

**OBSIDIAN ENERGY LTD.**

**OFFER TO PURCHASE**

**Offer to Purchase for Cash up to  
C\$48,436,000 Maximum Aggregate Purchase Price of  
the Outstanding 11.95% Senior Unsecured Notes Due July 27, 2027  
(Restricted ISIN/CUSIP CA674482AA25/674482AA2  
144A ISIN/CUSIP CA674482AB08/674482AB0  
REG D ISIN/CUSIP CA674482AC80/674482AC8)**

**THE OFFER (AS DEFINED BELOW) WILL EXPIRE AT 5:00 P.M., EASTERN DAYLIGHT TIME, ON AUGUST 12, 2025, UNLESS THE OFFER IS EXTENDED OR THE OFFER IS EARLIER TERMINATED BY THE COMPANY (AS DEFINED BELOW) IN ITS SOLE DISCRETION (SUCH TIME, AS THE SAME MAY BE EXTENDED OR EARLIER TERMINATED, THE “EXPIRATION TIME”). TENDERED NOTES MAY BE WITHDRAWN AT ANY TIME AT OR PRIOR TO THE EXPIRATION TIME.**

Obsidian Energy Ltd., an Alberta corporation (the “Company”), hereby offers to purchase for cash, on the terms and subject to the conditions set forth in this Offer to Purchase, up to an aggregate amount of C\$48,436,000 (the “Maximum Purchase Consideration”) of its outstanding 11.95% Senior Unsecured Notes due July 27, 2027, ISINs Nos. CA674482AA25 (Restricted), CA674482AB08 (144A) and CA674482AC80 (Regulation D), CUSIP Nos. 674482AA2 (Restricted), 674482AB0 (144A) and 674482AC8 (Regulation D) (the “Notes”), from holders thereof (each, a “Holder” and collectively, the “Holders”), at the price set forth below, upon the terms and subject to the conditions set forth in this Offer to Purchase (as it may be amended or supplemented from time to time, the “Statement”) and in the related Letter of Transmittal (as it may be amended or supplemented from time to time, the “Letter of Transmittal”) and the Notice of Guaranteed Delivery (as it may be amended or supplemented from time to time, the “Notice of Guaranteed Delivery”), which together constitute the Offer (the “Offer”). The amount of Notes that is purchased in the Offer will be determined by the Company, in its sole discretion (subject to possible proration as described in this Offer). The Company has the right to increase the Maximum Purchase Consideration, in its sole discretion. As of July 31, 2025, C\$112,236,000 aggregate principal amount of Notes were outstanding.

The consummation of the Offer and the Company’s obligation to accept for purchase, and to pay for, Notes validly tendered (and not validly withdrawn) pursuant to the Offer are subject to the satisfaction of or waiver of certain conditions, including satisfaction of the conditions set forth in “Terms of the Offer—Conditions to the Offer.” The Company reserves the right to amend or waive any of the conditions of the Offer, in whole or in part, at any time or from time to time, in its sole discretion.

The consideration for each C\$1,000 principal amount of Notes tendered prior to the Expiration Time and accepted for purchase pursuant to the Offer shall be the total consideration as set forth in the table below (the “Notes Consideration”). In addition, Holders who validly tender and do not validly withdraw their Notes in the Offer will also be paid a cash amount equal to accrued and unpaid interest from the last interest payment date up to, but not including, the

Settlement Date (as defined below) (the “Accrued Interest”). No tenders will be valid if submitted after the Expiration Time.

The Company reserves the right, but is under no obligation, to increase or waive the Maximum Purchase Consideration, in its sole discretion subject to applicable law, with or without extending the Expiration Time. No assurance can be given that the Company will increase or waive the Maximum Purchase Consideration. If Holders tender more Notes in the Offer than they expect to be accepted for purchase based on the Maximum Purchase Consideration and the Company subsequently accepts more Notes than such Holders expected as a result of an increase of the Maximum Purchase Consideration, such Holders may not be able to withdraw any of their previously tendered Notes. Accordingly, Holders should not tender any Notes that they do not wish to be accepted for purchase. See “Terms of the Offer—Conditions to the Offer.”

Subject to the terms and conditions of the Offer, the Company expects to settle all Notes validly tendered and not validly withdrawn at or prior to the Expiration Time and accepted for purchase in the Offer (subject to possible proration as described in this Offer) three business days after the Expiration Time (the date of such acceptance, the “Acceptance Date”). With respect to Notes accepted for purchase on the Acceptance Date and delivered on or prior to the Expiration Time, if any, the Holders thereof will receive payment of the Notes Consideration for such accepted Notes as soon as practicable after the Acceptance Date, with the date on which the Company deposits with Computershare Investor Services Inc. (“Computershare”) or, at their direction, with CDS Clearing and Depository Services Inc. (“CDS”), the aggregate Notes Consideration for such Notes, together with an amount equal to the Accrued Interest thereon, such date being referred to as the “Settlement Date.” With respect to accepted Notes delivered pursuant to the guaranteed delivery procedures described below, the Holders thereof will receive payment of the Notes Consideration for such accepted Notes as soon as practicable after the Notice of Guaranteed Delivery Date (as defined below), with the date on which the Company deposits with the Tender Agent or, at their direction, with CDS, the aggregate Notes Consideration for accepted Notes tendered and delivered through the guaranteed delivery procedures described below, together with an amount equal to the Accrued Interest to but not including the Settlement Date, such date being referred to as the “Guaranteed Delivery Settlement Date.” For the avoidance of doubt, the Accrued Interest will cease to accrue on the Settlement Date for all Notes accepted in the Offer.

Notes	CUSIP Number/ISIN	Principal Amount Outstanding as of July 31, 2025	Notes Consideration <sup>(1)</sup>
11.95% Senior Notes due July 27, 2027	ISINs. CA674482AA25 (Restricted) CA674482AB08 (144A) CA674482AC80 (Regulation D)	C\$112,236,000	C\$1,030
	CUSIP Nos. 674482AA2 (Restricted) 674482AB0 (144A) 674482AC8 (Regulation D)		

<sup>(1)</sup> Per C\$1,000 principal amount of Notes accepted for purchase and excluding the Accrued Interest. Holders will receive in cash an amount equal to the Accrued Interest in addition to the Notes Consideration.

If the consideration to be paid in the Offer with respect to the Notes or the principal amount of Notes subject to the Offer is amended, the Offer will remain open at least five days from the date the Company first gives notice to Holders, by public announcement or otherwise prior to 10:00 a.m. Eastern Daylight Time on such day, of such amendment.

**THIS STATEMENT, THE INFORMATION INCORPORATED BY REFERENCE, THE LETTER OF TRANSMITTAL AND THE NOTICE OF GUARANTEED DELIVERY SHOULD BE READ CAREFULLY BEFORE A DECISION IS MADE WITH RESPECT TO THE OFFER.**

**NEITHER THIS STATEMENT NOR ANY OF THE OTHER DOCUMENTS RELATING TO THE OFFER HAVE BEEN FILED WITH OR REVIEWED BY ANY FEDERAL, PROVINCIAL OR TERRITORIAL SECURITIES COMMISSION OR REGULATORY AUTHORITY OF ANY COUNTRY, NOR HAS ANY SUCH COMMISSION OR AUTHORITY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS STATEMENT OR ANY OF THE OTHER DOCUMENTS RELATING TO THE OFFER. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL AND MAY BE A CRIMINAL OFFENSE.**

July 31, 2025

**Notwithstanding any other provision of the Offer, the consummation of the Offer and the Company's obligation to accept for purchase, and to pay for, Notes validly tendered (and not validly withdrawn) pursuant to the Offer is subject to the satisfaction of or waiver of the conditions set forth in "Terms of the Offer—Conditions to the Offer." The Company reserves the right to amend or waive any of the conditions of the Offer, in whole or in part, at any time or from time to time, in its sole discretion.**

**In the event that the Offer with respect to the Notes is withdrawn or otherwise not completed, the Notes Consideration will not be paid or become payable to Holders who have validly tendered their Notes in connection with the Offer. In any such event, Notes previously tendered pursuant to the Offer will be promptly returned to the tendering Holder.**

Subject to the terms and conditions set forth herein, the Company expects to accept for purchase on the Acceptance Date Notes that are validly tendered and not validly withdrawn prior to the Expiration Time (subject to possible proration as described in this Offer) up to the Maximum Purchase Consideration, although the Company reserves the right, in its sole discretion, to accept more than such amount for purchase pursuant to the Offer.

Notes may be tendered and accepted for payment only in principal amounts equal to minimum denominations of C\$2,000 and integral multiples of C\$1,000 in excess thereof. No alternative, conditional or contingent tenders will be accepted. Holders who tender less than all of their Notes must continue to hold Notes in the minimum authorized denomination of C\$2,000 principal amount. All references in this Statement to "C\$" are to Canadian dollars.

**Subject to applicable laws and the terms set forth in the Offer, the Company reserves the right, with respect to the Notes, (a) to waive or modify in whole or in part any and all conditions to the Offer, (b) to extend the Expiration Time of the Offer, (c) to modify or**

**terminate the Offer, (d) to increase the Maximum Purchase Consideration, or (e) to otherwise amend the Offer in any respect.**

Subject to the terms and conditions set forth in this Statement, the Letter of Transmittal and the Notice of Guaranteed Delivery, the aggregate Notes Consideration, to which a tendering Holder is entitled pursuant to the Offer, will be paid on the Settlement Date, or in the case of accepted Notes delivered pursuant to the guaranteed delivery procedures described below, on the Guaranteed Delivery Settlement Date. Under no circumstances will any interest on the Notes Consideration be payable because of any delay in the transmission of funds to Holders by Computershare, CDS or its participants.

Computershare is acting as the Tender Agent (in such capacity, the “Tender Agent”) and Computershare Trust Company of Canada is the Trustee for the Notes (in such capacity, the “Trustee”) for the Offer.

The Notes are governed by the Indenture, dated as of July 27, 2022, between the Company and the Trustee (the “Indenture”).

Holders should note the following times relating to the Offer:

<b>Date</b>	<b>Calendar Date</b>	<b>Event</b>
Launch Date	July 31, 2025.	Commencement of the Offer.
Withdrawal Deadline	At or prior to the Expiration Time (which is 5:00 p.m. Eastern Daylight Time, on August 12, 2025) (unless extended or earlier terminated by the Company in its sole discretion).	The last date and time for Holders to withdraw previously tendered Notes.
Expiration Time	5:00 p.m., Eastern Daylight Time, August 12, 2025, unless extended or earlier terminated by the Company in its sole discretion.	The last date and time for Holders to tender Notes to qualify for the payment of the Notes Consideration.
Acceptance Date	The Company expects that the Acceptance Date will be three business days following the Expiration Time.	Acceptance of all Notes validly tendered and not validly withdrawn prior to the Expiration Time.

<b>Date</b>	<b>Calendar Date</b>	<b>Event</b>
Settlement Date	In respect of Notes that are accepted for purchase on the Acceptance Date and delivered on or prior to the Expiration Time, the Company expects the Settlement Date to occur on the Acceptance Date.	The date on which the Company deposits with the Tender Agent or, at their direction, with CDS, the aggregate Notes Consideration for Notes tendered and accepted for purchase on the Acceptance Date, together with an amount equal to the Accrued Interest thereon, subject to the Maximum Purchase Consideration and proration. The Accrued Interest will cease to accrue on the Settlement Date for all Notes accepted in the Offer.
Guaranteed Delivery Settlement Date	In respect of accepted Notes that are delivered pursuant to the guaranteed procedures described below, the Company expects the Guaranteed Delivery Settlement Date to occur three business days after the Notice of Guaranteed Delivery Date.	The date on which the Company deposits with the Tender Agent or, at their direction, with CDS, the aggregate Notes Consideration for accepted Notes tendered and delivered through the guaranteed delivery procedures described below, together with an amount equal to the Accrued Interest to but not including the Settlement Date. For the avoidance of doubt, the Accrued Interest will cease to accrue on the Settlement Date for all Notes accepted in the Offer.

**The Company reserves the right to extend the Offer with respect to the Notes, if necessary, so that the Acceptance Date occurs upon or shortly after the satisfaction or waiver of the conditions to the Offer. The deadlines set by any such intermediary and CDS for the submission and withdrawal of tender instructions may be earlier than the relevant deadlines specified above.**

Subject to applicable securities laws and the terms set forth in the Offer, the Company reserves the right, with respect to the Notes, (a) to waive or modify in whole or in part any and all conditions to the Offer, (b) to extend the Expiration Time, (c) to modify or terminate the Offer, (d) to increase the Maximum Purchase Consideration, or (e) to otherwise amend the Offer in any respect. In the event that the Offer is terminated or otherwise not completed with respect to the Notes, the Notes Consideration will not be paid or become payable to Holders of the Notes, without

regard to whether the Holders have validly tendered their Notes (in which case such tendered Notes will be promptly returned to the Holders).

## IMPORTANT INFORMATION

A beneficial owner of Notes that are held of record by a broker, dealer, commercial bank, trust company or other nominee or custodian who holds Notes (each an “intermediary”) must instruct such nominee to tender the Notes on the beneficial owner’s behalf. See “Terms of the Offer—Procedure for Tendering Notes.”

The deadline for tendering Notes set by any intermediary or CDS will be earlier than the Expiration Time. Unless the context otherwise requires, references in this Offer to Holders include:

- each person who is shown in the records of the clearing and settlement systems of CDS as a holder of any Notes (a “Direct Participant”);
- any intermediary; and
- each beneficial owner of Notes holding such Notes, directly or indirectly, in an account, or through the accounts of an intermediary, in the name of a Direct Participant acting on the beneficial owner’s behalf,

except that for the purposes of the purchase of any Notes and the payment of any cash representing the Notes Consideration or Accrued Interest, as the case may be, to the extent the beneficial owner of the relevant Notes is not a Direct Participant, such payment will be made only to the relevant Direct Participant, and the making of such payment to CDS and by CDS to the relevant Direct Participant will satisfy any obligations of the Company, the Tender Agent and CDS in respect of such Notes.

If the Offer is terminated, withdrawn, or otherwise not completed prior to the Expiration Time without any Notes being purchased in the Offer, no Notes Consideration will be paid or become payable to tendering Holders who have properly tendered and not validly withdrawn their Notes in connection with the Offer and all tendered Notes will be promptly returned to the tendering Holders (or, if tendered by a participant in CDS, are to be credited to such participant’s account at CDS). In the event that certain Notes tendered by a Holder are not purchased due to proration, such Notes will be promptly returned to the tendering Holder (or, if tendered by a participant in CDS, are to be credited to such participant’s account at CDS).

Questions and requests for assistance may be directed to the Tender Agent at its address and telephone number set forth on the back cover of this Statement. Additional copies of this Statement, the Letter of Transmittal and the Notice of Guaranteed Delivery and other related materials may be obtained from the Tender Agent at its address and telephone number set forth on the back cover of this Statement. Beneficial owners may also contact their intermediary through which they hold the Notes with questions and requests for assistance.

**This Offer does not constitute a notice of redemption under the optional redemption provisions of the Indenture.**

**The statements made in this Statement are made as of the date on the cover page and the statements incorporated by reference are made as of the date of the document incorporated by reference or such other date as may be specified therein. The delivery of this**

**Statement, the Letter of Transmittal and the Notice of Guaranteed Delivery shall not under any circumstances create any implication that the information contained herein or incorporated by reference is correct as of a later date or that there has been no change in such information or in the affairs of the Company or any of its subsidiaries or affiliates since such dates.**

**This Statement, the Letter of Transmittal and the Notice of Guaranteed Delivery do not constitute an offer to buy or the solicitation of an offer to sell any securities. Nothing in this Statement, the Letter of Transmittal or the Notice of Guaranteed Delivery constitutes an offer to sell any securities.**

**No dealer, salesperson or other person has been authorized to give any information or to make any representation not contained in this Statement and, if given or made, such information or representation may not be relied upon as having been authorized by the Company.**

**None of the Company, its board of directors, the Trustee, the Tender Agent or any of their respective affiliates makes any recommendation as to whether Holders should tender, or refrain from tendering, all or any portion of the principal amount of their Notes pursuant to the Offer.**



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## SUMMARY

*This Statement, the Letter of Transmittal and the Notice of Guaranteed Delivery contain important information that should be read carefully before any decision is made with respect to the Offer.*

*The following summary is provided solely for the convenience of Holders. This summary is not intended to be complete and is qualified in its entirety by reference to the full text and more specific details contained elsewhere or incorporated by reference in this Statement, the Letter of Transmittal, the Notice of Guaranteed Delivery and any amendments or supplements hereto or thereto. Holders are urged to read this Statement, the Letter of Transmittal and the Notice of Guaranteed Delivery in their entirety. Each of the capitalized terms used but not defined in this summary has the meaning set forth elsewhere in this Statement.*

If you have questions, please call the Tender Agent at its telephone number on the back cover of this Statement.

The Company	Obsidian Energy Ltd., an Alberta corporation.
The Notes	11.95% Senior Notes Due July 27, 2027 (ISINs CA674482AA25 (Restricted), CA674482AB08 (144A) and CA674482AC80 (Regulation D), CUSIP Nos. 674482AA2 (Restricted), 674482AB0 (144A) and 674482AC8 (Regulation D)).
Principal Amount Outstanding	C\$112,236,000.
The Offer	The Company is offering to purchase for cash, upon the terms and subject to the conditions set forth in this Statement, the Letter of Transmittal and the Notice of Guaranteed Delivery, up to an aggregate amount of C\$48,436,000 of its outstanding Notes, validly tendered and accepted for purchase by the Company (subject to possible proration as described in this Offer) up to the Maximum Purchase Consideration. See “Terms of the Offer—General.”
Notes Consideration	The Notes Consideration for Notes accepted for purchase shall be C\$1,030 per C\$1,000 principal amount of Notes.
Accrued Interest	The Notes Consideration for the Notes will be paid together with a cash amount equal to accrued and unpaid interest from the last interest payment date for the Notes up to, but not including, the Settlement Date.

Final Acceptance Amount and Proration	<p>The Company currently proposes to accept for purchase Notes validly tendered and not properly withdrawn (subject to possible proration as described in this Offer) up to the Maximum Purchase Consideration, although the Company reserves the right, in its sole discretion, to accept more than such amount for purchase pursuant to the Offer. The Company may increase the Maximum Purchase Consideration at any time in its sole discretion. If the aggregate purchase price for Notes validly tendered at or prior to the Expiration Time (and not validly withdrawn) would result in an aggregate purchase price in excess of the Final Acceptance Amount (as defined below), the Company intends to accept the Notes for purchase on a pro rata basis. All Notes not accepted as a result of proration or otherwise will be rejected from the Offer and returned to the tendering Holder. See “Terms of the Offer—Final Acceptance Amount” and “Terms of the Offer—Proration.”</p>
Expiration Time	<p>5:00 p.m., Eastern Daylight Time on August 12, 2025, unless extended or the Offer is earlier terminated by the Company in its sole discretion. The Company retains the right to extend the Offer with respect to the Notes for any reason.</p>
Acceptance Date	<p>The Company expects that the Acceptance Date will be three business days after the Expiration Time, on which date the Company intends to accept for purchase Notes validly tendered and not validly withdrawn prior to the Expiration Time, subject to the satisfaction or waiver of the conditions to the Offer and to possible proration as described in this Offer.</p>
Settlement Date	<p>In respect of Notes that are accepted for purchase on the Acceptance Date, the Company expects that the Settlement Date will be the Acceptance Date. The Accrued Interest will cease to accrue on the Settlement Date for all Notes accepted in the Offer. In respect of accepted Notes that are delivered pursuant to the guaranteed delivery procedures described below, the Company expects that the Guaranteed Delivery Settlement Date will be three business days after the Notice of Guaranteed Delivery Date.</p>
Withdrawal Rights	<p>Notes tendered pursuant to the Offer at or prior to the Expiration Time may be withdrawn or revoked at any</p>

	<p>time at or prior to the Expiration Time (which is 5:00 p.m., Eastern Daylight Time, on August 12, 2025 (unless extended)), in accordance with the procedures described herein and as otherwise set forth herein.</p>
How to Tender Notes	<p>If you desire to tender Notes held through CDS, you must transfer such Notes to the Tender Agent through CDS' settlement and clearing system, CDSX. See "Terms of the Offer—Procedure for Tendering Notes." For further information, call the Tender Agent at its telephone number set forth on the back cover of this Statement or consult your intermediary for assistance.</p>
Purpose of the Offer	<p>The Company is making the Offer as a required FCF Sweep Offer (as defined in the Indenture) pursuant to Section 5.16 of the Indenture. Any Notes that are accepted for purchase will be cancelled.</p>
Conditions to the Offer	<p>Notwithstanding any other provision of the Offer, the consummation of the Offer and the Company's obligation to accept for purchase, and to pay for, Notes validly tendered (and not validly withdrawn) pursuant to the Offer is subject to the satisfaction of or waiver of the conditions set forth in "Terms of the Offer—Conditions to the Offer." The Company reserves the right to amend or waive any of the conditions of the Offer, in whole or in part, at any time or from time to time, in its sole discretion.</p> <p>The Company also reserves the right, but is under no obligation, to increase or waive the Maximum Purchase Consideration, in its sole discretion subject to applicable law, with or without extending the Expiration Time. No assurance can be given that the Company will increase or waive the Maximum Purchase Consideration. See "Terms of the Offer—Conditions to the Offer".</p>
Acceptance for Payment and Payment for Notes	<p>On the terms of the Offer and upon satisfaction or waiver of the conditions of the Offer specified herein under "Terms of the Offer—Conditions to the Offer," the Company will (a) accept for purchase Notes validly tendered (or defectively tendered, if in its sole discretion the Company waives such defect) and not validly withdrawn (subject to possible proration as described in this Offer) up to the Maximum Purchase Consideration, (b) promptly deposit with the Tender</p>

Agent or, at their direction, with CDS, on the Settlement Date, the Notes Consideration, plus an amount equal to the Accrued Interest thereon, for Notes that are validly tendered in the Offer and accepted for purchase, and (c) promptly deposit with the Tender Agent or, at their direction, with CDS, on the Guaranteed Delivery Settlement Date, the Notes Consideration for such accepted Notes delivered pursuant to the guaranteed delivery procedures set forth below, plus an amount equal to the Accrued Interest to but not including the Settlement Date.

The Company reserves the right, subject to applicable laws, to (a) accept for purchase and pay for all of the Notes validly tendered at or prior to the Expiration Time with respect to the Offer (subject to possible proration as described in this Offer) and to keep the Offer open or extend the Expiration Time to a later date and time, and (b) waive all conditions to the Offer with respect to the Notes tendered at or prior to the Expiration Time.

Certain Significant Consequences

For a summary of certain significant consequences of the Offer, see “Certain Significant Consequences.”

Certain Canadian Federal Income Tax Consequences

For a summary of certain Canadian federal income tax consequences of the Offer, see “Certain Canadian Federal Income Tax Consequences.”

Brokerage Commissions

No brokerage commissions are payable by Holders to the Company, the Trustee or the Tender Agent.

Tender Agent

Computershare Investor Services Inc.

Further Information

Questions may be directed to the Tender Agent, and additional copies of this Statement, the Letter of Transmittal and the Notice of Guaranteed Delivery may be obtained by contacting the Tender Agent, at its telephone number and address set forth on the back cover of this Statement.

## DOCUMENTS INCORPORATED BY REFERENCE

The Company currently files reports and other information in Canada at <http://www.sedarplus.ca> in accordance with Canadian securities laws. The Company “incorporates by reference” certain information that has been filed with certain securities commissions or similar authorities in Canada into this Statement, which means that it discloses important information by referring to other documents filed separately, which are considered part of this Statement. The following documents of the Company filed with the various provincial securities commissions or similar authorities in Canada are specifically incorporated by reference into and form an integral part of this Statement:

- the annual information form of the Company, dated February 24, 2025, for the year ended December 31, 2024;
- the audited consolidated financial statements of the Company, dated February 24, 2025, for the years ended December 31, 2024 and 2023, together with the notes thereto and the independent auditor’s report thereon;
- management’s discussion and analysis of the historical financial position and results of the Company for the year ended December 31, 2024, dated February 24, 2025;
- the unaudited condensed interim consolidated financial statements of the Company, dated July 29, 2025, for the three and six months ended June 30, 2025 and 2024, together with the notes thereto;
- management’s discussion and analysis of the historical financial position and results of the Company for the three and six months ended June 30, 2025, dated July 29, 2025; and
- the management information circular and proxy statement of the Company, dated March 15, 2025, relating to the annual and special meeting of shareholders held on May 7, 2025.

All press releases issued by the Company after the date of this Statement and on or prior to the earlier of the Expiration Time or termination of the Offer that indicate that they are to be deemed to be incorporated into this Statement shall be deemed incorporated herein by reference and shall be deemed to be a part hereof from the date of issuance of such documents. Any statement contained in a document deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Statement to the extent that a statement contained herein or in any subsequently issued document or report that also is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Statement.

The Tender Agent will provide without charge to each person to whom this Statement is delivered, upon the written request of such person, a copy of any or all of the documents which are incorporated by reference herein, other than exhibits to such documents which are not

specifically incorporated by reference herein. Requests should be directed to the Tender Agent at its address set forth on the back cover page of this Statement. The information relating to the Company contained in this Statement does not purport to be complete and should be read together with the information contained in the incorporated documents.

No person has been authorized to give any information or to make any representation not contained in this Statement and, if given or made, such information or representation may not be relied upon as having been authorized, by the Company or the Tender Agent.

The information on the Company's website and any other website that is referred to in this Statement is not part of this Statement.

### **CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This Statement, including information included or incorporated by reference herein contains forward-looking statements, with respect to, among other things, the Company's operations and financial performance. All statements, other than statements of historical fact, regarding the Company's strategy, future operations, financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management are forward-looking statements. Specifically, the Company cannot assure that the transactions contemplated in this Statement will be consummated on the terms satisfactory to the Company, if at all. When used in this Statement, the words "could," "should," "believe," "anticipate," "intend," "estimate," "approximate," "predict," "plan," "continue," "seek," "expect," "project" and the negative versions of these words or other comparable words are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. Such forward-looking statements are subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included or incorporated by reference in this Statement, including, among others, the annual information form of the Company, dated February 24, 2025, for the year ended December 31, 2024. See "Documents Incorporated by Reference." The Company undertakes no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.

### **THE COMPANY**

The Company is an intermediate-sized oil and gas producer with a well-balanced portfolio of high-quality assets based in Western Canada. The Company's strategy is to focus on maintaining operational excellence, improving its debt leverage and delivering top quartile shareholder returns. The Company believes its focused Cardium land position, low decline production profile and prospective Peace River acreage can be used to further develop its asset base and execute its strategy.



## **CERTAIN SIGNIFICANT CONSEQUENCES**

In deciding whether to participate in the Offer, each Holder should consider carefully, in addition to the other information contained or incorporated by reference in this Statement, the following:

### **The Offer is subject to certain conditions**

Notwithstanding any other provision of the Offer, the Company will not be obligated to accept for purchase, and pay for, validly tendered Notes pursuant to the Offer if the conditions set forth in “Terms of the Offer—Conditions to the Offer” have not been satisfied or waived. In addition, subject to applicable law, the Company may terminate the Offer at any time prior to the Expiration Time. There can be no assurance that such conditions will be met, that the Company will not terminate the Offer or that, in the event that the Offer is not consummated, the value and liquidity of the Notes will not be materially adversely affected. The Offer is not conditioned upon any minimum amount of securities being tendered.

### **Holders are responsible for complying with the procedures for participating in the Offer**

Holders are responsible for complying with all of the procedures for submitting a tender instruction. Holders who wish to tender their Notes for purchase should allow sufficient time for timely completion of the relevant submission procedures. None of the Company, the Trustee or the Tender Agent (or any of their respective directors, employees or affiliates) assumes any responsibility for informing Holders of irregularities with respect to any such Holder’s tender instruction or for notifying the Holder of any failure to follow the proper procedure.

If Notes are held through an intermediary, such entity may require the relevant Holder to take action with respect to the Offer a number of days before the Expiration Time in order for such entity to tender for purchase the relevant Notes on the relevant Holder’s behalf on or prior to the Expiration Time.

### **Holders have the responsibility to consult their own tax, accounting, financial, legal and professional advisers before participating in the Offer**

Holders should consult their own tax, accounting, financial, legal and professional advisers as they may deem appropriate regarding the tax, accounting, financial and legal consequences of participating or declining to participate in the Offer. This Statement does not discuss any tax consequences for Holders arising from the purchase by the Company of the Notes and the receipt of the Accrued Interest to but not including the Settlement Date, other than certain Canadian federal income tax considerations (see “Certain Canadian Federal Income Tax Consequences”). Holders are urged to consult their own professional advisers regarding any tax consequences under the laws of any relevant jurisdictions. Holders are liable for their own taxes and have no recourse to the Company or the Tender Agent with respect to taxes arising in connection with the Offer. None of the Company or the Tender Agent (nor any director, officer, employee, agent or affiliate of any such person) is acting for any Holder or will be responsible to any Holder for providing any protections which might be afforded to its clients or for providing advice in relation to the Offer, and accordingly none of the Company or the Tender Agent (nor any director, officer, employee,

agent or affiliate of, any such person) makes any recommendation whether Holders should tender or refrain from tendering Notes in the Offer.

### **Substantial Existing Indebtedness**

As at the date of this Statement, the Company has indebtedness of approximately C\$235,583,341, being the sum of the amount drawn on the Credit Facility (as defined below), outstanding letters of credit and the aggregate principal amount of the Notes outstanding. This level of indebtedness may in the future (a) restrict the Company's ability to operate, (b) increase its vulnerability to a downturn in its business, (c) reduce the funds that would otherwise be available for its operations and future business opportunities, (d) limit its ability to obtain additional financing to meet future requirements, and (e) limit or prevent it from meeting its obligations on Notes that are not tendered and purchased pursuant to the Offer. Subject to the terms of the Indenture and other contractual restrictions, the Company and its subsidiaries may incur substantial additional indebtedness in the future, which would increase these and other leverage-related risks.

### **Notes Are Subordinated to Bank Indebtedness; Pledge of Assets by Company**

As of the date of this Statement, the Company has credit facilities in an aggregate maximum principal amount of C\$235,000,000 (the "Credit Facility"). The Company's obligations under the Credit Facility rank contractually senior to the Notes. In addition, the Company's obligations under the Credit Facility are structurally senior to the Notes. The Credit Facility is also guaranteed by its "material subsidiaries" for the purposes of the credit agreement governing the Credit Facility and these guarantees likewise rank senior to both the Company's and any guaranteeing subsidiary's obligations on the Notes pursuant to the provisions contained in the Indenture. The Credit Facility also is secured by all of the assets of the Company and its subsidiaries. The lenders under the Credit Facility will have claims with respect to such assets that are senior to holders of any remaining Notes, to the extent of the value of such assets pledged to secure the borrowings under the Credit Facility.

### **The Company may not accept Notes validly tendered to the Offer**

The amount of Notes accepted for payment in the Offer may be subject to possible proration as described in this Offer. See "Terms of the Offer—Proration."

### **No independent valuation has been conducted**

The Notes Consideration does not reflect any independent valuation of the Notes and does not take into account events or changes in financial markets (including interest rates) after the commencement of the Offer. We have not obtained or requested a fairness opinion from any banking or other firm as to the fairness of the consideration offered for the Notes. If a Holder tenders Notes, such Holder may or may not receive more or as much value than if it chose to keep them.

## **Limited Trading Market**

The Notes are not listed on any national or regional securities exchange. Quotations for securities that are not widely traded, such as the Notes, may differ from actual trading prices and should be viewed as approximations. Holders are urged to contact their intermediary with respect to current information regarding the Notes. A bid for a debt security with a smaller outstanding principal amount available for trading (a smaller “float”) may be lower than a bid for a comparable debt security with a greater float. Therefore, the market value of any untendered or otherwise unpurchased Notes may be affected adversely given that the Notes tendered and purchased pursuant to the Offer will reduce the float. Holders of untendered or unpurchased Notes may attempt to obtain quotations for such Notes from their intermediary; however, there can be no assurance that an active trading market will exist for the Notes following the Offer. The extent of the public market for the Notes following consummation of the Offer would depend upon the number of Holders holding Notes remaining at such time, and the interest in maintaining a market in the Notes on the part of securities firms and other factors.

## **Subsequent Repurchases of Notes; Redemption**

The Company reserves the absolute right, in its sole discretion, from time to time to purchase any Notes that remain outstanding after the Expiration Time through open-market purchases, privately negotiated transactions, tender offers, exchange offers, redemptions or otherwise, upon such terms and at such prices as it may determine (or as may be provided by the terms of the Indenture governing the Notes), which may be more or less than the price paid pursuant to the Offer and could be for cash or other consideration.

Neither this Statement nor the Offer constitute a notice of redemption under the optional redemption provisions of the Indenture governing the Notes. The decision to redeem any Notes that remain outstanding after the Offer, and the selection of any particular redemption date, is in the Company’s sole discretion.

## **PURPOSE OF THE OFFER**

The Company is making the Offer as a required FCF Sweep Offer (as defined in the Indenture) pursuant to Section 5.16 of the Indenture. The Company will have a minimum of C\$60,000,000 of liquidity (comprised of cash, cash equivalents and undrawn capacity) at the time of making, and immediately after settling, the FCF Sweep Offer and is offering C\$48,436,000 as the Maximum Purchase Consideration, representing the remaining amount the Company must repurchase or redeem in order to discharge its covenant pursuant to Section 5.16 of the Indenture. The Company reserves the right, in its sole discretion, to accept more than such amount for purchase pursuant to the Offer.

The Indenture requires that FCF Sweep Offers be made semi-annually until Notes in an aggregate principal amount equal to at least C\$63,800,000 have been repurchased by the Company. Following completion of the Offer, assuming that Notes are repurchased for the Maximum Purchase Consideration, together with free market purchases totaling C\$8,568,990 and prior repurchases totaling C\$6,795,010 to date, the Company will no longer have an obligation under the Indenture to repurchase any additional Notes.

Any Notes that are accepted for purchase will be cancelled.

## **SOURCE OF FUNDS**

The Company expects to use draws on the Credit Facility and/or cash balances to provide the total amount of funds required by the Company to purchase the Notes validly tendered and accepted pursuant to the Offer (subject to possible proration as described in this Offer) and to pay all related fees and expenses in connection with the Offer.

## **TERMS OF THE OFFER**

### **General**

Upon the terms and subject to the conditions set forth in this Statement, the Letter of Transmittal and the Notice of Guaranteed Delivery and any supplements or amendments hereto or thereto, the Company hereby offers to purchase for cash outstanding Notes for the Notes Consideration (subject to possible proration as described in this Offer) payable up to the Maximum Purchase Consideration on the Settlement Date.

Subject to the terms and conditions of the Offer or the waiver thereof by the Company in its sole discretion, Holders that validly tender and do not validly withdraw their Notes and validly deliver their Notes before the Expiration Time will be eligible to receive the Notes Consideration (subject to possible proration as described in this Offer) up to the Maximum Purchase Consideration, together with an amount equal to the Accrued Interest thereon.

Only Notes that are validly tendered in accordance with the procedures set forth herein before the Expiration Time will, upon the terms and subject to the conditions hereof, be eligible for acceptance by the Company. If so accepted, payment to the Tender Agent or, at their direction, with CDS, will be made therefor on the Settlement Date or, in the case of accepted Notes delivered pursuant to the guaranteed delivery program, payment to the Tender Agent or, at their direction, with CDS, will be made on the Guaranteed Delivery Settlement Date. No such payments will be made with respect to the applicable Notes if the Offer is terminated. All conditions to the Offer, if any Notes are to be accepted for purchase promptly after the Expiration Time, will be either satisfied or waived by the Company prior to or concurrently with the expiration of the Offer at the Expiration Time.

In the event of any dispute or controversy regarding the Notes Consideration or the amount of the Accrued Interest for Notes tendered pursuant to the Offer, the Company's determination shall be conclusive and binding, absent manifest error.

In the event of a termination of the Offer with respect to the Notes, all Notes tendered pursuant to the Offer will be promptly returned to the tendering Holders. Neither this Statement nor the Offer constitute a notice of redemption under the optional redemption provisions of the Indenture governing the Notes. In the event that the Company does not consummate the repurchase of the Notes, it may otherwise acquire any Notes which remain outstanding after the Expiration Time, through open market or privately negotiated transactions, one or more additional tender offers, or otherwise, upon such terms and at such prices as the Company may determine, which may be more or less than the prices to be paid pursuant to the Offer.

The Company's obligation to accept and pay for Notes validly tendered pursuant to the Offer is conditioned upon satisfaction or waiver of certain conditions as set forth under "Terms of the Offer—Conditions to the Offer." **Subject to applicable securities laws and the terms set forth in the Offer, the Company reserves the right, with respect to the Notes, (a) to waive or modify in whole or in part any and all conditions to the Offer, (b) to extend the Expiration Time, (c) to modify or terminate the Offer, (d) to increase the Maximum Purchase Consideration, or (e) to otherwise amend the Offer in any respect.** The rights reserved by the Company in this paragraph are in addition to the Company's rights to terminate the Offer described in "Terms of the Offer—Conditions to the Offer."

Any amendment to the Offer with respect to the Notes will apply to all Notes tendered in the Offer. Any extension or amendment of the Expiration Time with respect to the Notes will be followed as promptly as practicable by public announcement thereof, the announcement in the case of an extension of the Expiration Time to be issued no later than 9:00 a.m., Eastern Daylight Time, on the next Calgary business day after the previously scheduled Expiration Time, with a copy to the Trustee. Without limiting the manner in which any public announcement may be made, the Company shall have no obligation to publish, advertise or otherwise communicate any such public announcement other than by issuing a press release.

If the consideration to be paid in the Offer with respect to the Notes or the principal amount of Notes subject to the Offer is amended, the Offer will remain open at least five days from the date the Company first gives notice to Holders, by public announcement or otherwise prior to 10:00 a.m. Eastern Daylight Time on such day, of such amendment. If the Company makes any other material change to the terms of the Offer, the Company will extend the Offer for at least three days, if the Offer would otherwise expire during such period. The Company will announce any such change in a press release issued at least three days, or in the case of a change in the Notes Consideration, at least five days, prior to the expiration of the Offer and prior to 10:00 a.m., Eastern Daylight Time, on the first day of such five- or three-day period, as applicable, with a copy to the Trustee. During any extension of the Offer, all Notes previously tendered will remain subject to the Offer unless validly withdrawn at or prior to the Expiration Time. Any Notes that are tendered may be withdrawn at any time prior to the Expiration Time. See "Terms of the Offer—Withdrawal of Tenders."

## **No Recommendation**

None of the Company, its board of directors, the Trustee, the Tender Agent or any of their respective affiliates makes any recommendation as to whether Holders should tender, or refrain from tendering as to all or any portion of the principal amount of their Notes pursuant to the Offer. Holders must make their own decisions with regard to tendering Notes and no one has been authorized by any of them to make such a recommendation. Holders must make their own decisions as to whether to tender Notes, and, if so, the principal amount of Notes to tender.

## **Settlement of Notes**

With respect to Notes accepted for purchase on the Acceptance Date and delivered on or prior to the Expiration Time (subject to possible proration as described in this Offer), the Holders thereof will receive payment of the Notes Consideration for accepted Notes as soon as practicable

after the Settlement Date, which date will be the date on or promptly after the Acceptance Date on which the Company deposits with the Tender Agent or, at their direction, with CDS the aggregate Notes Consideration for such Notes, together with an amount equal to the Accrued Interest thereon. With respect to accepted Notes delivered pursuant to the guaranteed delivery procedures described below, the Holders thereof will receive payment of the Notes Consideration for such Notes as soon as practicable after the Guaranteed Delivery Settlement Date, which date will be three business days after the Notice of Guaranteed Delivery Date, together with an amount equal to the Accrued Interest to but not including the Settlement Date. For the avoidance of doubt, the Accrued Interest will cease to accrue on the Settlement Date for all Notes accepted in the Offer.

The Tender Agent will act as agent for the Company for the purpose of receiving payment from the Company and transmitting payment to the tendering Holders, and receipt of payment by the Tender Agent will be deemed to constitute receipt of payment by the tendering Holders.

Notes may be tendered and accepted for payment only in principal amounts equal to minimum denominations of C\$2,000 and integral multiples of C\$1,000 in excess thereof. No alternative, conditional or contingent tenders will be accepted. Holders who tender less than all of their Notes must continue to hold Notes in the minimum authorized denomination of C\$2,000 principal amount.

### **Conditions to the Offer**

Notwithstanding any other provision of the Offer and in addition to (and not in limitation of) the Company's rights to terminate, to extend and/or amend any or all of the Offer with respect to the Notes, in its sole discretion, the Company shall not be required to accept for payment, purchase or pay for, and may delay the acceptance for payment of, any Notes validly tendered (and not validly withdrawn), and may terminate any or all of the Offer, if any of the following has occurred:

- there shall have occurred a change in conditions prior to the Acceptance Date such that the terms of the Offer are no longer in compliance with the liquidity or any other relevant requirements of the Credit Facility;
- there shall have been instituted, threatened or be pending any action, proceeding or investigation (whether formal or informal) (or there shall have been any material adverse development to any action or proceeding currently instituted, threatened or pending) before or by any court, governmental, regulatory or administrative agency or instrumentality, or by any other person, in connection with the Offer that, in the sole judgment of the Company, either (a) is, or is reasonably likely to be, materially adverse to the business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects of the Company and its subsidiaries, (b) would or might prohibit, prevent, restrict or delay consummation of the Offer, or (c) would materially impair the contemplated benefits of the Offer to the Company or be material to Holders in deciding whether to accept the Offer;
- an order, statute, rule, regulation, executive order, stay, decree, judgment or injunction shall have been proposed, enacted, entered, issued, promulgated,

enforced or deemed applicable by any court or governmental, regulatory or administrative agency or instrumentality that, in the sole judgment of the Company, either (a) would or might prohibit, prevent, restrict or delay consummation of the Offer, or (b) is, or is reasonably likely to be, materially adverse to the business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects of the Company;

- there shall have occurred or be likely to occur any event affecting the business or financial affairs of the Company and its subsidiaries that, in the sole judgment of the Company, would or might result in any of the consequences referred to in the second bullet above;
- the Trustee shall have objected in any respect to or taken action that could, in the sole judgment of the Company, adversely affect the consummation of the Offer or shall have taken any action that challenges the validity or effectiveness of the procedures used by the Company in the making of the Offer or the acceptance of, or payment for, the Notes; or
- there has occurred (a) any general suspension of, or limitation on prices for, trading in securities in the Canadian securities or financial markets, (b) any significant adverse change in the price of the Notes in Canada or other major securities or financial markets, (c) a material impairment in the trading market for debt securities, (d) a declaration of a banking moratorium or any suspension of payments in respect to banks in Canada or other major financial markets, (e) any limitation (whether or not mandatory) by any government or governmental, administrative or regulatory authority or agency, domestic or foreign, or other event that, in the reasonable judgment of the Company, might affect the extension of credit by banks or other lending institutions, (f) a commencement of a war, armed hostilities, terrorist acts or other national or international calamity directly or indirectly involving Canada, (g) in the case of any of the foregoing existing on the date hereof, a material acceleration or worsening thereof, or (h) any event that has resulted, or may in the sole judgment of the Company result, in a material adverse change in the business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects of the Company.

The foregoing conditions are for the sole benefit of the Company and may be asserted by the Company regardless of the circumstances giving rise to any such condition (including any action or inaction by the Company) and may be waived by the Company with respect to the Notes, in whole or in part, at any time and from time to time, in the sole discretion of the Company. All conditions to the Offer will, if any Notes are to be accepted for purchase promptly after the Expiration Time, be either satisfied or waived by the Company concurrently with or before such time. If any of the conditions are not satisfied at the Expiration Time, the Company may, in its sole discretion and without giving any notice, terminate the Offer, or extend the Offer, and continue to accept tenders. The failure by the Company at any time to exercise any of the foregoing rights will not be deemed a waiver of any other right and each right will be deemed an ongoing right that may be asserted at any time and from time to time.

## Acceptance for Payment and Payment for Notes

On the terms of the Offer and upon satisfaction or waiver of the conditions of the Offer specified herein under “Terms of the Offer—Conditions to the Offer,” the Company will (a) accept for purchase Notes validly tendered (or defectively tendered, if in its sole discretion the Company waives such defect) and not validly withdrawn (subject to possible proration as described in this Offer) up to the Maximum Purchase Consideration, (b) pay to Computershare or, at their direction, to CDS, on the Settlement Date, the Notes Consideration, as the case may be, plus an amount equal to the Accrued Interest thereon, for Notes that are tendered in the Offer and accepted for purchase, and (c) pay to Computershare or, at their direction, to CDS, on the Guaranteed Delivery Settlement Date, the Notes Consideration for such accepted Notes delivered pursuant to the guaranteed delivery procedures set forth below, plus an amount equal to the Accrued Interest to but not including the Settlement Date.

The Company reserves the right, subject to applicable laws, to (a) accept for purchase and pay for all of the Notes validly tendered at or prior to the Expiration Time with respect to the Offer and to keep the Offer open or extend the Expiration Time to a later date and time, and (b) waive all conditions to the Offer for Notes tendered at or prior to the Expiration Time. Notes will be accepted for purchase in minimum denominations of C\$2,000 and in integral multiples of C\$1,000 in excess thereof.

For purposes of the Offer, tendered Notes will be deemed to have been accepted for purchase, if, as and when the Company gives oral or written notice thereof to the Tender Agent. Payment for Notes accepted for purchase shall be made on the Settlement Date by the deposit of the aggregate Notes Consideration plus an amount equal to the Accrued Interest thereon, in immediately available funds with Computershare or, at their direction, to CDS. Under no circumstances will additional interest on the Notes Consideration be paid by the Company after the Settlement Date by reason of any delay on the part of the guaranteed delivery procedures or Computershare, CDS or its participants in making payment to Holders.

The Company expressly reserves the right, in its sole discretion, to delay acceptance for purchase of or payment for Notes in order to comply, in whole or in part, with any applicable law. See “Terms of the Offer—Conditions to the Offer.” In all cases, payment by Computershare to Holders or beneficial owners of the Notes Consideration for Notes purchased pursuant to the Offer will be made only after receipt by Computershare of (a) a certificate representing the Notes or a timely confirmation of a book-entry transfer of such Notes into the Tender Agent’s account at CDS pursuant to the procedures set forth under “Terms of the Offer—Procedure for Tendering Notes” (a “Book-Entry Confirmation”), as the case may be, and (b) a properly completed and duly executed Letter of Transmittal, with any required signature guarantees and any other documents required by the Letter of Transmittal.

Tendering Holders will not be obligated to pay brokerage fees or commissions to the Tender Agent or the Company. The Company will pay or cause to be paid all transfer taxes with respect to the purchase of any Notes unless the box titled “Special Payment Instructions” or the box titled “Special Delivery Instructions” on the Letter of Transmittal has been completed, as described in the instructions thereto. If payment is to be made to, or if Notes not tendered or purchased are to be registered in the name of or delivered to, any persons other than the registered



owners, or if tendered Notes are registered in the name of any persons other than the persons signing the Letter of Transmittal, the amount of any transfer taxes (whether imposed on the registered Holder or such other person) payable on account of the transfer to such other person will be deducted from the payment unless satisfactory evidence of the payment of such taxes or exemption therefrom is submitted.

The Company reserves the right to transfer or assign, in whole at any time or in part from time to time, to one or more affiliates, the right to purchase Notes tendered pursuant to the Offer, but any such transfer or assignment will not relieve the Company of its obligations under the Offer or prejudice the rights of tendering Holders to receive payment of the Notes Consideration, for Notes validly tendered pursuant to the Offer and accepted for purchase by the Company.

### **Procedure for Tendering Notes**

The tender of Notes that are not validly withdrawn pursuant to the Offer and in accordance with the procedures described below will constitute a valid tender of Notes. Holders will not be eligible to receive the Notes Consideration unless they validly tender their Notes (and not validly withdraw their Notes) pursuant to the Offer at or prior to the Expiration Time. All Holders whose Notes are purchased pursuant to the Offer will also receive a cash amount equal to the Accrued Interest thereon, if any.

The method of delivery of Notes, the Letter of Transmittal and the guaranteed delivery procedures, any required signature guarantees and all other required documents, including delivery through CDS, is at the election and risk of the Holder tendering Notes and delivering the Letter of Transmittal, the Notice of Guaranteed Delivery and, except as otherwise provided in the Letter of Transmittal or the Notice of Guaranteed Delivery, delivery will be deemed made only when actually received by the Tender Agent. If delivery is by mail, it is suggested that the Holder use properly insured, registered mail with return receipt requested, and that the mailing be made sufficiently in advance of the Expiration Time to permit delivery to the Tender Agent at or prior to such date. **In no event shall the Holder send any Notes to the Company.**

*Tender of Notes Held Through CDS.* CDS has authorized CDS participants that hold Notes on behalf of beneficial owners of Notes through CDS to tender their Notes as if they were Holders. To effect such a tender of Notes, CDS participants must transmit their acceptance through CDSX, for which the Offer for the Notes will be eligible. Holders desiring to tender their Notes immediately preceding the Expiration Time should be aware that such Holders must allow sufficient time for completion of the CDSX procedures during normal business hours of CDS on such date.

The use of CDSX by a participant of CDS (in accordance with the provisions of the CDS participant rules) shall satisfy the terms of the Offer. Participants who tender Notes to the Offer through CDSX are deemed to have submitted such instructions in accordance with the terms of the Offer and other related materials under the Offer and therefore such instructions received are considered as a valid tender.

The Tender Agent will establish an account or accounts with respect to the Notes at CDS for purposes of the Offer, and any financial institution that is a participant in CDS may make book-

entry delivery of Notes by causing CDS to transfer such Notes into the Tender Agent's account in accordance with CDS' procedures for such transfer. However, although delivery of Notes may be effected through book-entry transfer into the Tender Agent's account at CDS, any other required documents, must be transmitted to and received by the Tender Agent at its address set forth on the back cover of this Offer before the Expiration Time. The confirmation of a book-entry transfer into the Tender Agent's account at CDS as described above is referred to herein as a "Book-Entry Confirmation". **Delivery of documents to CDS does not constitute delivery to the Tender Agent.**

*Tender of Notes Held in Physical Form.* For a Holder to validly tender Notes held in physical form pursuant to the Offer, a properly completed and validly executed Letter of Transmittal, together with any signature guarantees and any other documents required by the instructions to the Letter of Transmittal, must be received by the Tender Agent at its address set forth on the back cover of this Statement and either certificates for tendered Notes must be received by the Tender Agent at such address or such Notes must be transferred pursuant to the procedures for book-entry transfer described above and a Book-Entry Confirmation must be received by the Tender Agent, in either case, prior to the Expiration Time.

*Guaranteed Delivery.* If a Holder desires to tender Notes into the Offer and the Holder's Notes are not immediately available or the Holder cannot deliver the Notes to the Tender Agent before the Expiration Time, or the Holder cannot complete the procedure for book-entry transfer on a timely basis, or if time will not permit all required documents to reach the Tender Agent before the Expiration Time, the Holder may nevertheless tender the Notes, provided that the Holder satisfies all of the following conditions:

- the Holder makes the tender by or through an eligible guarantor institution;
- the amount tendered is in minimum denominations of principal, or face, amount of C\$2,000 and integral multiples of C\$1,000 in excess thereof, subject to the requirement that Holders who tender less than all of their Notes must continue to hold Notes in the minimum authorized denomination of C\$2,000 principal amount;
- the Tender Agent receives by mail, overnight courier or email transmission, before the Expiration Time, a properly completed and duly executed Notice of Guaranteed Delivery; and
- the Tender Agent receives the certificates representing the Notes tendered, in proper form for transfer, or a timely Book-Entry Confirmation, as the case may be, in each case together with a properly completed and duly executed Letter of Transmittal, with any required signature guarantees and any other documents required by the Letter of Transmittal by the Notice of Guaranteed Delivery Date.

The Note(s) and the Letter of Transmittal for Guaranteed deliveries submitted prior to the Expiry Time will be required to be provided by no later than 5:00 p.m., Eastern Daylight Time, on August 13, 2025 (the "**Notice of Guaranteed Delivery Date**"), which is the first business day after the Expiration Time. The Guaranteed Delivery Settlement Date will take place on August 15, 2025. If the Holder is executing the tender through CDS, the CDS participant need not

complete and physically deliver the Notice of Guaranteed Delivery, but each Holder will be bound by the terms of the Offer.

**FOR THE AVOIDANCE OF DOUBT, THE DELIVERY OF SUCH NOTES TENDERED BY GUARANTEED DELIVERY PROCEDURES WILL BE MADE NO LATER THAN 5:00 P.M., EASTERN DAYLIGHT TIME, ON THE FIRST BUSINESS DAY AFTER THE EXPIRATION TIME; PROVIDED, THAT THE ACCRUED INTEREST WILL CEASE TO ACCRUE ON THE SETTLEMENT DATE FOR ALL NOTES ACCEPTED IN THE OFFER, INCLUDING THOSE TENDERED BY THE GUARANTEED DELIVERY PROCEDURES SET FORTH ABOVE AND UNDER NO CIRCUMSTANCES WILL ADDITIONAL INTEREST ON THE NOTES CONSIDERATION BE PAID BY THE COMPANY AFTER THE SETTLEMENT DATE BY REASON OF ANY DELAY ON THE PART OF THE GUARANTEED DELIVERY PROCEDURES.**

**THE LETTER OF TRANSMITTAL, THE CERTIFICATES REPRESENTING THE NOTES TENDERED AND THE NOTICE OF GUARANTEED DELIVERY SHOULD BE SENT ONLY TO THE TENDER AGENT, AND NOT TO THE COMPANY OR TO ANY BOOK-ENTRY TRANSFER FACILITY.**

**THE METHOD OF DELIVERY OF NOTES, THE LETTER OF TRANSMITTAL, THE NOTICE OF GUARANTEED DELIVERY AND ALL OTHER REQUIRED DOCUMENTS TO THE TENDER AGENT IS AT THE ELECTION AND RISK OF THE HOLDER TENDERING NOTES. DELIVERY OF SUCH DOCUMENTS WILL BE DEEMED MADE ONLY WHEN ACTUALLY RECEIVED BY THE TENDER AGENT. IF SUCH DELIVERY IS BY MAIL, IT IS SUGGESTED THAT THE HOLDER USE PROPERLY INSURED, REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, AND THAT THE MAILING BE MADE SUFFICIENTLY IN ADVANCE OF THE EXPIRATION TIME TO PERMIT DELIVERY TO THE TENDER AGENT PRIOR TO SUCH DATE. NO ALTERNATIVE, CONDITIONAL OR CONTINGENT TENDERS OF NOTES WILL BE ACCEPTED.**

*Signature Guarantees.* Signatures on the Letter of Transmittal must be guaranteed by a Canadian Schedule 1 chartered bank, a member firm of a recognized stock exchange in Canada or a U.S. financial institution (including most U.S. banks, savings and loan associations and brokerage houses) which is a participant in the Securities Transfer Agents Medallion Program (STAMP), the New York Stock Exchange Medallion Signature Program (MSP) or the Stock Exchanges Medallion Program (SEMP) (an “Eligible Institution”), unless (a) the Letter of Transmittal is signed by the registered Holder of the Notes tendered therewith (or by a participant in CDS whose name appears on a security position listing it as the owner of such Notes) and payment of the Notes Consideration is to be made, or if any Notes for principal amounts not tendered or not accepted for purchase are to be issued, directly to such Holder (or, if tendered by a participant in CDS, any Notes for principal amounts not tendered or not accepted for purchase are to be credited to such participant’s account at CDS) and neither the “Special Payment Instructions” box nor the “Special Delivery Instructions” box on the Letter of Transmittal has been completed, or (b) such Notes are tendered for the account of an Eligible Institution.

*Book-Entry Transfer.* The Tender Agent will establish a new account or utilize an existing account with respect to the Notes at CDS (CDS being a “Book-Entry Transfer Facility”) for purposes of the Offer promptly after the date of this Statement (to the extent such arrangements have not been made previously by the Tender Agent), and any financial institution that is a participant in CDS and whose name appears on a security position listing as the owner of the Notes may make book-entry delivery of Notes by causing CDS to transfer such Notes into the Tender Agent’s account in accordance with CDS’ procedures for such transfer. Delivery of documents to CDS in accordance with such Book-Entry Transfer Facility’s procedures does not constitute delivery to the Tender Agent.

**Holders desiring to tender Notes pursuant to CDSX must allow sufficient time for completion of the CDSX procedures during the normal business hours of CDS.**

*Other Matters.* Notwithstanding any other provision hereof, payment for Notes accepted for purchase pursuant to the Offer will in all cases be made only after timely receipt by the Tender Agent of (a) a certificate representing the Notes or a timely Book-Entry Confirmation through the CDSX system pursuant to the procedures set forth above, as the case may be, and (b) a properly completed and duly executed Letter of Transmittal, with any required signature guarantees and any other documents required by the Letter of Transmittal.

Tenders of Notes pursuant to any of the procedures described above, and acceptance thereof by the Company for purchase, will constitute a binding agreement between the Company and the tendering Holder of the Notes, upon the terms and subject to the conditions of the Offer.

By executing a Letter of Transmittal, and subject to and effective upon acceptance for purchase of, and payment for, the Notes tendered therewith, a tendering Holder irrevocably sells, assigns and transfers to or upon the order of the Company all right, title and interests in and to all the Notes tendered thereby, waives any and all other rights with respect to the Notes and releases and discharges the Company from any and all claims such Holder may have now, or may have in the future, arising out of, or related to, the Notes, including without limitation any claims that such Holder is entitled to receive additional principal or interest payments with respect to the Notes or to participate in any redemption of the Notes.

By tendering the Notes pursuant to any of the procedures described above, the tendering Holder irrevocably constitutes and appoints an officer of the Company the true and lawful agent and attorney-in-fact of such tendering Holder with respect to any tendered Notes, with full power of substitution and re-substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to (a) deliver such Notes or transfer ownership of such Notes on the account books maintained by CDS, together with all accompanying evidences of transfer and authenticity, as applicable, to or upon our order, (b) present such Notes for transfer on the register, and (c) receive all benefits or otherwise exercise all rights of beneficial ownership of such Notes, all in accordance with the terms of the Offer.

By tendering the Notes pursuant to any of the procedures described above, the tendering Holder represents, warrants and agrees that:

- it is the beneficial owner of, or a duly authorized representative of one or more beneficial owners of, the Notes tendered thereby, and it has full power and authority to tender the Notes;
- the Notes being tendered were owned as of the date of tender, free and clear of any liens, charges, claims, encumbrances, interests and restrictions of any kind, and the Company will acquire good, indefeasible and unencumbered title to those Notes, free and clear of all liens, charges, claims, encumbrances, interests and restrictions of any kind, when the Company accepts the same;
- it will not sell, pledge, hypothecate or otherwise encumber or transfer any Notes tendered thereby from the date of such tender, and any purported sale, pledge, hypothecation or other encumbrance or transfer will be void and of no effect;
- it is a person to whom it is lawful to make available this Offer or to make the Offer in accordance with applicable laws (including the offering restrictions set out in this Offer);
- all authority conferred or agreed to be conferred shall not be affected by, and shall survive, its death or incapacity, and any obligation of it hereunder shall be binding upon its heirs, executors, administrators, trustees in bankruptcy, personal and legal representatives, successors and assigns;
- it has had access to such financial and other information and has been afforded the opportunity to ask such questions of representatives of the Company and receive answers thereto, as it deems necessary in connection with its decision to participate in the Offer;
- it acknowledges that the Company, the Tender Agent and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of the acknowledgements, representations and warranties made by its submission of the Book-Entry Confirmation through CDSX system is, at any time at or prior to the consummation of the Offer, no longer accurate, it shall promptly notify the Company and the Tender Agent. If it is tendering the Notes as a fiduciary or agent for one or more investor accounts, it represents that it has so investment discretion with respect to each such account and it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account;
- it has received the Offer, and has reviewed and considered the offer and distribution restrictions, terms, conditions, risk factors, and other considerations of the Offer, all as described in this Offer and any related communications, and has undertaken an appropriate analysis of the implications of the Offer without reliance on the Company, the Tender Agent or the Trustee;
- the tender of Notes shall constitute an undertaking to execute any further documents and give any further assurances that may be required in connection with any of the

foregoing, in each case on and subject to the terms and conditions described or referred to in this Offer;

- it and the person receiving the applicable consideration have observed the laws of all relevant jurisdictions, obtained all requisite governmental, exchange control or other required consents, complied with all requisite formalities and paid any issue, transfer or other taxes or requisite payments due from any of them in each respect in connection with any offer or acceptance in any jurisdiction, and that it and such person or persons have not taken or omitted to take any action in breach of the terms of the Offer or which will or may result in the Company or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Offer or the tender of Notes in connection therewith;
- it understands that it is liable for its own taxes and has no recourse to the Company, the Tender Agent or the Trustee with respect to taxes arising in connection with the Offer;
- it understands that tenders of Notes pursuant to any of the procedures described in this Offer and acceptance of such Notes by the Company will, once such acceptance has been notified by the Company to the Tender Agent, constitute a binding agreement between such Holder and the Company upon the terms and subject to the conditions of this Offer;
- it recognizes that under certain circumstances set forth in this Offer, the Company may terminate or amend the Offer or may postpone the acceptance of, or the payment for, Notes tendered or may not be required to purchase any of the Notes tendered;
- it requests that any Notes representing principal amounts not tendered or not accepted for purchase be issued in the name of, and delivered by credit to, the account of CDS, who will credit the account of the participant from which such Notes were received;
- it acknowledges that none of the Company, the Tender Agent or the Trustee is making any recommendation as to whether or not it should tender Notes in response to the Offer;
- for purposes of the Offer, it understands that validly tendered Notes (or defectively tendered Notes with respect to which the Company have or have caused to be waived such defect) will be deemed to have been accepted by the Company if, as and when the Tender Agent has received confirmation from the Company (orally or by written notice) thereof; and
- neither it nor the person receiving the applicable consideration is acting on behalf of any person who could not truthfully make the foregoing representations, warranties and undertakings or those set forth in the Book-Entry Confirmation through the CDSX system.

All questions as to the form of all documents and the validity (including time of receipt) and acceptance of all tenders of Notes will be determined by the Company, in its sole discretion, the determination of which shall be conclusive and binding. Alternative, conditional or contingent tenders of Notes will not be considered valid. The Company reserves the right to reject any or all tenders of Notes that are not in proper form or the acceptance of which, in the Company's opinion, would be unlawful. The Company also reserves the right to waive any defects, irregularities or conditions of tender as to particular Notes.

Any defect or irregularity in connection with tenders of Notes must be cured within such time as the Company determines, unless waived by the Company. Tenders of Notes shall not be deemed to have occurred until all defects and irregularities have been waived by the Company or cured. None of the Company, the Tender Agent, the Trustee or any other person will be under any duty to give notice of any defects or irregularities in tenders of Notes or will incur any liability to Holders for failure to give such notice.

### **No Appraisal or Dissent Rights**

The Notes are debt obligations of the Company and are governed by the Indenture. No appraisal, dissent or other similar statutory rights are available to Holders in connection with the Offer.

### **Final Acceptance Amount**

The Company currently proposes to accept for purchase Notes validly tendered and not properly withdrawn (subject to possible proration as described in this Offer) up to the Maximum Purchase Consideration, although it reserves the right, in its sole discretion, to accept more than such amount for purchase pursuant to the Offer (the final aggregate principal amount of Notes accepted for purchase pursuant to the Offer being the "Final Acceptance Amount").

### **Proration**

If the aggregate purchase price for Notes validly tendered at or prior to the Expiration Time (and not validly withdrawn) would result in an aggregate purchase price in excess of the Final Acceptance Amount, the Company intends to accept the Notes for purchase on a pro rata basis such that the aggregate principal amount of Notes accepted for purchase pursuant to the Offer is no greater than the Final Acceptance Amount.

Notes not purchased due to proration will be returned as soon as practicable after the Expiration Time without expense to the tendering Holder in physical form or by book-entry delivery through CDS to the accounts of the applicable CDS participants, as applicable. The Company will announce its acceptance of validly tendered Notes pursuant to the Offer and the Final Acceptance Amount as promptly as practicable after the Expiration Time, subject to the satisfaction or waiver of the conditions described in this Offer.

### **Withdrawal of Tenders**

Notes tendered may be withdrawn at any time before the earlier of (a) the Expiration Time, and (b) if the Offer is extended, the 10th day after the commencement of the Offer. In addition,

tendered Notes may be withdrawn at any time after the 60th day after the commencement of the Offer if for any reason the Offer has not been consummated within 60 days after commencement. In the event of a termination of the Offer with respect to the Notes, the Notes will be credited to the account maintained at CDS from which the Notes were delivered or certificates for the Notes will be returned to such tendering Holders. In addition, the Company may, if it deems appropriate, extend the Expiration Time for any other reason. If the Company makes a material change in the terms of the Offer or the information concerning the Offer or waives a material condition of the Offer, the Company will disseminate additional Offer materials and extend the Offer to the extent required by law. If the consideration to be paid in the Offer or the principal amount of Notes subject to the Offer is amended, the Offer will remain open at least five days from the date the Company first gives notice to Holders, by public announcement or otherwise, of such amendment. In addition, the Company may, if it deems appropriate, extend the Offer for any other reason.

For a withdrawal of a tender of Notes to be effective, a written or electronic transmission notice of withdrawal must be timely received by the Tender Agent at its address set forth on the back cover of this Offer, by electronic transmission, mail, overnight courier or hand delivery or by a properly transmitted “Request Message” through CDSX. Any such notice of withdrawal must:

- specify the name of the Holder who tendered the Notes to be withdrawn and, if different, the name of the registered holder of such Notes (or, in the case of Notes tendered by book-entry transfer, the name of the CDS participant whose name appears on the security position as the owner of such Notes);
- contain a description of the Notes to be withdrawn (including the principal amount of the Notes to be withdrawn); and
- except in the case of a notice of withdrawal transmitted through CDSX, be signed by such participant in the same manner as the participant’s name is listed in the Book-Entry Confirmation through the CDSX system, or be accompanied by evidence satisfactory to the Company that the person withdrawing the tender has succeeded to the beneficial ownership of such Notes.

If a Holder tendered its Notes through a custodial entity and wishes to withdraw its Notes, it will need to make arrangements for withdrawal with its custodian or nominee. A Holder’s ability to withdraw the tender of its Notes will depend upon the terms of the arrangements made with its custodian or nominee and, if such custodian or nominee is not the Direct Participant tendering those Notes, the arrangements between the custodian and such Direct Participant, including any arrangements involving intermediaries between the custodian and such Direct Participant.

Any permitted withdrawal of Notes may not be rescinded, and any Notes validly withdrawn will thereafter be deemed not validly tendered for purposes of the Offer; provided, however, that validly withdrawn Notes may be re-tendered by again following one of the appropriate procedures described herein at any time at or prior to the Expiration Time.

If the Company extends the Offer or is delayed in its acceptance for purchase of Notes or is unable to purchase Notes pursuant to the Offer for any reason, then, without prejudice to the Company’s rights hereunder, tendered Notes may be retained by the Tender Agent on behalf of



the Company and may not be withdrawn, except as otherwise provided herein. All questions as to the validity, form and eligibility (including time of receipt) of notices of withdrawal of Notes will be determined by the Company, in the Company's sole discretion (whose determination shall be final and binding). None of the Company, the Tender Agent, the Trustee or any other person will be under any duty to give notification of any defects or irregularities in any notice of withdrawal, or incur any liability for failure to give any such notification.

## **Changes in Ratings**

The Company may from time to time approach the rating agencies in an effort to obtain more favorable ratings, including more favorable ratings for the Notes. While no assurance can be given that more favorable ratings will be obtained, if that does occur, it could have a favorable impact on the market price at which the Notes trade, including increasing the market price for the Notes above the Notes Consideration. Should that occur, the Company will have no obligation to make any additional payments in respect of any such increase to Holders who tender their Notes and receive payment for Notes which are accepted all in accordance with the terms of the Offer.

## **CERTAIN CANADIAN FEDERAL INCOME TAX CONSEQUENCES**

The following summary describes, as of the date hereof, the principal Canadian federal income tax considerations generally applicable to a Holder as a consequence of the Offer; provided that such Holder, at all relevant times, for the purposes of the *Income Tax Act* (Canada) (together with the regulations thereto, the "Tax Act"), is the beneficial owner of the Notes and all payments made thereunder, holds the Notes as capital property, deals at arm's length with the Company and is not affiliated with the Company (a "Note Holder"). Generally, the Notes will be considered capital property to a Note Holder provided such Note Holder does not hold the Notes in the course of carrying on a business of trading or dealing in securities and the Note Holder has not acquired the Notes in one or more transactions considered to be an adventure in the nature of trade.

This summary is not applicable to a Note Holder if such Note Holder is (a) a "financial institution," as defined in the Tax Act for the purposes of the mark-to-market rules, (b) a "specified financial institution" as defined in the Tax Act, (c) a Note Holder an interest in which would be a "tax shelter investment" as defined in the Tax Act, (d) a Note Holder that has elected to use a "functional currency" for the purposes of the Tax Act that is the currency of a country other than Canada, (e) a Note Holder that has entered into a "derivative forward agreement" or "synthetic disposition arrangement" (both as defined in the Tax Act) with respect to the Notes, (f) a Note Holder that is exempt from tax under Part I of the Tax Act. Such Note Holders should consult their own tax advisors with respect to the tax consequences of the Offer.

This summary is based on the current provisions of the Tax Act in force as of the date hereof, all specific proposals to amend the Tax Act officially announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "Tax Proposals"), and the current administrative policies and assessing practices of the Canada Revenue Agency published in writing prior to the date hereof. This summary assumes that the Tax Proposals will be enacted as in the form proposed, but no assurance can be given that the Tax Proposals will be enacted in the form proposed, 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 practice, whether by legislative, governmental or judicial action and does not take into account tax legislation or considerations of any province, territory or foreign jurisdiction, which may differ significantly from those discussed herein.

For the purposes of the Tax Act, a Note Holder subject must report each amount relating to a Note, including interest, principal amounts, proceeds of disposition and adjusted cost base in Canadian dollars.

**This summary is of a general nature only and is not intended to be, nor should it be construed as, advice to any particular Note Holder, and no representations with respect to the income tax consequences to any particular Note Holder are made. Accordingly, Note Holders should consult their own tax advisors for advice with respect to the tax consequences of the Offer having regard to their own particular circumstances, including the application and effect, if any, of the income and other tax laws of any foreign, provincial, territorial or local tax authority.**

### **Taxation of Note Holders Resident in Canada**

The following discussion applies to a Note Holder if, at all relevant times, for purposes of the Tax Act, the Note Holder is a resident or deemed to be resident in Canada (a “Canadian Resident Holder”). If the Canadian Resident Holder might not otherwise be considered to hold the Notes as capital property, the Canadian Resident Holder may, in certain circumstances, be entitled to have the Notes, and every other “Canadian security” (as defined in the Tax Act) owned by the Canadian Resident Holder in that and any subsequent year, treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. **Such Canadian Resident Holders of Notes whose Notes might not otherwise be considered to be capital property should consult their own tax advisors concerning this election.**

#### *Receipt of Accrued Interest*

On a disposition of a Note to the Company pursuant to the Offer, a Canadian Resident Holder will generally be required to include in computing its income for the taxation year in which the disposition occurs, any premium deemed to be interest and the amount of accrued interest from the date of the last interest payment to the extent that such amount has not otherwise been included in such Canadian Resident Holder’s income for the year in which the disposition occurs or a previous taxation year. The amount of such interest included in computing a Canadian Resident Holder’s income will not be included in calculating such Canadian Resident Holder’s proceeds of disposition of the Notes.

Any amount paid by the Company as a premium or bonus because of the repayment of all or part of the principal amount of a Note before its maturity will generally be deemed to be received by a Canadian Resident Holder as interest on such Note and will be required to be included in computing the Canadian Resident Holder’s income for the taxation year in which such interest is received, receivable or deemed to be received, to the extent such amount can reasonably be considered to relate to, and does not exceed the value at the time of payment of, interest that, but for the repayment, would have been paid or payable by the Company on such Note for a taxation

year of the Company ending after the repayment of such amount. Such interest will be required to be included in computing the holder's income in the manner described above.

### *Disposition of Notes*

In general, a disposition or deemed disposition of the Notes pursuant to the Offer will give rise to a capital gain (or capital loss) equal to the amount by which the proceeds of disposition that the Canadian Resident Holder receives, net of any reasonable costs of disposition and excluding any interest or deemed interest as described above, exceed (or are exceeded by) such Canadian Resident Holder's adjusted cost base of the Notes immediately before the disposition. Such capital gain (or capital loss) will be subject to the tax treatment described below under "Taxation of Note Holders Resident in Canada – Taxation of Capital Gains and Losses".

### *Taxation of Capital Gains and Losses*

Generally, one-half of any capital gain (a "taxable capital gain") the Canadian Resident Holder realizes in a taxation year must be included in its income for the year, and one-half of any capital loss (an "allowable capital loss") realized in a taxation year must be deducted from taxable capital gains it realizes in that year. Allowable capital losses for a taxation year in excess of taxable capital gains for that year generally 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 under the circumstances described in the Tax Act.

### *Additional Taxes*

If, throughout the relevant taxation year, the Canadian Resident Holder is a "Canadian-controlled private corporation" (as defined in the Tax Act) or at any time in a taxation year a "substantive CCPC" (as defined in the Tax Proposals), such Canadian Resident Holder may be liable to pay an additional refundable tax on such Canadian Resident Holder's "aggregate investment income," which is defined in the Tax Act to include interest income and net taxable capital gains. Any such Canadian Resident Holder should consult with their own tax advisors in this regard.

A capital gain realized on the disposition of a Note by an individual or a trust (other than certain specified trusts) may give rise to a liability for alternative minimum tax under the Tax Act. Such Canadian Resident Holders who may be subject to alternative minimum tax should consult their tax advisors with respect to the alternative minimum tax rules.

### *Non-Tendering Canadian Resident Holders*

A Canadian Resident Holder that does not tender its Notes in the Offer or does not have its tender of Notes accepted for purchase pursuant to the Offer will not recognize any gain or loss for Canadian federal income tax purposes or any interest or deemed interest as a result of the Offer.

## **Taxation of Note Holders Not Resident in Canada**

The following discussion applies to a Note Holder that is not, and is not deemed to be, at all relevant times and for purposes of the Tax Act, a resident of Canada, does not use or hold and is not deemed by the provisions of the Tax Act to use or hold the Notes in the course of carrying on a business in Canada, is entitled to receive all payments (including any interest, premium and principal) made on the Notes, is not, and deals at arm's length with each person who is, a "specified shareholder" (as defined in the Tax Act) of the Company, is not, and deals at arm's length with each person who is, an entity in respect of which the Company or any transferee resident (or deemed to be resident) in Canada to whom the Note Holder disposes of, loans or otherwise transfers the Notes is a "specified entity" (within the meaning of the rules in the Tax Act related to hybrid mismatch arrangements) or a "specified entity" of the Company or such transferee, does not acquire, hold or dispose of the Notes in connection with a "structured arrangement" (within the meaning of the rules in the Tax Act related to hybrid mismatch arrangements), is not an insurer that carries on an insurance business in Canada and elsewhere and, where a Note Holder carries on an insurance business in Canada and elsewhere, the Note Holder establishes that the Notes are neither "designated insurance property" (as defined in the Tax Act) nor effectively connected with the insurance business such Note Holder carries on in Canada (a "Non-Resident Holder").

Under the Tax Act, a Non-Resident Holder will not be subject to Canadian withholding tax in respect of any amounts paid or credited by the Company to such Non-Resident Holder, on account of, in lieu of, or in satisfaction of interest on the Notes. There are no other Canadian taxes on income or capital gains payable under the Tax Act in respect of the Offer.

### *Non-Tendering Non-Resident Holders*

A Non-Resident Holder that does not tender its Notes in the Offer or does not have its tender of Notes accepted for purchase pursuant to the Offer will not recognize any gain or loss for Canadian federal income tax purposes, or be subject to Canadian withholding tax, as a result of the Offer.

## **TENDER AGENT**

In connection with the Offer, the Company has retained Computershare Investor Services Inc. to act as Tender Agent, for which it will receive customary fees for its services. The Company has agreed to reimburse Computershare, in its capacity as the Tender Agent, for its out-of-pocket expenses and to indemnify it against certain liabilities, including in certain cases liabilities under securities laws.

Any Holder that has questions concerning the terms of the Offer may contact the Tender Agent at its address and telephone number set forth on the back cover of this Statement. Questions and requests for assistance or additional copies of this Statement, the Letter of Transmittal or the Notice of Guaranteed Delivery may be directed to the Tender Agent at its address and telephone number set forth on the back cover of this Statement. Holders may also contact their intermediary for assistance concerning the Offer.

Letters of Transmittal and all correspondence in connection with the Offer should be sent or delivered to the Tender Agent at its address set forth on the back cover of this Statement. Any

Holder or beneficial owner that has questions concerning tender procedures should contact the Tender Agent at its address and telephone number set forth on the back cover of this Statement.

Computershare, in its capacity as the Tender Agent, does not assume any responsibility for the accuracy or completeness of the information concerning the Company contained or incorporated by reference in this Statement or for any failure by the Company to disclose events that may have occurred and may affect the significance or accuracy of such information.

### **MISCELLANEOUS**

No person has been authorized to give any information or make any representations other than those contained or incorporated by reference herein or in the Letter of Transmittal or the Notice of Guaranteed Delivery and other materials, and, if given or made, such information or representations must not be relied upon as having been authorized by the Company, the Trustee, the Tender Agent or any other person. The statements made in this Statement are made as of the date on the cover page of this Statement and the statements incorporated by reference are made as of the date of the document incorporated by reference. The delivery of this Statement, the Letter of Transmittal or the Notice of Guaranteed Delivery shall not, under any circumstances, create any implication that the information contained herein or incorporated by reference is correct as of a later date.

Recipients of this Statement, the Letter of Transmittal or the Notice of Guaranteed Delivery should not construe the contents hereof or thereof as legal, business or tax advice. Each recipient should consult its own attorney, business advisor and tax advisor as to legal, business, tax and related matters concerning the Offer.

*The Tender Agent for the Offer is:*

#### **Computershare Investor Services Inc.**

##### **By Mail**

P.O. Box 7021  
31 Adelaide St E  
Toronto, ON M5C 3H2  
Attn: Corporate Actions

**Call Toll Free: 1-800-564-6253**

##### **E-Mail:**

[corporateactions@computershare.com](mailto:corporateactions@computershare.com)

##### **By Registered Mail, Hand or by Courier**

320 Bay Street  
14<sup>th</sup> Floor  
Toronto, ON  
M5H 4A6  
Attn: Corporate Actions

Questions, requests for assistance and requests for additional copies of this Statement, the related Letter of Transmittal and the Notice of Guaranteed Delivery may be directed to the Tender Agent at their address set forth above.