used in the Valuation Summary below reflects the adjustment made to the collectability of revenue receivables net of provisions as at September 30, 2023 by replacing it with

the average of the uncollected adjusted revenue receivable of the Base Case of US$23MM and Upside Case of US$43MM that resulted in US$33MM.

In the Comparable Trading approach, Cormark utilized EV / 2P and EV / 2P + 2C against Forza's 2P volumes and 2P + 2C volumes as per the 2022 AIF to arrive at EV. Low end and high end approaches (outlined above in the Comparable Trading Approach section) were used to determine the range of EV multiples which Cormark considered to determine the Valuation multiples. The EV was reduced by net debt based on the Adjusted EV approach outlined above to arrive at equity value. Cormark utilized P / CFPS against Forza's Base Case 2024E Cash Flows to arrive at equity value. The three types of metrics resulted in ranges of C$0.07 per share to C$0.11 per share for 2P Reserves multiples, C$0.09 per share to C$0.24 per share for 2P + 2C multiples and C$0.05 per share to C$0.09 per share for P / CFPS multiples.

Under the Comparable Transaction approach, Cormark utilized a range of Transaction Value / Production multiples against Forza's Base Case 2024E production to arrive at EV. Net debt was then deducted from EV to arrive at equity value. Net debt is based on the Adjusted EV approach outlined above. This approach resulted in a range of C$0.11 per share to C$0.17 per share.

The NAV approach as described above resulted in a Base Case NAV of C$0.14 per share. Cormark applied 10% - 30% upside to the Base Case result to capture the value of the potential KOEP reopening. This approach resulted in a range of C$0.15 per share to C$0.18 per share.

Valuation Summary [1]

(C$ MM, unless noted) [2]

Approach	Forza Metric	Select Multiple		Valuation		Value per Forza Share (C$ / Sh.)	
		Low	High	Low	High	Low	High
Comparable Trading							
Adj. EV / 2P Reserves [3] [4] [5]	31 MMboe	$0.75/MMboe	$1.50/MMboe	45	68	$0.07	$0.11
Adj. EV / 2P + 2C Reserves [3] [4] [5]	183 MMboe	$0.20/MMboe	$0.70/MMboe	58	149	$0.09	$0.24
P / Base Case 2024E CF	29	1.0x	2.0x	29	58	$0.05	$0.09
Comparable Transactions							
Adj. EV / Base Case 2024E boepd [3] [4]	6,735 boepd	$7,500/boepd	$12,500/boepd	72	105	$0.11	$0.17
NAV (at 22% WACC)							
NAV / Share	$0.14/Share	110%	130%	96	113	$0.15	$0.18
Fair Market Range per Forza Share						**$0.12**	**$0.17**

- To capture the value of the potential KOEP re-opening, we have considered that the fair value on a NAV basis should include additional upside of 10% - 30% over the base case which attributes little value to any potential from the KOEP re-opening
- Without forward consensus estimates for the comparable trading group, we are relying on a traditional cashflow multiple applied to Forza's forward looking guidance

Source: Public company disclosure, financial statements, S&P Capital IQ, Forza Petroleum Ltd. and Cormark Securities Inc. as at November 30, 2023

(1) All multiples are based on Q3 2023 ended September 30, 2023 basic shares outstanding and 17,948,049 Long Term Incentive Plan share awards as per Forza on November 28, 2023

(2) FX as at November 30, 2023

(3) Net Debt of Adj. EV is based on the average Uncollected Adjusted Revenue Receivable of Base Case and Upside Case of US$33MM

(4) Q3 2023 ended September 30, 2023 Net Debt is Debt (Purchase consideration liability) + CL (Trade account payables + Payables to JO partners + Other payables) - CA (Cash + Other current assets + Trade and other receivables + Inventories)

(5) Gross W.I. reserve and unrisked resource volumes as at December 31, 2022

Based upon and subject to the foregoing and such other factors as we considered relevant, Cormark is of the opinion that, as of the Analysis Date, the fair market value of the Forza Shares is in the range of C$0.12 to C$0.17 per Forza Share.

The Valuation may be relied upon by the Special Committee and the Board for the purposes of considering the Consideration, and the Board's recommendation to Forza Minority Shareholders with respect to the Consideration, and may not be published, reproduced, disseminated, quoted from or referred to, in whole or in part, or be used or relied upon by any person, or for any other purpose, without our express prior written consent.

FAIRNESS OPINION

In considering the fairness, from a financial point of view, of the Consideration to be received by the Minority Shareholders pursuant to the Arrangement, Cormark reviewed, considered and relied upon or carried out, among other things, those items listed under "Scope of Review" and the following:

i. a comparison of the value of the Consideration payable to the Minority Shareholders pursuant to the Arrangement to the fair market value range of the Forza Shares as determined in the Valuation; and

ii. such other information, investigations and analyses considered necessary or appropriate in the circumstances.

Cormark did not, in considering the fairness of the Consideration, from a financial point of view, assess any income tax consequences that any particular Minority Shareholder may face in connection with the Arrangement.

FAIRNESS CONCLUSION

Based upon and subject to the foregoing and such other matters as we considered relevant, it is our opinion that, as of the date hereof, the Consideration to be paid under the Arrangement is fair, from a financial point of view, to the Minority Shareholders of Forza.

Yours very truly,

CORMARK SECURITIES INC.

Court File No. CV-23-00711759-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	**)**	**THURSDAY, THE 4TH**
	)	
JUSTICE CAVANAGH	**)**	**DAY OF JANUARY, 2023**

IN THE MATTER OF AN APPLICATION UNDER SECTION 192 OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, C. C-44, AS AMENDED, AND RULES 14.05(2) AND 14.05(3) OF THE *RULES OF CIVIL PROCEDURE*

AND IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING FORZA PETROLEUM LIMITED, ZEG OIL AND GAS LTD. AND 1453709 B.C. LTD.

FORZA PETROLEUM LIMITED

Applicant

INTERIM ORDER

THIS MOTION made by the Applicant, Forza Petroleum Limited ("**Forza Petroleum**"), for an interim order for advice and directions pursuant to section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended, (the "**CBCA**") was heard this day by Zoom videoconference.

ON READING the Notice of Motion, the Notice of Application issued on December 20, 2023 and the affidavit of Kevin Thomas-McPhee sworn January 2, 2024, (the "**McPhee Affidavit**"), including the Plan of Arrangement, which is attached as Appendix B to the draft management proxy circular of Forza Petroleum (the "**Information Circular**"), which is attached as Exhibit A to the McPhee Affidavit, and on hearing the submissions of counsel for

Forza Petroleum and counsel for Zeg Oil and Gas Ltd. ("**Zeg Oil**") and 1453709 B.C. Ltd. (the "**Purchaser**") and on being advised that the Director appointed under the CBCA (the "**Director**") does not consider it necessary to appear,

Definitions

1. **THIS COURT ORDERS** that all definitions used in this Interim Order shall have the meaning ascribed thereto in the Information Circular or otherwise as specifically defined herein.

The Meeting

2. **THIS COURT ORDERS** that Forza Petroleum is permitted to call, hold and conduct a special meeting (the "**Meeting**") of the holders of voting common shares (the "**Common Shares**") in the capital of Forza Petroleum (the "**Shareholders**") and the holders of share awards (the "**Share Awards**") outstanding under the long-term equity incentive plan of Forza Petroleum (the "**Award Holders**", and together with the Shareholders, the "**Securityholders**") to be held at the offices of Forza Petroleum Services SA at Route de Pré-Bois 14, 1216 Cointrin, Switzerland on Monday, February 12, 2024 at 4:00 p.m. (Central European Time) in order for the Securityholders to consider and, if determined advisable, pass a special resolution authorizing, adopting and approving, with or without variation, the Arrangement and the Plan of Arrangement (collectively, the "**Arrangement Resolution**"), a copy of which is found at Appendix A of the Information Circular, which is attached as Exhibit "A" to the McPhee Affidavit.

3. **THIS COURT ORDERS** that the Meeting shall be called, held and conducted in accordance with the CBCA, the notice of meeting of Securityholders, which accompanies the

Information Circular (the "**Notice of Meeting**") and the articles and by-laws of Forza Petroleum, subject to what may be provided hereafter and subject to further order of this court.

4. **THIS COURT ORDERS** that the record date (the "**Record Date**") for determination of the Securityholders entitled to notice of, and to vote at, the Meeting shall be the close of business (Toronto time) on January 5, 2024.

5. **THIS COURT ORDERS** that the only persons entitled to attend or speak at the Meeting shall be:

a) the registered Shareholders or their respective proxyholders;

b) the officers, directors, auditors and advisors of Forza Petroleum;

c) representatives and advisors of Zeg Oil and the Purchaser;

d) the Director; and

e) other persons who may receive the permission of the Chair of the Meeting.

6. **THIS COURT ORDERS** that Forza Petroleum may transact such other business at the Meeting as is contemplated in the Information Circular, or as may otherwise be properly before the Meeting.

Quorum

7. **THIS COURT ORDERS** that the Chair of the Meeting shall be determined by Forza Petroleum and that the quorum at the Meeting shall be not less than two persons present in person at the opening of the Meeting who are entitled to vote not less than 25% of the total

number of votes attaching to the Common Shares at the Meeting either as Shareholders or proxyholders.

Amendments to the Arrangement and Plan of Arrangement

8. **THIS COURT ORDERS** that Forza Petroleum is authorized to make, subject to the terms of the Arrangement Agreement between Forza Petroleum, Zeg and the Purchaser dated December 10, 2023 (the "**Arrangement Agreement**"), and paragraph 9, below, such amendments, modifications or supplements to the Arrangement and the Plan of Arrangement as it may determine without any additional notice to the Securityholders, or others entitled to receive notice under paragraph 12 hereof, provided same are to correct clerical errors, are non-material and would not if disclosed, reasonably be expected to affect a Securityholder's decision to vote, or are authorized by subsequent Court order, and the Arrangement and Plan of Arrangement, as so amended, modified or supplemented shall be the Arrangement and Plan of Arrangement to be submitted to the Securityholders at the Meeting and shall be the subject of the Arrangement Resolution. Amendments, modifications or supplements may be made following the Meeting, but shall be subject to review and, if appropriate, further direction by this Court at the hearing for the final approval of the Arrangement.

9. **THIS COURT ORDERS** that, if any amendments, modifications or supplements to the Arrangement or Plan of Arrangement made after initial notice is provided as contemplated in paragraph 12 herein, which would, if disclosed, reasonably be expected to affect a Securityholder's decision to vote for or against the Arrangement Resolution, notice of such amendment, modification or supplement shall be distributed, subject to further order of this Court, by e-mail, by press release, newspaper advertisement, prepaid ordinary mail, or by the

method most reasonably practicable in the circumstances, as Forza Petroleum and the Purchaser may jointly determine.

Amendments to the Information Circular

10. **THIS COURT ORDERS** that Forza Petroleum is authorized to make such amendments, revisions and/or supplements to the draft Information Circular as it may determine and the Information Circular, as so amended, revised and/or supplemented, shall be the Information Circular to be distributed in accordance with paragraph 12.

Adjournments, Postponements and Changes of Venue

11. **THIS COURT ORDERS** that Forza Petroleum, if it deems advisable and subject to the terms of the Arrangement Agreement, is specifically authorized to adjourn, postpone or change the venue (including holding a virtual meeting or hybrid meeting whereby Shareholders may choose to attend in person or virtually) of the Meeting on one or more occasions, without the necessity of first convening the Meeting or first obtaining any vote of the Securityholders respecting the adjournment, postponement or change of venue, and notice of any such adjournment, postponement or change of venue shall be given by such method as Forza Petroleum may determine is appropriate in the circumstances. This provision shall not limit the authority of the Chair of the Meeting in respect of adjournments, postponements or changes of venue.

Notice of Meeting

12. **THIS COURT ORDERS** that, subject to the extent section 253(4) of the CBCA is applicable, in order to effect notice of the Meeting, Forza Petroleum shall send or cause to be sent the Information Circular (including the Notice of Application and this Interim Order), the

Notice of Meeting, the form of proxy and the letter of transmittal, along with such amendments or additional documents as Forza Petroleum may determine are necessary or desirable and are not inconsistent with the terms of this Interim Order (collectively, the "**Meeting Materials**"), as follows:

a) to the registered Shareholders and Award Holders at the close of business on the Record Date, at least twenty-one (21) days prior to the date of the Meeting, including the date of sending but excluding the date of the Meeting, by one or more of the following methods:

   i) by pre-paid ordinary or first class mail at the addresses of the Securityholders as they appear on the books and records of Forza Petroleum, or its registrar and transfer agent, at the close of business on the Record Date and if no address is shown therein, then the last address of the person known to Forza Petroleum;

   ii) by delivery, in person or by recognized courier service or inter-office mail, to the address specified in (i) above; or

   iii) by facsimile or electronic transmission to any Securityholder, who is identified to the satisfaction of Forza Petroleum, who requests such transmission in writing and, if required by Forza Petroleum, agrees to pay the charges related to such transmission;

b) to non-registered Shareholders by providing sufficient copies of the Meeting Materials to intermediaries and registered nominees in a timely manner, in

accordance with National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*; and

c) to the directors and auditor of Forza Petroleum, and to the Director appointed under the CBCA, by delivery in person, by recognized courier service, by pre-paid ordinary or first class mail or, with the consent of the person, by facsimile or electronic transmission, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting;

and that compliance with this paragraph shall constitute sufficient notice of the Meeting.

13. **THIS COURT ORDERS** that accidental failure or omission by Forza Petroleum to give notice of the Meeting or to distribute the Meeting Materials to any person entitled by this Interim Order to receive notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of Forza Petroleum, or the non-receipt of such notice shall, subject to further order of this Court, not constitute a breach of this Interim Order nor shall it invalidate any resolution passed or proceedings taken at the Meeting. If any such failure or omission is brought to the attention of Forza Petroleum, it shall use its best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

14. **THIS COURT ORDERS** that Forza Petroleum is hereby authorized to make such amendments, revisions or supplements to the Meeting Materials, as Forza Petroleum may determine in accordance with the terms of the Arrangement Agreement ("**Additional Information**"), and that notice of such Additional Information may, subject to paragraph 9, above, be distributed by e-mail, press release, newspaper advertisement, pre-paid ordinary mail,

or by the method most reasonably practicable in the circumstances, as Forza Petroleum may determine.

15. **THIS COURT ORDERS** that distribution of the Meeting Materials pursuant to paragraph 12 of this Interim Order shall constitute notice of the Meeting and good and sufficient service of the within Application upon the persons described in paragraph 12 and that those persons are bound by any orders made on the within Application. Further, no other form of service of the Meeting Materials or any portion thereof need be made, or notice given or other material served in respect of these proceedings and/or the Meeting to such persons or to any other persons, except to the extent required by paragraph 9 above.

Solicitation and Revocation of Proxies

16. **THIS COURT ORDERS** that Forza Petroleum is authorized to use the letter of transmittal and proxies substantially in the form of the drafts accompanying the Information Circular, with such amendments and additional information as Forza Petroleum may determine are necessary or desirable, subject to the terms of the Arrangement Agreement. Subject to the Arrangement Agreement, each of Forza Petroleum, Zeg Oil and the Purchaser are authorized, at their own respective expense, to solicit proxies, directly or through their officers, directors or employees, and through such agents or representatives as they may retain for that purpose, and by mail or such other forms of personal or electronic communication as it may determine. Forza Petroleum may waive generally, in its discretion, the time limits set out in the Information Circular for the deposit or revocation of proxies by Securityholders, if Forza Petroleum deems it advisable to do so.

17. **THIS COURT ORDERS** that Securityholders shall be entitled to revoke their proxies in accordance with section 148(4) of the CBCA (except as the procedures of that section are varied by this paragraph) provided that any instruments in writing delivered pursuant to section 148(4)(a)(i) of the CBCA: (a) may be deposited at the registered office of Forza Petroleum or with the transfer agent of Forza Petroleum as set out in the Information Circular; and (b) any such instruments must be received by Forza Petroleum or its transfer agent not later than 24 hours, excluding Saturdays, Sunday and statutory holidays in Ontario, prior to the commencement of the Meeting (or any adjournment or postponement thereof).

Voting

18. **THIS COURT ORDERS** that the only persons entitled to vote in person or by proxy on the Arrangement Resolution, or such other business as may be properly brought before the Meeting, shall be those Securityholders who hold Common Shares or Share Awards as of the close of business on the Record Date. Illegible votes, spoiled votes, defective votes and abstentions shall be deemed to be votes not cast. Proxies that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution.

19. **THIS COURT ORDERS** that votes shall be taken at the Meeting on the basis of: (a) one vote per Common Share held; and (b) one vote per Share Award held. In order for the Plan of Arrangement to be implemented, subject to further Order of this Court, the Arrangement Resolution must be passed, with or without variation, at the Meeting by:

(i) an affirmative vote of at least two-thirds ($66^{2}/_{3}$%) of the votes cast in respect of the Arrangement Resolution at the Meeting in person or by proxy by the Shareholders;

(ii) an affirmative vote of at least two-thirds ($66^{2}/_{3}$%) of the votes cast in respect of the Arrangement Resolution at the Meeting in person or by proxy by the Securityholders, voting as a single class; and

(iii) a simple majority of the votes cast in respect of the Arrangement Resolution at the Meeting in person or proxy by the Shareholders, excluding the votes cast by Shareholders that are required to be excluded pursuant to Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* of the Canadian Securities Administrators for purposes of the Arrangement.

Such votes shall be sufficient to authorize Forza Petroleum to do all such acts and things as may be necessary or desirable to give effect to the Arrangement and the Plan of Arrangement on a basis consistent with what is provided for in the Information Circular without the necessity of any further approval by the Securityholders, subject only to final approval of the Arrangement by this Court.

20. **THIS COURT ORDERS** that in respect of matters properly brought before the Meeting pertaining to items of business affecting Forza Petroleum (other than in respect of the Arrangement Resolution), each Shareholder is entitled to one vote for each Common Share held.

Dissent Rights

21. **THIS COURT ORDERS** that each registered Shareholder shall be entitled to exercise Dissent Rights in connection with the Arrangement Resolution in accordance with section 190 of the CBCA (except as the procedures of that section are varied by this Interim Order and the Plan of Arrangement) provided that, notwithstanding subsection 190(5) of the CBCA, any Shareholder who wishes to dissent must, as a condition precedent thereto, provide written objection to the Arrangement Resolution to Forza Petroleum in the form required by section 190 of the CBCA and the Arrangement Agreement, which written objection must be received by Forza Petroleum at 3400 First Canadian Centre, 350 – 7th Avenue, SW, Calgary, Alberta, Canada, T2P 3N9, attention: Kevin McPhee, General Counsel and Corporate Secretary to be received not later than 4:00 p.m. (Eastern time) on the last Business Day that is two (2) Business Days immediately preceding the Meeting (or any adjournment or postponement thereof), and must otherwise strictly comply with the requirements of the CBCA. For purposes of these proceedings, the "court" referred to in section 190 of the CBCA means this Court.

22. **THIS COURT ORDERS** that, notwithstanding section 190(3) of the CBCA, the Purchaser, not Forza Petroleum, shall be required to offer to pay fair value, as of the day prior to approval of the Arrangement Resolution, for Common Shares held by Shareholders who duly exercise Dissent Rights, and to pay the amount to which such Shareholders may be entitled pursuant to the terms of the Arrangement Agreement or Plan of Arrangement. In accordance with the Plan of Arrangement and the Information Circular, all references to the "corporation" in subsections 190(3) and 190(11) to 190(26), inclusive, of the CBCA (except for the second reference to the "corporation" in subsection 190(12) and the two references to the "corporation" in subsection 190(17)) shall be deemed to refer to the "Purchaser" in place of the

"corporation", and the Purchaser shall have all of the rights, duties and obligations of the "corporation" under subsections 190(11) to 190(26), inclusive, of the CBCA.

23. **THIS COURT ORDERS** that, notwithstanding section 190(4) of the CBCA, a registered Shareholder may only exercise Dissent Rights if Dissent Rights are exercised in respect of all Common Shares registered in the same of such registered Shareholder.

24. **THIS COURT ORDERS** that any Shareholder who duly exercises such Dissent Rights set out in paragraph 21 above and who:

i) is ultimately determined by this Court to be entitled to be paid fair value for his, her or its Common Shares, shall be deemed to have transferred those Common Shares as of the time set out in the Plan of Arrangement, without any further act or formality and free and clear of all liens, claims, encumbrances, charges, adverse interests or security interests to the Purchaser in consideration for a payment of cash from the Purchaser equal to such fair value; or

ii) is for any reason ultimately determined by this Court not to be entitled to be paid fair value for his, her or its Common Shares pursuant to the exercise of the Dissent Right, shall be deemed to have participated in the Arrangement on the same basis and at the same time as any non-dissenting Shareholder;

but in no case shall Forza Petroleum, the Purchaser or any other person be required to recognize such Shareholders as holders of Common Shares at or after the acquisition of such Common Shares in accordance with the Plan of Arrangement and the names of such Shareholders shall be deleted from Forza Petroleum's register of Shareholders at that time.

Hearing of Application for Approval of the Arrangement

25. **THIS COURT ORDERS** that upon approval by the Securityholders of the Plan of Arrangement in the manner set forth in this Interim Order, Forza Petroleum may apply to this Court for final approval of the Arrangement.

26. **THIS COURT ORDERS** that distribution of the Notice of Application and the Interim Order in the Information Circular, when sent in accordance with paragraph 12, shall constitute good and sufficient service of the Notice of Application and this Interim Order and no other form of service need be effected and no other material need be served unless a Notice of Appearance is served in accordance with paragraph 26.

27. **THIS COURT ORDERS** that any Notice of Appearance served in response to the Notice of Application shall be served on the solicitors for Forza Petroleum, with a copy to counsel for Zeg Oil and the Purchaser, as soon as reasonably practicable, and, in any event, no less than four Business Days before the hearing of this Application at the following addresses:

FASKEN MARTINEAU DuMOULIN LLP
Barristers and Solicitors
333 Bay Street, Suite 2400
Bay Adelaide Centre, Box 20
Toronto, ON M5H 2T6
Attn: Brad Moore
bmoore@fasken.com
Tel: 416 865 4550

Lawyers for Forza Petroleum Limited

BLAKE CASSELS & GRAYDON LLP
199 Bay Street, Suite 4000
Commerce Court West
Toronto, ON M5L 1A9
Attn: Ryan Morris
ryan.morris@blakes.com
Tel: 416 863 2176

Lawyers for Zeg Oil and the Purchaser

28. **THIS COURT ORDERS** that, subject to further order of this Court, the only persons entitled to appear and be heard at the hearing of the within application shall be:

i) Forza Petroleum;

ii) Zeg Oil and the Purchaser;

iii) the Director; and

iv) any person who has filed a Notice of Appearance herein in accordance with the Notice of Application, this Interim Order and the *Rules of Civil Procedure*.

29. **THIS COURT ORDERS** that any materials to be filed by Forza Petroleum in support of the within Application for final approval of the Arrangement may be filed up to one day prior to the hearing of the Application without further order of this Court.

30. **THIS COURT ORDERS** that in the event the within Application for final approval does not proceed on the date set forth in the Notice of Application, and is adjourned, only those persons who served and filed a Notice of Appearance in accordance with paragraph 27 shall be entitled to be given notice of the adjourned date.

Service and Notice

31. **THIS COURT ORDERS** that the Applicants and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to Forza Petroleum's Securityholders, creditors or other interested

parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the Electronic Commerce Protection Regulations, Reg. 81000-2-175 (SOR/DORS).

Precedence

32. **THIS COURT ORDERS** that, to the extent of any inconsistency or discrepancy between this Interim Order and the terms of any instrument creating, governing or collateral to the Common Shares, Share Awards or the articles or by-laws of Forza Petroleum, this Interim Order shall govern.

Extra-Territorial Assistance

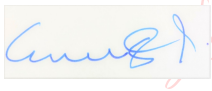
33. **THIS COURT** seeks and requests the aid and recognition of any court or any judicial, regulatory or administrative body in any province of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province and any court or any judicial, regulatory or administrative body of the United States or other country to act in aid of and to assist this Court in carrying out the terms of this Interim Order.

Variance

34. **THIS COURT ORDERS** that Forza Petroleum shall be entitled to seek leave to vary this Interim Order upon such terms and upon the giving of such notice as this Court may direct.

Enforceability

35. **THIS COURT ORDERS** that this Order is effective and enforceable once signed without the need for further entry and filing.



IN THE MATTER OF AN APPLICATION UNDER SECTION 192 OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, c. C-44, as amended

FORZA PETROLEUM LIMITED
Applicant

Court File No. CV-23-00711759-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

INTERIM ORDER

FASKEN MARTINEAU DuMOULIN LLP
Barristers and Solicitors
333 Bay Street, Suite 2400
Bay Adelaide Centre, Box 20
Toronto, ON M5H 2T6

Brad Moore (LSO: 47880A)
bmoore@fasken.com
Tel: 416 865 4550

Lawyers for the Applicant, Forza Petroleum Limited

APPENDIX E – NOTICE OF APPLICATION FOR FINAL ORDER

Court File No.:

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF AN APPLICATION UNDER SECTION 192 OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, c. C-44, AS AMENDED, AND RULES 14.05(2) AND 14.05(3) OF THE *RULES OF CIVIL PROCEDURE*

AND IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING FORZA PETROLEUM LIMITED, ZEG OIL AND GAS LTD. AND 1453709 B.C. LTD.

FORZA PETROLEUM LIMITED

Applicant

NOTICE OF APPLICATION

TO THE RESPONDENT(S)

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicant. The claim made by the Applicant appears on the following page.

THIS APPLICATION will come on for a hearing

☐ In writing
☐ In person
☐ By telephone conference
☒ By video conference

via Zoom, on February 15, 2024 at 10:00 a.m., before a judge presiding over the Commercial List at 330 University Avenue, Toronto, Ontario.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the Rules of

Civil Procedure, serve it on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date December 20, 2023 Issued by _____
Local Registrar

Address of court office: Superior Court of Justice
330 University Avenue, 7th Floor
Toronto ON
M5G 1R7

TO: ALL HOLDERS OF COMMON SHARES OF FORZA PETROLEUM LIMITED

AND TO: ALL HOLDERS OF SHARE AWARDS OF FORZA PETROLEUM LIMITED

AND TO: ALL DIRECTORS OF FORZA PETROLEUM LIMITED

AND TO: THE AUDITORS FOR FORZA PETROLEUM LIMITED

AND TO: **THE DIRECTOR**
Compliance & Policy Directorate
Corporations Canada, Industry Canada
9th Floor, Jean Edmunds Tower South
365 Laurier Avenue West
Ottawa, ON K1A 0C8

AND TO: **BLAKE CASSELS & GRAYDON LLP**
199 Bay Street, Suite 4000
Commerce Court West
Toronto, ON M5L 1A9

Ryan Morris (LSO: 50831C)
ryan.morris@blakes.com
Tel: 416 863 2176

Lawyers for Zeg Oil and Gas Ltd. and 1453709 B.C. Ltd.

APPLICATION

1. The Applicant, Forza Petroleum Limited ("**Forza Petroleum**") makes application for:

(a) an interim order (the "**Interim Order**") for advice and directions pursuant to subsection 192(4) of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended (the "**CBCA**"), with respect to a proposed plan of arrangement (the "**Arrangement**") involving Forza Petroleum, Zeg Oil and Gas Ltd. ("**Zeg Oil**") and 1453709 B.C. Ltd. (the "**Purchaser**") proposed by Forza Petroleum, as described in the Management Proxy Circular of Forza Petroleum (the "**Circular**");

(b) a final order (the "**Final Order**") approving the Arrangement pursuant to subsection 192(3) of the CBCA;

(c) an order abridging the time for service and filing or dispensing with service of the Notice of Application and Application Record, if necessary; and

(d) such further and other relief as this Honourable Court deems just.

2. The grounds for the application are:

(a) Forza Petroleum is a corporation that exists under the CBCA. Forza Petroleum is an international oil exploration and production company that has an interest in, and is the operator of, the Hawler License Area located in the Kurdistan Region of Iraq.

Common shares in the capital of Forza Petroleum (the "**Common Shares**") are listed for trading under the symbol "FORZ" on the Toronto Stock Exchange;

(b) Zeg Oil is a privately held company formed under the laws of the British Virgin Islands, and based in the Kurdistan Region of Iraq, that provides a broad range of engineering and construction services to the energy sector;

(c) the Purchaser is a corporation that exists under the laws of British Columbia and is a wholly-owned subsidiary of Zeg Oil;

(d) Forza Petroleum wishes to effect a fundamental change in the nature of an arrangement under the provisions of the CBCA;

(e) pursuant to the Arrangement, the Purchaser will acquire all of the Common Shares not already owned by the Purchaser and Zeg Oil. More specifically, among other things:

(i) holders of Common Shares will receive $0.15 in cash per Common Share (the "**Consideration**"); and

(ii) all share awards outstanding under the long-term equity incentive plan of Forza Petroleum (each, a "**Share Award**") will be cancelled and the holders of Share Awards will receive a cash payment equal to the Consideration for each Share Award held;

(f) the Arrangement is an "arrangement" within the meaning of subsection 192(1) of the CBCA;

(g) all statutory and other pre-conditions to the approval of the Arrangement have been satisfied or will have been satisfied prior to seeking the Final Order, including the requirement to obtain the approval of securityholders and any other directions that may be set out in the Interim Order;

(h) Forza Petroleum is not insolvent within the meaning of subsection 192(2) of the CBCA;

(i) it is not practicable for Forza Petroleum to effect the Arrangement under any other provision of the CBCA;

(j) the Application has been put forward in good faith for a *bona fide* business purpose and has a material connection to the Toronto Region;

(k) the Arrangement is fair and reasonable and it is appropriate for this Court to approve the Arrangement;

(l) certain of the securityholders and other parties to be served are resident outside of Ontario and will be served pursuant to the terms of the Interim Order and rule 17.02(n) of the *Rules of Civil Procedure*;

(m) section 192 of the CBCA;

(n) National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators;

(o) Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*;

(p) Rules 1.04, 2.03, 3.02(1), 14.05(2), 16.04(1), 16.08, 17.02, 37, 38 and 39 of the *Rules of Civil Procedure*; and

(q) such further and other grounds as counsel may advise and this Honourable Court may permit.

3. The following documentary evidence will be used at the hearing of the application:

(a) the affidavit of Kevin Thomas-McPhee, General Counsel and Corporate Secretary of Forza Petroleum, to be sworn, and the exhibits thereto;

(b) a further or supplementary affidavit to be sworn, and the exhibits thereto, on behalf of Forza Petroleum, reporting as to compliance with any Interim Order and the results of any meeting conducted pursuant to such Interim Order; and

(c) such further and other evidence as counsel may advise and this Honourable Court may permit.

December 20, 2023

FASKEN MARTINEAU DuMOULIN LLP
Barristers and Solicitors
333 Bay Street, Suite 2400
Bay Adelaide Centre, Box 20
Toronto, ON M5H 2T6

Brad Moore (LSO: 47880A)
bmoore@fasken.com
Tel: 416 865 4550

Lawyers for the Applicant, Forza Petroleum Limited

IN THE MATTER OF AN APPLICATION UNDER SECTION 192 OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.c. 1985, c. C-44, as amended

FORZA PETROLEUM LIMITED
Applicant

Court File No.:

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

NOTICE OF APPLICATION
(RETURNABLE FEBRUARY 15, 2024)

FASKEN MARTINEAU DuMOULIN LLP
Barristers and Solicitors
333 Bay Street, Suite 2400
Bay Adelaide Centre, Box 20
Toronto, ON M5H 2T6

Brad Moore (LSO: 47880A)
bmoore@fasken.com
Tel: 416 865 4550

Lawyers for the Applicant, Forza Petroleum Limited

APPENDIX F – DISSENT PROVISIONS OF THE CBCA

Right to dissent

190 (1) Subject to sections 191 and 241, a holder of shares of any class of a corporation may dissent if the corporation is subject to an order under paragraph 192(4)(d) that affects the holder or if the corporation resolves to

(a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares of that class;

(b) amend its articles under section 173 to add, change or remove any restriction on the business or businesses that the corporation may carry on;

(c) amalgamate otherwise than under section 184;

(d) be continued under section 188;

(e) sell, lease or exchange all or substantially all its property under subsection 189(3); or

(f) carry out a going-private transaction or a squeeze-out transaction.

Further right

(2) A holder of shares of any class or series of shares entitled to vote under section 176 may dissent if the corporation resolves to amend its articles in a manner described in that section.

If one class of shares

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares.

Payment for shares

(3) In addition to any other right the shareholder may have, but subject to subsection (26), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents or an order made under subsection 192(4) becomes effective, to be paid by the corporation the fair value of the shares in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted or the order was made.

No partial dissent

(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

Objection

(5) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting and of their right to dissent.

Notice of resolution

(6) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (5) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn their objection.

Demand for payment

(7) A dissenting shareholder shall, within twenty days after receiving a notice under subsection (6) or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing

(a) the shareholder's name and address;

(b) the number and class of shares in respect of which the shareholder dissents; and

(c) a demand for payment of the fair value of such shares.

Share certificate

(8) A dissenting shareholder shall, within thirty days after sending a notice under subsection (7), send the certificates representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent.

Forfeiture

(9) A dissenting shareholder who fails to comply with subsection (8) has no right to make a claim under this section.

Endorsing certificate

(10) A corporation or its transfer agent shall endorse on any share certificate received under subsection (8) a notice that the holder is a dissenting shareholder under this section and shall forthwith return the share certificates to the dissenting shareholder.

Suspension of rights

(11) On sending a notice under subsection (7), a dissenting shareholder ceases to have any rights as a shareholder other than to be paid the fair value of their shares as determined under this section except where

(a) the shareholder withdraws that notice before the corporation makes an offer under subsection (12),

(b) the corporation fails to make an offer in accordance with subsection (12) and the shareholder withdraws the notice, or

(c) the directors revoke a resolution to amend the articles under subsection 173(2) or 174(5), terminate an amalgamation agreement under subsection 183(6) or an application for continuance under subsection 188(6), or abandon a sale, lease or exchange under subsection 189(9),

in which case the shareholder's rights are reinstated as of the date the notice was sent.

Offer to pay

(12) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (7), send to each dissenting shareholder who has sent such notice

(a) a written offer to pay for their shares in an amount considered by the directors of the corporation to be the fair value, accompanied by a statement showing how the fair value was determined; or

(b) if subsection (26) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

Same terms

(13) Every offer made under subsection (12) for shares of the same class or series shall be on the same terms.

Payment

(14) Subject to subsection (26), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (12) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.

Corporation may apply to court

(15) Where a corporation fails to make an offer under subsection (12), or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as a court may allow, apply to a court to fix a fair value for the shares of any dissenting shareholder.

Shareholder application to court

(16) If a corporation fails to apply to a court under subsection (15), a dissenting shareholder may apply to a court for the same purpose within a further period of twenty days or within such further period as a court may allow.

Venue

(17) An application under subsection (15) or (16) shall be made to a court having jurisdiction in the place where the corporation has its registered office or in the province where the dissenting shareholder resides if the corporation carries on business in that province.

No security for costs

(18) A dissenting shareholder is not required to give security for costs in an application made under subsection (15) or (16).

Parties

(19) On an application to a court under subsection (15) or (16),

> **(a)** all dissenting shareholders whose shares have not been purchased by the corporation shall be joined as parties and are bound by the decision of the court; and
>
> **(b)** the corporation shall notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to appear and be heard in person or by counsel.

Powers of court

(20) On an application to a court under subsection (15) or (16), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall then fix a fair value for the shares of all dissenting shareholders.

Appraisers

(21) A court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.

Final order

(22) The final order of a court shall be rendered against the corporation in favour of each dissenting shareholder and for the amount of the shares as fixed by the court.

Interest

(23) A court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.

Notice that subsection (26) applies

(24) If subsection (26) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (22), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

Effect where subsection (26) applies

(25) If subsection (26) applies, a dissenting shareholder, by written notice delivered to the corporation within thirty days after receiving a notice under subsection (24), may

(a) withdraw their notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to their full rights as a shareholder; or

(b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

Limitation

(26) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that

(a) the corporation is or would after the payment be unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.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