

ATHABASCA

OIL CORPORATION

**Notice of Annual General and Special Meeting of Shareholders
to be held on May 9, 2024
and
Information Circular – Proxy Statement**

Dated March 22, 2024

ATHABASCA

OIL CORPORATION

Notice of Annual General and Special Meeting of Shareholders to be held on May 9, 2024

The annual general and special meeting (the “**Meeting**”) of the holders of common shares of Athabasca Oil Corporation (the “**Corporation**” or “**Athabasca**”) will be held at 9:00 a.m. (Calgary time) on Thursday, May 9, 2024 in a virtual-only format that will be conducted via live webcast accessible online at meetnow.global/MAHPMAW (case sensitive), for the following purposes. Record Date: March 21, 2024.

Agenda

1. Receive and consider the financial statements of the Corporation for the year ended December 31, 2023 and the auditors’ report thereon;
2. Fix the number of directors to be elected at the Meeting at eight (8);
3. Elect the directors of the Corporation;
4. Appoint Ernst & Young LLP as the auditors of the Corporation and authorize the directors to fix their remuneration as such;
5. Consider, and if thought advisable, approve an ordinary resolution amending, reconfirming and approving the Corporation’s shareholder rights plan agreement;
6. Consider, and if thought advisable, approve an ordinary resolution to approve all unallocated options, rights and other entitlements under the Corporation’s 2024 omnibus incentive plan; and
7. Transact such other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

The specific details of the matters proposed to be put before the Meeting are set out in the Information Circular-Proxy Statement of the Corporation accompanying this notice.

If you are a registered shareholder, you are requested to complete, date and sign the enclosed instrument of proxy and return it by mail, hand delivery or fax to the Corporation’s transfer agent, Computershare Trust Company of Canada, as follows:

1. By mail or hand delivery to Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1; or
2. By facsimile to (416) 263-9524 or 1-866-249-7775.

Alternatively, registered shareholders may vote through the internet at www.investorvote.com or by telephone at 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America). Shareholders require the control number that may be found on the instrument of proxy in order to vote through the internet or by telephone.

In order to be valid and acted upon at the Meeting, instruments of proxy as well as votes by internet and telephone must be received not less than 48 hours (excluding weekends and holidays) before the time set for the Meeting or any adjournment or postponement thereof. Shareholders are cautioned that the use of the mail to transmit proxies is at each shareholder’s risk. The Corporation reserves the right to accept late proxies. The time limit for deposit of proxies may be waived or extended by the Chair of the Meeting at his discretion, without notice. The Chair of the Meeting is under no obligation to accept or reject late proxies.

If you are a beneficial or non-registered shareholder, you should follow the instructions on the voting instruction form provided by your broker or other intermediaries with respect to the procedures to be followed for voting at the Meeting.

Shareholders of record at the close of business on March 21, 2024 will be entitled to vote at the Meeting.

DATED at Calgary, Alberta, March 22, 2024.



BY ORDER OF THE BOARD
(signed) “*Ronald Eckhardt*”
Ronald Eckhardt
Chair of the Board

Letter to Shareholders

March 22, 2024

Dear Fellow Shareholder:

Athabasca Oil Corporation (“**Athabasca**”) is pleased to invite you to the annual general and special meeting of common shareholders on May 9, 2024. The meeting will be held at 9:00 a.m. (Calgary time) in a virtual-only format that will be conducted via live webcast accessible at meetnow.global/MAHPMAW (case sensitive).

The attached management information circular includes important information about the meeting and how to vote. Please take some time to read the document and remember to vote. You can find more information about Athabasca in our 2023 Annual Information Form and on our website (www.atha.com).

This year, the Board is nominating Ms. Theresa Roessel for appointment to the Board. Ms. Roessel is a designated Chartered Accountant and is a finance executive with over 30 years of experience. She is currently the Chief Financial Officer at Canada Diagnostic Centres and she will be strong addition to the Board of Directors as well as the Audit Committee.

We are also seeking shareholder approval to amend and reconfirm Athabasca’s shareholder rights plan agreement. The shareholder rights plan was approved and adopted in 2021 and is required to be reconfirmed in 2024 pursuant to the plan and the rules of the Toronto Stock Exchange. Finally, pursuant to the rules of the Toronto Stock Exchange and the prior resolution of shareholders, we are also seeking approval of all unallocated options, rights and other entitlements under Athabasca’s 2024 omnibus incentive plan.

This year again, the meeting will be held in a virtual-only format conducted via live webcast. The virtual-only format provides all shareholders with an equal opportunity to participate in the meeting regardless of their geographic location. By attending the virtual meeting, common shareholders and duly appointed proxyholders will be able to hear the meeting live, submit questions and vote their shares on all items of business while the meeting is being held. While common shareholders and duly appointed proxyholders will not be able to attend the meeting in person, they will have an equal opportunity to participate at the meeting and vote on the resolutions. Detailed instructions about how to participate in the meeting can be found in the attached management information circular.

Thank you for your continued confidence in Athabasca.

Sincerely,

(signed) “*Ronald Eckhardt*”

Ronald Eckhardt

Chair of the Board of Directors

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Shareholder and Voting Information

If you are a registered shareholder and are unable to attend the Meeting, please exercise your right to vote by proxy. In order to be effective, the proxy must be sent by mail, hand delivery or fax to Athabasca Oil Corporation's ("Athabasca", the "Corporation", "us", "our" or "we") transfer agent, Computershare Trust Company of Canada ("Computershare"), as follows:

1. By mail or hand delivery to Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1; or
2. By facsimile to (416) 263-9524 or 1-866-249-7775.

Alternatively, please vote through the internet at www.investorvote.com or by telephone at 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America). Registered shareholders will require the control number that may be found on the instrument of proxy in order to vote through the internet or by telephone.

The Corporation may use the Broadridge QuickVote™ service to assist non-registered shareholders to conveniently vote their common shares in the capital of the Corporation (the "Common Shares").

Solicitation Of Proxies By Management

This information circular – proxy statement (the "Circular") is furnished in connection with the solicitation of proxies by management of the Corporation for use at the Meeting. Shareholders of record on March 21, 2024 (the "Record Date") are entitled to receive notice of, and to attend and vote at, the Meeting. Shareholders of Athabasca whose names have been entered in the register of shareholders at the close of business on that date will be entitled to receive notice of and vote at the Meeting, provided that, to the extent a shareholder transfers the ownership of any of his or her Common Shares after such date and the transferee of those Common Shares establishes that he or she owns the Common Shares and demands, not later than 10 days before the Meeting, to be included in the list of shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Common Shares at the Meeting.

The instrument appointing a proxy must be in writing and must be executed by you or your attorney authorized in writing or, if

Exercise of Discretion by Proxy

The Common Shares represented by proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any matter that may properly come before the Meeting. Where you specify a choice with respect to any matter

In order to be valid and acted upon at the Meeting, instruments of proxy as well as votes by internet and telephone must be received in each case not less than 48 hours (excluding weekends and holidays) before the time set for the Meeting or any adjournment or postponement thereof. Shareholders are cautioned that the use of mail to transmit proxies is at each shareholder's risk. The Corporation reserves the right to accept late proxies. The time limit for deposit of proxies may be waived or extended by the Chair of the Meeting at his discretion, without notice. The Chair of the Meeting is under no obligation to accept or reject any late proxies.

you are a corporation, under your corporate seal or by a duly authorized officer or attorney of the corporation.

The persons named in the enclosed instrument of proxy are our officers. As a registered shareholder, you have the right to appoint another person (who need not be a shareholder) to represent you at the Meeting. To exercise this right, you should insert the name of your desired representative in the blank space provided in the form of proxy and strike out the other names or submit another appropriate proxy.

Unless otherwise stated, the information contained in the Circular is given as at March 22, 2024. All dollar amounts in the Circular, unless otherwise indicated, are stated in Canadian currency.

No person has been authorized by the Corporation to give any information or make any representations in connection with the Meeting other than as described in the Circular and, if given or made, any such information or representation must not be relied upon as having been authorized by the Corporation.

to be acted upon at the Meeting, your Common Shares will be voted in accordance with your instructions. If you do not provide instructions, your Common Shares will be voted in favour of the matters to be acted upon as set out in the

Circular. A shareholder has the right to appoint a person or entity (who need not be a shareholder) to virtually attend and act for him or her on his or her behalf at the Meeting other than the persons named in the enclosed instrument of proxy. The persons named in the enclosed proxy will have discretionary authority with respect to any amendments or variations of the matters of business to be acted on at the Meeting or any other matters properly brought before the Meeting or any adjournment

or postponement thereof, in each instance, to the extent permitted by law, whether or not the amendment, variation or other matter that comes before the Meeting is routine and whether or not the amendment, variation or other matter that comes before the Meeting is contested. At the time of printing the Circular, we know of no such amendment, variation or other matter.

Advice to Beneficial Holders of Common Shares

The information contained in this section is of significant importance to you if you do not hold your Common Shares in your own name (referred to in this Circular as “**Beneficial Shareholders**”). Only proxies deposited by shareholders whose names appear on the Corporation’s records as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in your account statement provided by your broker, then in almost all cases those Common Shares will not be registered in your name in the Corporation’s records. Such Common Shares will likely be registered under the name of your broker or an agent of that broker. In Canada, most Common Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Common Shares held by your broker or their nominee can only be voted upon your instructions. Without specific instructions, your broker or their nominee is prohibited from voting your Common Shares. Applicable regulatory policy requires your broker to seek voting instructions from you in advance of the Meeting. Every broker has its own mailing procedures and provides its own return instructions, which you should carefully follow in order to ensure that your Common Shares are voted at the Meeting.

The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) or another intermediary. If you receive a voting instruction form from Broadridge or another intermediary it cannot be used as a proxy to vote Common Shares directly at the Meeting as the proxy must be returned (or otherwise reported) as described in the voting instruction form well in advance of the Meeting in order to have the Common Shares voted. Broadridge typically provides a scannable voting request form or applies a special sticker to the proxy forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the voting request forms or proxy forms to Broadridge. Often Beneficial Shareholders are alternatively provided with a toll-free telephone number to vote their shares or website address where shares can be voted. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. A Beneficial Shareholder receiving a voting

instruction request or a proxy with a Broadridge sticker on it cannot use that instruction request or proxy to vote Common Shares directly at the Meeting as the proxy must be returned as directed by Broadridge well in advance of the Meeting in order to have the Common Shares voted. Accordingly, it is strongly suggested that Beneficial Shareholders return their completed instructions or proxies as directed by Broadridge well in advance of the Meeting.

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker (or agent of the broker), you may virtually attend the Meeting as proxyholder for the registered shareholder and vote Common Shares in that capacity. If you wish to virtually attend the Meeting and indirectly vote your Common Shares as proxyholder for the registered shareholder, you should enter your own name in the blank space on the form of proxy provided to you and return it to your broker (or the broker’s agent who provided it to you) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Shareholders who wish to appoint themselves or a third-party proxyholder to represent their shares at the virtual meeting must submit their proxy or voting instruction form (if applicable) and then register their proxyholder (i.e., 2-Step Process). Registering your proxyholder is an additional step once you have submitted your proxy or voting instruction form. Failure to register the proxyholder will result in the proxyholder not receiving an Invite Code to participate in the Meeting. To register a proxyholder, Shareholders **MUST** visit www.computershare.com/AthabascaOilCorp by 9:00 a.m. (Calgary time) on May 7, 2024 and provide Computershare with their proxyholder’s contact information, so that Computershare may provide the proxyholder with an Invite Code via email.

For U.S. Beneficial Shareholders, to attend and vote at the virtual meeting, you must first obtain a valid legal proxy from your broker, bank or other agent and then register in advance to attend the meeting. Follow the instructions from your broker or bank included with these proxy materials, or contact your broker or bank to request a legal proxy form. After first obtaining a valid legal proxy from your broker, bank or other agent, to then

register to attend the meeting, you must submit a copy of your legal proxy to Computershare. Requests for registration should be directed to:

Computershare
100 University Avenue
8th Floor
Toronto, Ontario
M5J 2Y1

OR

Email at uslegalproxy@computershare.com

Requests for registration must be labeled as “Legal Proxy” and be received no later than 9:00 a.m. (Calgary time) on May 7, 2024.

You will receive a confirmation of your registration by email after we receive your registration materials. Please note that you are also required to register your proxyholder at www.computershare.com/AthabascaOilCorp by 9:00 a.m. (Calgary time) on May 7, 2024 so that they may be provided with an Invite Code to attend the virtual meeting.

These materials are being sent to both registered and non-registered owners of Common Shares. If you are a non-registered owner, and Athabasca or its agent has sent these materials directly to you, your name and address and information about your holding of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

Voting Instructions for Employee Shareholders

If you hold shares through the Athabasca employee stock purchase plan, you may vote your shares in one of the following ways:

- Online by visiting www.investorvote.com and following the online instructions using the control number on the voting instruction form you received in the mail or by email; or

- By following the voting instructions under “*Advice to Beneficial Holders of Common Shares*” above.

Notice-and-Access

The Corporation is using the notice-and-access procedure with respect of mailings to Beneficial Shareholders but not in respect of mailings to its registered shareholders (i.e. a shareholder whose name appears on the Corporation’s records). More specifically, the Corporation has elected to use procedures known as ‘stratification’ in relation to its use of the notice-and-access procedure. As a result, registered shareholders will receive a paper copy of the Notice of Meeting, this Circular and a form of proxy, whereas the Corporation will deliver proxy-related materials to Beneficial Shareholders by: (i) posting this Circular (and other proxy-related materials) on a website other than SEDAR+, in this case www.atha.com; and (ii) sending the Notice-and-Access Notification informing holders of the Common Shares that this Circular and proxy-related materials have been posted on the Corporation’s website and explaining how to

access them, along with a voting instruction form. The Notice-and-Access Notification contains basic information about the Meeting and the matters to be voted on, instructions on how to access the proxy materials, and explains how to obtain a paper copy of this Circular.

The Corporation will not send the Notice-and-Access Notification and voting instruction form directly to non-objecting Beneficial Shareholders and such materials will be delivered to non-objecting Beneficial Shareholders by Broadridge or through the non-objecting Beneficial Shareholder’s intermediary. The Corporation intends to pay for the costs of an intermediary to deliver to objecting Beneficial Shareholders the Notice-and-Access Notification and voting instruction form.

E-Delivery

Shareholders are encouraged to consent to electronic delivery (e-delivery) to receive our information circulars and other continuous disclosure documents, including annual and interim reports. Shareholders who enroll in e-delivery will be notified by email when documents are made available, at which time they can be viewed and/or downloaded from our website (www.atha.com). How you enroll depends on whether you are a

registered Shareholder or a Beneficial Shareholder. Registered Shareholders may sign up for e-delivery at the following website: www.investorcentre.com. Beneficial Shareholders may sign up for e-delivery at www.proxyvote.com using the control number on your voting instruction form, or after the Meeting, by obtaining a unique registration number from your financial intermediary.

Revocability of Proxy

You may revoke your proxy at any time prior to a vote. If you or the person you appoint as your proxy attends personally at the virtual Meeting, you or such person may revoke the proxy and vote in person (virtually). In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing executed by you or your attorney authorized in writing or, if you are a corporation, under your corporate seal or by a duly authorized officer or attorney of the corporation. To be effective the instrument must be in writing

and must be deposited either with us c/o our transfer agent, Computershare Trust Company of Canada, Proxy Dept., 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, at any time prior to 4:30 p.m. (Calgary time) on the last business day preceding the day of the Meeting, or any adjournment or postponement thereof, at which the proxy is to be used, or with the chair of the Meeting on the day of the Meeting, or any adjournment or postponement thereof.

Persons Making the Solicitation

This solicitation is made on behalf of Athabasca's management. Athabasca will bear the costs incurred in the preparation and mailing of the proxy materials. In addition to mailing the proxy materials, proxies may be solicited by telephone, personal

interviews, or by other means of communication, by our directors, officers and employees who will not be remunerated therefor.

How to Participate at the Meeting

The Meeting is being held in a virtual, audio only, webcast format to give all shareholders an equal opportunity to participate in the Meeting regardless of their geographic location. Shareholders and duly appointed proxyholders may only attend and participate in the Meeting virtually via live audio webcast, including by asking questions during the question and answer session and voting online, provided they follow the instructions herein and provided by their brokers, as applicable.

- Registered shareholders and duly appointed proxyholders who participate by attending online will be able to listen to the proceedings of the Meeting, ask questions and vote during the specified times, provided they remain connected to the internet.
- If you are a Beneficial Shareholder and wish to vote your Common Shares online during the Meeting, you must follow the instructions above under “*Advice to Beneficial Holders of Common Shares*”. Non-registered (beneficial) shareholders who have not duly appointed themselves as proxyholders may still attend the Meeting as guests, but will not be able to vote at the Meeting.
- Guests, including Beneficial Shareholders who have not duly appointed themselves as proxyholder, will be able to login and listen to the proceedings of the Meeting but will not be able to vote at the Meeting.
- Attendees can login to the Meeting by following the instructions below.
 - Log in online at: meetnow.global/MAHPMAW (case sensitive). The latest versions of Chrome, Safari, Microsoft Edge or Firefox will be needed. The Corporation recommends that you log in at least 15 to 30 minutes

before the Meeting starts. You should allow ample time to login to the Meeting to check compatibility and complete the related procedures.

- For registered shareholders and duly appointed proxyholders, select “Shareholder” or “Invitation”, respectively, and enter your control number listed on your form of proxy or Invite Code provided by our transfer agent, Computershare, as applicable.

OR

- Click “Guest” and then complete the online form to access the Meeting.

For registered shareholders: The Control Number located on the form of proxy or in the email notification delivered for the Meeting is the Control Number to login to the Meeting. For duly-appointed proxyholders: Computershare will provide the proxyholder with an Invite Code by email after the proxy voting deadline has passed provided that the proxyholder has been duly appointed and registered as described in this Circular. **Without an Invite Code, proxyholders will not be able to vote at the meeting.** See “*Advice to Beneficial Holders of Common Shares*” for instructions on how to register your proxyholder.

It is important to remain connected to the internet at all times in order to vote when the balloting commences. It is the responsibility of such shareholder or duly appointed proxyholder to ensure internet connectivity is maintained for the duration of the Meeting.

If you are using a control number to login to the online meeting and you accept the terms and conditions, you will be revoking any and

all previously submitted proxies. However, in such a case, you will be provided the opportunity to vote by ballot on the matters put forth at the meeting. If you DO NOT wish to revoke all previously submitted proxies, do not accept the terms and conditions, in which case you can only enter the meeting as a guest.

If you are having difficulties accessing the virtual meeting, please contact Computershare directly using the telephone number provided at the bottom of the login screen. Duly appointed proxyholders seeking login support can also contact Computershare at 888-724-2416 (Canada) or 781-575-2748 (International).

Quorum, Voting Shares and Principal Holders Thereof

We are authorized to issue an unlimited number of Common Shares. As of the close of business on March 20, 2024, there were 560,263,104 Common Shares issued and outstanding. The holders of Common Shares are entitled to one vote for each Common Share held. The board of directors of the Corporation (the “**Board**”) has fixed the Record Date for the Meeting as the close of business on March 21, 2024.

Business may be transacted at the Meeting if not less than two persons are present holding or representing by proxy not less than 10% of the Common Shares entitled to be voted at the Meeting. If a quorum is present at the opening of the Meeting,

the shareholders present or represented by proxy may proceed with the business of the Meeting notwithstanding that a quorum is not present throughout the Meeting. If a quorum is not present at the opening of the Meeting, the shareholders present or represented by proxy may adjourn the Meeting to a fixed time and place but may not transact any other business.

To the knowledge of our directors and executive officers, as at the date hereof, there is no person or company who beneficially owns or controls or directs, directly or indirectly, more than 10% of the outstanding Common Shares.

Matters to be Acted Upon at the Meeting

Presentation of Financial Statements

At the Meeting, shareholders will receive and consider our financial statements for the fiscal year ended December 31, 2023 together with the report of our auditors. No formal action is

required or proposed to be taken at the Meeting with respect to the financial statements.

Fixing the Number of Directors

Holders of Common Shares will be asked to consider and, if thought to be appropriate, approve an ordinary resolution fixing the number of directors to be elected at the Meeting at eight (8). We currently have seven (7) directors, and except for Ms. Roessel, all of the nominated directors currently serve on the Board. In order to be effective, the ordinary resolution in respect of fixing the number of directors to be elected at the Meeting at

eight (8) must be passed by a simple majority of the votes cast by shareholders present in person or by proxy at the Meeting. Three directors being nominated at this Meeting are women, which is expected to increase the Board composition to being 37.5% women. The Board acknowledges the value of ethnic and racial diversity and will prioritize the nomination of at least one ethnically or racially diverse director in future succession.

Election of Directors

Management is soliciting proxies, in the accompanying form of proxy, for an ordinary resolution in favour of the election of the following eight (8) nominees as directors of the Corporation: Ronald Eckhardt, Angela Avery, Bryan Begley, Robert Broen, John Festival, Marty Proctor, Marnie Smith and Theresa Roessel. See “*Director Nominees*” below for information about each of the nominees. Each director will hold office until the close of the next annual meeting of our shareholders or until his or her successor is duly elected or appointed, unless his or her office is earlier vacated.

The form of proxy permits shareholders to vote “for” or to “withhold” their vote in respect of each director nominee. Management has no reason to believe that any of the nominees will be unable to serve as director but, should any nominee become unable to do so for any reason prior to the Meeting, the persons named in the accompanying form of proxy, unless

directed to withhold from voting, reserve the right to vote for other nominees at their discretion.

A director who receives more withhold than for votes must offer to resign after the Meeting. See “*Corporate Governance – Majority Voting Policy*” for more information.

Management recommends that shareholders vote FOR the election of each of the nominees. The persons named in the enclosed form of proxy intend to vote FOR the election of each of these nominees unless the shareholder specifies authority to do so is withheld.

Appointment of Auditors

On the recommendation of the Audit Committee of the Board, management is soliciting proxies in favour of the appointment of Ernst & Young LLP, Chartered Accountants, of Calgary, Alberta, as our auditors, to hold office until the next annual meeting of our shareholders and to authorize the directors to fix their remuneration as such. Ernst & Young LLP were first appointed as the Corporation’s auditors on April 16, 2007.

See “*Audit Committee*” in the Corporation’s annual information form for the year ended December 31, 2023, an electronic copy of which is available on the Corporation’s SEDAR+ profile at www.sedarplus.ca, for additional information required to be disclosed in accordance with National Instrument 52-110 – *Audit Committees*, including a description of fees we paid to Ernst & Young LLP in the last fiscal year.

Extension, Reconfirmation, Amendment and Approval of the Shareholder Rights Plan

Background

In connection with the initial public offering by the Corporation of its Common Shares in April 2010, the Corporation adopted a shareholder protection rights plan agreement between the Corporation and Olympia Trust Company, as rights agent, dated effective April 8, 2010 (the “**2010 Rights Plan**”). In 2018, the shareholders approved a new shareholder rights plan agreement between the Corporation and Computershare Investor Services Inc. to replace the 2010 Rights Plan. In 2021, the shareholders reconfirmed and approved amendments to the shareholder rights plan agreement (the “**2021 Rights Plan**”). At the Meeting, the Corporation will seek shareholder approval to authorize a shareholder rights plan for another three-year term. The Board has approved an amended and restated shareholder rights plan (the “**2024 Rights Plan**”) to be presented to shareholders for approval and reconfirmation at the Meeting.

The primary objectives of the 2024 Rights Plan are to ensure, to the extent possible: (a) that all holders of the Common Shares of the Corporation are treated fairly in connection with any unsolicited take-over bid; and (b) the Board has a sufficient opportunity to identify, solicit, develop and negotiate value-enhancing alternatives, as considered appropriate, to any unsolicited take-over bid.

The Corporation has reviewed the 2024 Rights Plan for conformity with current practices of Toronto Stock Exchange (“**TSX**”)-listed companies with respect to shareholder rights plans. The Corporation believes that the 2024 Rights Plan preserves the fair treatment of shareholders. The 2024 Rights Plan contains substantially the same terms and conditions as the 2021 Rights Plan, aside from housekeeping changes and certain other changes identified below and in Appendix A.

Shareholders will be asked at the Meeting to consider and, if deemed appropriate, approve an ordinary resolution (the “**Shareholder Rights Plan Resolution**”), the text of which is set forth under “Proposed Shareholder Rights Plan Resolution” below, approving the following:

1. amendments to the 2021 Rights Plan, which will change the termination provisions in the 2021 Rights Plan to provide that the 2021 Rights Plan must be reconfirmed at the third and sixth annual meetings of the shareholders after the adoption of the 2021 Rights Plan (i.e., at the Meeting and then in 2027), and the ability of the Board to modify the 2021 Rights Plan, each as further described in Appendix A (the “**Amendments**”); and
2. subject to the approval of the Amendments, reconfirmation of the 2021 Rights Plan, as amended by the Amendments (being the 2024 Rights Plan), for a further three years until the annual meeting of shareholders of the Corporation to be held in 2027.

A summary of the principal terms of the 2024 Rights Plan and Amendments is set out in Appendix A.

If the Shareholder Rights Plan Resolution is not approved, the 2021 Rights Plan will terminate on May 9, 2024.

Pursuant to the 2024 Rights Plan, the Shareholder Rights Plan Resolution must be approved by a majority of votes cast by the Independent Shareholders at the Meeting. “Independent Shareholders” is defined in the 2024 Rights Plan as all holders of Common Shares, excluding (i) any Acquiring Person (as defined in the 2024 Rights Plan), (ii) any person that has announced an intention to make or who has made a take-over bid, (iii) affiliates or associates of any person enumerated in (i) and (ii), (iv) any person acting jointly or in concert with any person enumerated in (i) and (ii), and (v) any employee benefit plan, stock purchase plan, deferred profit sharing plan and any other similar plan or trust for the benefit of employees of the Corporation unless the beneficiaries of the plan or trust direct the manner in which the Common Shares are to be voted. As of March 22, 2024, the Corporation is not aware of any shareholders that would be excluded from the vote on the basis that such holder is not an Independent Shareholder.

Management recommends that shareholders vote FOR the Shareholder Rights Plan Resolution. The persons named in the enclosed form of proxy intend to vote FOR the Shareholder Rights Plan Resolution unless the shareholder specifies to vote against the Shareholder Rights Plan Resolution.

The text of the Shareholder Rights Plan Resolution, subject to such amendments, variations or additions as may be approved at the Meeting, is set forth below:

Proposed Shareholder Rights Plan Resolution

“BE IT RESOLVED, as an ordinary resolution of the shareholders of the Corporation, that:

1. amendments to the shareholder rights plan agreement dated April 6, 2018 between Athabasca Oil Corporation (the “**Corporation**”) and Computershare Investor Services Inc. (“**Computershare**”) as amended by Amendment No. 1 dated as of May 5, 2021 between the Corporation and Computershare, as amended and restated to be effective as of May 9, 2024 (the “**2024 Rights Plan**”), as described in the Corporation’s Management Information Circular dated March 22, 2024, are hereby, ratified, authorized and approved;

- the 2024 Rights Plan, as amended, is hereby ratified, reconfirmed and approved; and
- any one director or officer of the Corporation be and is hereby authorized and directed to do all things and to execute and deliver all documents and instruments as may be necessary or desirable to carry out the terms of this resolution.”

In order for the Shareholder Rights Plan Resolution to be passed, it must be approved by a simple majority of the votes cast by Independent Shareholders present in person or by proxy at the Meeting.

Approval of Unallocated Options, Rights and Other Entitlements under the 2024 Omnibus Incentive Plan

Background

At the May 5, 2021 Annual General and Special Meeting of Shareholders, shareholders approved the adoption of a new omnibus long term incentive plan (the “**2021 Omnibus Incentive Plan**”). The 2021 Omnibus Incentive Plan is a long-term incentive plan that permits the grant of options (“**Options**”), restricted share units (“**RSUs**”), performance share units (“**PSUs**”) and other security based awards to officers, employees and certain service providers of the Corporation and its affiliates (collectively, the “**Eligible Individuals**”).

On March 15, 2024 the Board approved amendments to the 2021 Omnibus Incentive Plan (the “**2024 Omnibus Incentive Plan**”). For a description of the material provisions of the 2024 Omnibus Incentive Plan, see Appendix B – *Description of Long-Term Equity Incentive Plans*.

The 2024 Omnibus Incentive Plan is designed to, among other things, promote a proprietary interest in the Corporation among Eligible Individuals and to align the interests of such individuals with the interests of shareholders. The 2024 Omnibus Incentive Plan streamlines the administration of long term incentive awards as all new awards granted by the Corporation to Eligible Individuals will be governed by a single plan.

In addition to amendments of a “housekeeping” nature, amendments were made to: (a) address treatment of a participant’s Performance Awards, RSUs and Options where such participant has retired; (b) reduce the total number of Common Shares reserved for issuance under the Corporation’s Security Based Compensation Arrangements (as defined in the TSX Company Manual) from 10% to 8%; (c) reduce the aggregate number of Common Shares issuable to “insiders” (as defined in the TSX Company Manual) under the Corporation’s Security Based Compensation Arrangements from 10% to 8%; (d) reduce the aggregate number of Common Shares issuable to any one Eligible Individual under the Corporation’s Security Based Compensation Arrangements from 10% to 5%; (e) reduce the aggregate number of Common Shares issued to insiders, within any one year period, under all Security Based Compensation Arrangements, shall not exceed 8% of the issued and outstanding Common Shares; (f) require shareholder approval to amend any

of the amendment provisions of the 2024 Omnibus Incentive Plan; and (g) make certain other changes that are in line with corporate governance best practices, including adding express restrictions on introducing or reintroducing non-employee directors as Eligible Individuals.

Pursuant to the existing amendment provisions of the 2021 Omnibus Incentive Plan and the rules and policies of the Toronto Stock Exchange, shareholder approval is not required for the amendments. As of March 20, 2024, there were a total of 2,659,800 Options, 2,625,700 PSUs and 5,242,179 RSUs outstanding under the 2024 Omnibus Incentive Plan, representing approximately 0.47%, 0.47% and 0.94%, respectively, of the issued and outstanding Common Shares. As of March 20, 2024, there were a total of 270,406 Options outstanding under the Corporation’s Option Plan and 4,019,659 RSUs outstanding under the 2015 RSU Plan (each as further discussed in Appendix B – *Description of Long-Term Equity Incentive Plans*).

As of March 20, 2024, 30,003,304 Common Shares were available for grant under the 2024 Omnibus Incentive Plan, representing approximately 5.36% of the number of current issued and outstanding Common Shares as at that date.

Toronto Stock Exchange Requirements

At the Meeting, shareholders will be asked to consider and, if deemed appropriate, approve a resolution approving the unallocated options, rights or other entitlements under the 2024 Omnibus Incentive Plan (the “**Omnibus Incentive Plan Resolution**”).

In accordance with the requirements of the TSX, every three years after adoption, all unallocated options, rights and other entitlements under a security-based compensation arrangement which does not have a fixed maximum number of securities issuable thereunder (commonly referred to as “rolling plans” or “evergreen plans”), such as the 2021 Omnibus Incentive Plan, must be approved by a majority of votes cast by shareholders attending the Meeting or represented by proxy. Because the 2021 Omnibus Incentive Plan was last approved by the shareholders of the Corporation on May 5, 2021, shareholders

will be asked at the Meeting as part of the Omnibus Incentive Plan Resolution to approve all unallocated options, rights and other entitlement issuable thereunder. Unallocated options, rights and other entitlements pertain to equity incentives that have not yet been granted and are therefore still available to be granted. If approval of the Omnibus Incentive Plan Resolution is obtained at the Meeting, the Corporation will not be required to seek further approval of the unallocated options, rights and other entitlements under the 2024 Omnibus Incentive Plan until the Corporation's annual meeting of shareholders to be held in 2027. If approval is not obtained at the Meeting, awards which have not been allocated as of May 5, 2024 and awards which are outstanding as of May 5, 2024 and which are subsequently cancelled, terminated or exercised will not be available for a new grant of equity incentives under the 2021 Omnibus Incentive Plan. Awards allocated prior to May 5, 2024 will be unaffected by the approval or disapproval of the ordinary resolution.

For a description of the material provisions of the 2024 Omnibus Incentive Plan, see Appendix B – Description of Long-Term Equity Incentive Plans.

Management recommends that shareholders vote FOR the Omnibus Incentive Plan Resolution. The persons named in the enclosed form of proxy intend to vote FOR the Omnibus Incentive Plan Resolution unless the shareholder specifies to vote against the Omnibus Incentive Plan Resolution.

The text of the Omnibus Incentive Plan Resolution, subject to such amendments, variations or additions as may be approved at the Meeting, is set forth below:

Proposed Omnibus Incentive Plan Resolution

“BE IT RESOLVED, as an ordinary resolution of the shareholders of the Corporation, that:

1. all unallocated options, rights and other entitlements under the 2024 long term incentive plan (the “**2024 Omnibus Incentive Plan**”) are hereby authorized and approved;
2. Athabasca Oil Corporation (the “**Corporation**”) shall have the ability to continue granting options, rights and other entitlements under the 2024 Omnibus Incentive Plan until May 9, 2027 or such other date that is three years from the date on which shareholder approval of unallocated options, rights and other entitlements under the 2024 Omnibus Incentive Plan is obtained; and
3. any one director or officer of the Corporation be and is hereby authorized and directed to do all things and to execute and deliver all documents and instruments as may be necessary or desirable to carry out the terms of this resolution.”

In order for the Omnibus Incentive Plan Resolution to be passed, it must be approved by a simple majority of the votes cast by shareholders present in person or by proxy at the Meeting.

Director Nominees

Director Nominee Profiles

Below are the profiles of each of the director nominees, together with information regarding the compensation paid to each director during the year ended December 31, 2023 (other than for Mr. Broen, whose compensation, as a member of management, is described under the heading “*Compensation Discussion & Analysis – Summary Compensation Table – NEOs*”).



Ronald J. Eckhardt
Chair of the Board
Alberta, Canada

Status: Independent

Director since April 1,
2012

Mr. Eckhardt is an independent businessman with over forty-five years of diverse experience in the oil and gas industry including as Executive Vice President, North American Operations of Talisman Energy Inc. Mr. Eckhardt presently also serves on the board of directors of NuVista Energy Ltd.

Other Public Company Board Memberships:

NuVista Energy Ltd.

Current Committee Memberships:

Audit
Reserves

2023 Board and Committee Meeting Attendance:

| | Meeting Attendance |
|---------------------------|----------------------------|
| Board (Chair) | 5 of 5 (100%) |
| Audit | 4 of 4 (100%) |
| Compensation & Governance | 2 of 2 (100%) (non-member) |
| Reserves | 2 of 2 (100%) |

Ownership:

| | December 31, 2023 |
|---|-------------------|
| Common Shares Owned, Controlled or Directed | 443,750 |
| Deferred Share Units (“DSUs”) | 2,291,908 |
| Total Market Value of Common Shares and DSUs ⁽¹⁾ | \$11,407,694 |



Angela Avery, KC
Director
Alberta, Canada

Status: Independent

Director since May 4,
2022

Ms. Avery is WestJet’s Group EVP, Chief People, Corporate & Sustainability Officer where she has served as an executive officer since February 2020. Ms. Avery has more than 25 years senior legal and business experience having negotiated transactions exceeding \$25B. From 2017 to 2020, Ms. Avery held the position of General Counsel and Vice President, Business Development at Athabasca. Prior to that, she was the Chief Compliance Officer for ConocoPhillips’ global operations. Her international experience includes an appointment to litigate war reparations with the United Nations. She is called to the bar in Alberta and New York.

Other Public Company Board Memberships:

None

Current Committee Memberships:

Compensation & Governance

2023 Board and Committee Meeting Attendance:

| | Meeting Attendance |
|---------------------------|--------------------|
| Board | 5 of 5 (100%) |
| Compensation & Governance | 2 of 2 (100%) |

Ownership:

| | December 31, 2023 |
|---|-------------------|
| Common Shares Owned, Controlled or Directed | 160,593 |
| DSUs | 121,108 |
| Total Market Value of Common Shares and DSUs ⁽¹⁾ | \$1,174,693 |



Bryan Begley
Director
Texas, U.S.A.

Status: Independent

Director since March 9,
2016

Mr. Begley is an independent businessman. Mr. Begley previously was the Chief Executive Officer of Maroon Peak Energy Resources, LLC and Maroon Peak Management LLC, private companies that owned energy interests in multiple locations. Mr. Begley was also a founder and previous Managing Director of 1901 Partners Management, LP, a private equity firm that managed a portfolio of oil and gas and other energy-related investments. He was also a member of the Board of Directors of Hammerhead Energy Inc. until its sale in 2023. Mr. Begley also previously served as a Managing Director of ZBI Ventures, L.L.C., which he joined in 2007 as part of the founding team, to lead and manage private investments in the energy sector. Prior to joining ZBI Ventures, L.L.C., Mr. Begley was a partner at McKinsey & Co. in the Dallas and Houston offices, where he advised clients across the global energy sector. He has also worked as an engineer with Phillips Petroleum Company in Bartlesville, Oklahoma and Stavanger, Norway.

Other Public Company Board Memberships:

None

Current Committee Memberships:

Audit (Chair)

Compensation & Governance

2023 Board and Committee Meeting Attendance:

| | Meeting Attendance |
|---------------------------|--------------------|
| Board | 5 of 5 (100%) |
| Audit (Chair) | 4 of 4 (100%) |
| Compensation & Governance | 2 of 2 (100%) |

Ownership:

| | December 31, 2023 |
|---|-------------------|
| Common Shares Owned, Controlled or Directed | 500,010 |
| DSUs | 1,741,530 |
| Total Market Value of Common Shares and DSUs ⁽¹⁾ | \$9,347,222 |



Robert Broen
President and Chief
Executive Officer
Alberta, Canada

Status: Not Independent

Director since April 21,
2015

Mr. Broen has been a director and President and Chief Executive Officer of the Corporation since April 2015. He previously held the roles of Chief Operating Officer of Athabasca and Senior Vice-President, North American Shale at Talisman Energy Inc. and the President and a director of Talisman Energy USA Inc. Mr. Broen is a Professional Engineer with over 30 years of industry experience and has completed the Executive Education Program at the IVEY School of Business. He is currently on the Board of the Explorers and Producers Association of Canada.

Other Public Company Board Memberships:

None

Current Committee Memberships:

None

2023 Board and Committee Meeting Attendance:

| | Meeting Attendance |
|---------------------------|----------------------------|
| Board | 5 of 5 (100%) |
| Audit | 4 of 4 (100%) (non-member) |
| Compensation & Governance | 2 of 2 (100%) (non-member) |
| Reserves | 2 of 2 (100%) (non-member) |

Ownership:

| | December 31, 2023 |
|--|-------------------|
| Common Shares Owned, Controlled or Directed | 4,047,450 |
| Options | 2,104,500 |
| RSUs | 2,058,599 |
| PSUs | 939,900 |
| Total Market Value of Common Shares, Options, RSUs, and PSUs ⁽¹⁾⁽²⁾ | \$33,220,388 |



John Festival
 Director
 Alberta, Canada

Status: Independent

Director since May 7, 2020

Mr. Festival has over three decades of experience in the oil and gas industry. Mr. Festival is currently President, CEO and a director of Broadview Energy Ltd., a private corporation with heavy oil assets in Alberta and Saskatchewan. From 2009 through 2018, Mr. Festival served as the President and Chief Executive Officer and a director of BlackPearl Resources Inc. Prior to that, he served as the President of BlackRock Ventures Inc. from 2001 to 2006 and as its Vice President of Corporate Development from 1999 to 2000. Mr. Festival is currently a director and Chair of i3 Energy plc and director of Cardinal Energy Ltd. and Advantage Energy Ltd.

Other Public Company Board Memberships:

i3 Energy plc.
 Cardinal Energy Ltd.
 Advantage Energy Ltd.

Current Committee Memberships:

Compensation & Governance (Chair)
 Reserves

2023 Board and Committee Meeting Attendance:

| | Meeting Attendance |
|-----------------------------------|--------------------|
| Board | 5 of 5 (100%) |
| Compensation & Governance (Chair) | 2 of 2 (100%) |
| Reserves | 2 of 2 (100%) |

Ownership:

| | December 31, 2023 |
|---|-------------------|
| Common Shares Owned, Controlled or Directed | 1,014,700 |
| DSUs | 709,590 |
| Total Market Value of Common Shares and DSUs ⁽¹⁾ | \$7,190,289 |



Marty Proctor
 Director
 Alberta, Canada

Status: Independent

Director since May 4, 2022

Mr. Proctor is a seasoned energy executive with more than 35 years experience in Canada and other international markets. Mr. Proctor held the position of President and Chief Executive Officer of Seven Generations Energy Ltd. from 2017 to 2021 and held the position of President and Chief Operating Officer prior to that from 2014. Mr. Proctor also held the positions of Chief Operating Officer of Baytex Energy Corp. from 2009 to 2014 and Senior Vice President of Upstream Operations with StatoilHydro Canada Ltd. and its predecessor company North American Oil Sands from 2006 to 2009. Mr. Proctor is a director of ARC Resources Ltd., a director of GreenFirst Forest Products Inc., and the chair of the board of directors of Tenaz Energy Corp.

Mr. Proctor holds Bachelor of Science and Master of Science degrees in Petroleum Engineering from the University of Alberta, earned the ICD.D designation from the Institute of Corporate Directors, and is registered as a Professional Engineer with APEGA. In 2022, Mr. Proctor completed the Advanced Management Program at the University of Chicago's Booth School of Business.

Other Public Company Board Memberships:

ARC Resources Ltd.
 GreenFirst Forest Products Inc.
 Tenaz Energy Corp.

Current Committee Memberships:

Reserves (Chair)

2023 Board and Committee Meeting Attendance:

| | Meeting Attendance |
|------------------|--------------------|
| Board | 5 of 5 (100%) |
| Reserves (Chair) | 2 of 2 (100%) |

Ownership:

| | December 31, 2023 |
|---|-------------------|
| Common Shares Owned, Controlled or Directed | 120,000 |
| DSUs | 125,423 |
| Total Market Value of Common Shares and DSUs ⁽¹⁾ | \$1,023,414 |



Marnie Smith
Director
Alberta, Canada

Status: Independent

Director since May 11,
2023

Ms. Smith is a Managing Director at Russell Reynolds Associates, a global organizational consulting firm, where she leads the Western Canadian team and Canadian energy platform and is part of the firm's global board and CEO advisory practice. Prior thereto, she served as a Senior Client Partner with Korn Ferry and as Managing Director & Head of Canadian Energy at Macquarie Group. Ms. Smith is a member of the board of directors of Tamarack Valley Energy Ltd. and Shock Trauma Air Rescue Service (STARS). She is also on the advisory board of BluMaple Capital Partners.

Other Public Company Board Memberships:

Tamarack Valley Energy Ltd.

Current Committee Memberships:

Audit Committee

| 2023 Board and Committee Meeting Attendance: | |
|---|-----------------------------------|
| | Meeting Attendance ⁽³⁾ |
| Board | 2 of 3 (67%) |
| Audit | 1 of 2 (50%) |
| Ownership: | |
| December 31, 2023 | |
| Common Shares Owned, Controlled or Directed | 29,825 |
| DSUs | 47,366 |
| Total Market Value of Common Shares and DSUs ⁽¹⁾ | \$321,886 |



Theresa Roessel
Director Nominee
Alberta, Canada

Status: Independent

Ms. Roessel is a finance executive with over 30 years of experience. She is currently the Chief Financial Officer at Canada Diagnostic Centres, where she leads accounting, treasury, planning and risk management. Prior thereto, she served as the Chief Financial Officer for the Calgary Zoo, leading finance, planning, IT, and people services. Previously, Ms. Roessel held the role of Vice President and Controller and other senior finance leadership roles at CNOOC International. Ms. Roessel started her accounting career at Collins Barrow and then Ernst & Young and is a designated CPA, CA. Ms. Roessel is a member of the board of Directors for the Canadian Red Cross and previously served as a Commissioner for the Calgary Police Commission.

Other Public Company Board Memberships:

N/A

Current Committee Memberships:

N/A

| 2023 Board and Committee Meeting Attendance: | |
|---|--------------------|
| | Meeting Attendance |
| | N/A |
| Ownership: | |
| December 31, 2023 | |
| Common Shares Owned, Controlled or Directed | 0 |
| DSUs | 0 |
| Total Market Value of Common Shares and DSUs ⁽¹⁾ | \$0 |

Notes:

- (1) "Total Market Value" was determined by multiplying the number of Common Shares held by the nominee as of December 31, 2023 by the closing price of the Common Shares on the TSX on such date and adding the number of DSUs held as of December 29, 2023 multiplied by the closing price of the Common Shares on the TSX on such date (\$4.17)
- (2) Mr. Broen's "Total Market Value" also includes values for Options, RSUs and PSUs (each term as defined in "Elements of Executive Compensation: Linking the Elements to the Compensation Objectives" and as described in "Long-Term Incentive Compensation") equal to the sum of the Options,

DIRECTOR NOMINEES

RSUs and PSUs multiplied by the closing price of the Common Shares on the TSX on December 29, 2023 (\$4.17) and subject to any applicable multiplier applied to PSUs granted to Mr. Broen. Options, RSUs and PSUs granted prior to May 5, 2021 were granted pursuant to the Corporation's Option Plan, RSU Plan and Performance Plan, respectively (as such terms are defined in "Long-Term Equity Incentive Plans"). The 2021 Omnibus Incentive Plan applies to Options, RSUs and PSUs granted after May 5, 2021. A description of the key terms of the 2021 Omnibus Incentive Plan (as amended by the 2024 Omnibus Incentive Plan), Option Plan, RSU Plan and Performance Plan is provided in Appendix B – *Description of Long-Term Equity Incentive Plans*.

(3) Ms. Smith was appointed to the Board of Directors on May 11, 2023.

Experience and Background of Directors Nominees

The Compensation and Governance Committee has responsibility for ensuring the Board is made up of individuals who have the relevant experience and expertise needed to effectively fulfill the Board's mandates. The skills matrix below shows the experience and expertise that each director nominee contributes to Athabasca's Board.

| Experience | Avery | Begley | Broen | Eckhardt | Festiva | Proctor | Smith | Roessel | Count |
|------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------|
| Accounting & Finance | • | • | • | • | • | • | • | • | 8 |
| Capital Markets | | • | • | | • | • | • | | 5 |
| Engineering/Reserves | | • | • | • | • | • | | | 5 |
| Governance | • | • | • | • | • | • | • | • | 8 |
| Government/Regulatory/Legal | • | | • | • | • | • | | • | 6 |
| Health, Safety & Environment | • | | • | • | • | • | | | 5 |
| Human Capital | • | • | • | • | • | • | • | • | 8 |
| Management/Leadership | • | • | • | • | • | • | • | • | 8 |
| Midstream/Trading | • | | • | • | • | • | • | • | 7 |
| M&A | • | • | • | • | • | • | • | • | 8 |
| Oil & Gas Upstream | • | • | • | • | • | • | • | • | 8 |
| Oil Sands | • | • | • | | • | • | | | 5 |
| Risk Management | • | • | • | • | • | • | • | • | 8 |
| Sustainability | • | • | • | • | • | • | • | • | 8 |
| Count | 12 | 11 | 14 | 12 | 14 | 14 | 10 | 10 | |

Director Orientation and Continuing Education

The Board is responsible for providing each new director with a comprehensive orientation to Athabasca and its business. Each new director is provided a Director Orientation Manual that contains materials to familiarize the new director with the role of the Board and its committees and the Board's governance mandates. The materials include:

- Information about Athabasca's organizational structure;
- Athabasca's Individual Director mandate, Board mandate and the mandates of each of the Board committees;
- Athabasca's compensation philosophy, short-term and long-term incentive programs; and
- Policies and guidelines, including Athabasca's Code of Business Ethics and Conduct, Whistleblower Policy, Trading and Black-Out Policy, and Equity Ownership and Retention Guidelines for Independent Directors and Executive Officers.

New directors also attend an orientation session with executive management to receive management presentations about Athabasca, its business strategies, operations, financial performance, and compensation and governance practices.

Each month, the Board is provided a written report which summarizes, among other things, Athabasca's monthly operational and financial results; liquidity; health, safety and environmental performance and share performance. At each quarterly Board meeting, executive management informs the Board of any risks and any market, industry or regulatory changes affecting Athabasca's business.

The Board also holds strategy sessions with Athabasca's executive management team to discuss, review and consider the Corporation's business strategy for the current year and for the next five years. The Board considered the Corporation's current and long-term strategies at each of its quarterly meetings held in 2023.

Directors also participate in continuing education programs and industry and governance related seminars to maintain or enhance their knowledge and understanding of issues affecting Athabasca's business. In 2022, Athabasca hosted Indigenous Awareness training for all employees, executives, and the Board. Additionally, in 2022 and in 2023, the Chair of the Compensation and Governance Committee attended continuing education programs on the topic of fostering diversity, inclusion and equity thinking and governance on Boards.

The Board also furthered their education in 2023 through a corporate cybersecurity risk review to ensure the Corporation is appropriately mitigating cybersecurity risks. The Corporation continued to mitigate risks associated with cybersecurity during

2023 in response to a continuously evolving threat landscape. Projects and process development was focused on network security, data protection, incident response, and cyber threat awareness among staff. Using a risk-based approach, the Corporation's Information Technology ("IT") team continued to evolve the cybersecurity program in collaboration with external resources, industry peers, and government agencies. The Corporation recently added enhanced technical capabilities for email threat management and remote access computing. New cybersecurity training materials were made available during the year to staff and enhancements were made to cyber threat monitoring and alerting. Cybersecurity testing and simulations are routinely conducted and the Board remains confident in the Corporation's cybersecurity risk management.

Director Compensation

General

The Board, through the Compensation and Governance Committee, has implemented a director compensation program that is intended to compensate non-management directors for their services on the Board and its committees. We do not pay any compensation to officers for acting as a director. For information concerning the compensation paid to Mr. Broen who is also our President and Chief Executive Officer, see "*Summary Compensation Table – NEOs*".

In setting the directors' annual compensation, the Board considers what is competitive with other comparable public companies and the current market environment. We wish to attract and retain the services of qualified individuals and compensate them in a manner that is commensurate with the risks and responsibilities that are assumed through board and committee memberships.

The directors' annual compensation is made up of two parts: (1) a cash retainer; and (2) a grant of Director's DSUs, which are not redeemable until after the director has ceased to be a member of the Board. See Appendix B – *Description of Long-Term Equity Incentive Plans – Deferred Share Unit Plan* for a description of the deferred share unit plan ("**DSU Plan**").

Cash Retainer

For the year ended December 31, 2023, non-management directors were paid an annual retainer of \$50,000. Additionally, non-management directors were also paid for serving in the following roles:

| Board Role | Retainer Amount |
|---|-----------------|
| Board Chair | \$50,000 |
| Audit Committee Chair | \$15,000 |
| Compensation and Governance Committee Chair | \$7,500 |
| Reserve Committee Chair | \$7,500 |

The Corporation does not pay its directors any fees for attendance at Board or committee meetings but reimburses directors for all reasonable expenses incurred in order to attend board or committee meetings.

Directors may elect to receive all or any portion of their cash retainers in the form of DSUs.

DSUs

Non-management directors are also eligible to participate in the DSU Plan if awards under such plan are recommended by the Compensation and Governance Committee and approved by the Board. The value of the DSUs awarded to the non-management Directors are set annually based on a compensation review of the Corporation's peers.

Summary Compensation Table

The following table sets out information concerning the compensation paid by the Corporation to its directors during the year ended December 31, 2023 (other than Mr. Broen who is included in the table that is provided below under the heading “*Compensation Discussion & Analysis – Summary Compensation Table – NEOs*”) as he does not receive any specific compensation as a Director.

| Name | Fees earned (\$) | Share-based awards ⁽¹⁾ (\$) | Option-based awards ⁽²⁾ (\$) | Non-equity incentive plan compensation (\$) | Pension value (\$) | All other compensation (\$) | Total ⁽²⁾ (\$) |
|--------------------------------|------------------|--|---|---|--------------------|-----------------------------|---------------------------|
| Angela Avery ⁽³⁾ | 50,000 | 125,000 | — | — | N/A | — | 175,000 |
| Bryan Begley ⁽³⁾ | 65,000 | 125,000 | — | — | N/A | — | 190,000 |
| Tom Ebborn ⁽⁴⁾ | 18,131 | — | — | — | N/A | — | 18,131 |
| Ronald Eckhardt ⁽³⁾ | 100,000 | 125,000 | — | — | N/A | — | 225,000 |
| John Festival ⁽³⁾ | 57,500 | 125,000 | — | — | N/A | — | 182,500 |
| Marty Proctor ⁽³⁾ | 57,500 | 125,000 | — | — | N/A | — | 182,500 |
| Marnie Smith ⁽³⁾⁽⁵⁾ | 32,005 | 125,000 | — | — | N/A | — | 157,005 |

Notes:

- (1) The compensation reported under share-based awards is the value of DSUs granted in the year ended December 31, 2023. The fair value of DSUs is based on the number of DSUs granted multiplied by the volume weighted average price per Common Share on the TSX for the 20 trading days immediately preceding the date of grant. These amounts exclude the value of any DSUs paid in lieu of director fees, as further described in footnote (3) below.
- (2) Neither the Corporation nor any of its subsidiaries paid, awarded, granted, gave, or otherwise provided, directly or indirectly, additional compensation to the directors in any capacity under any other arrangement in 2023 (including any plan or non-plan compensation, direct or indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite to be paid, payable, awarded, granted, given, or otherwise provided to the directors for services provided, directly or indirectly, to the Corporation or a subsidiary thereof).
- (3) Ms. Avery, Mr. Begley, Mr. Eckhardt, Mr. Festival, Mr. Proctor, and Ms. Smith all elected to receive 100% of their annual fees in the form of DSUs. As a result, Ms. Avery received 14,992 DSUs, Mr. Begley received 19,488 DSUs, Mr. Eckhardt received 29,982 DSUs, Mr. Festival received 17,240 DSUs, Mr. Proctor received 17,240 DSUs, and Ms. Smith received 8,904 DSUs in lieu of such fees.
- (4) Mr. Ebborn retired from the Board at the 2023 annual general meeting on May 11, 2023, and therefore received a pro-rated portion of the annual board retainer for the period from January 1, 2023 to May 11, 2023.
- (5) Ms. Smith joined the Board on May 11, 2023 as such her fees were pro-rated for the year based on start date.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information regarding all DSUs held by each director, as at December 31, 2023 (other than Mr. Broen who is included in the table that is provided below under the heading “*Compensation Discussion & Analysis – Outstanding Share-Based Awards and Option-Based Awards – NEOs*”). Directors do not hold any outstanding Option-based awards.

| Name | Share-Based Awards | | |
|-----------------|--|--|--|
| | Number of shares or units of shares that have not vested (#) | Market or payout value of share-based awards that have not vested (\$) | Market or payout value of vested share-based awards not paid out or distributed (\$) ⁽¹⁾⁽²⁾ |
| Angela Avery | — | — | 505,020 |
| Bryan Begley | — | — | 7,262,180 |
| Thomas Ebborn | — | — | 0 ⁽³⁾ |
| Ronald Eckhardt | — | — | 9,557,256 |
| John Festival | — | — | 2,958,990 |
| Marty Proctor | — | — | 523,014 |
| Marnie Smith | — | — | 197,516 |

Notes:

- (1) All DSUs vest immediately upon the grant of such DSUs but cannot be redeemed until after the director ceases to be a director of the Corporation.

- (2) The market or payout value of vested share-based awards not paid out or distributed has been calculated based on the number of DSUs held at December 31, 2023 multiplied by \$4.17, being the closing price of the Common Shares on the TSX on December 29, 2023.
- (3) Mr. Ebborn elected to redeem his DSUs on November 8, 2023. As per the DSU plan terms, his payment was made using the 20 day VWAP on the 20 trading days preceding the date of redemption.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value of share-based awards which vested during the year ended December 31, 2023 and the value of non-equity incentive plan compensation earned during the year ended December 31, 2023 for each director. Directors did not hold any outstanding Option-based awards that would have vested in 2023.

| Name | Share-based awards – Value vested during the year ⁽¹⁾⁽²⁾ (\$) | Non-equity incentive plan compensation – Value earned during the year (\$) |
|-----------------|--|--|
| Angela Avery | 175,000 | — |
| Bryan Begley | 190,000 | — |
| Thomas Ebborn | — | — |
| Ronald Eckhardt | 225,000 | — |
| John Festival | 182,500 | — |
| Marty Proctor | 182,500 | — |
| Marnie Smith | 157,000 | — |

Notes:

- (1) All DSUs vest immediately upon the grant of such DSUs but cannot be redeemed until after the director ceases to be a director of the Corporation.
- (2) Represents the value of DSUs granted in the year ended December 31, 2023. The fair value of DSUs is based on the number of DSUs granted multiplied by the volume weighted average price per Common Share on the TSX for the 20 trading days immediately preceding the date of grant.

Additional Disclosure Relating to Directors

None of our director nominees: (a) is, or has been within the past 10 years, a director, chief executive officer or chief financial officer of any company, including the Corporation, that while such person was acting in that capacity, was the subject of a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that in each case was in effect for a period of more than 30 consecutive days (collectively, an “Order”), or after such person ceased to be a director, chief executive officer or chief financial officer of the relevant company, was the subject of an Order which resulted from an event that occurred while acting in such capacity; (b) is, or has been within the past 10 years, a director or executive officer of any company, including the Corporation, that, while such person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a

proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; (c) has, within the past 10 years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his assets; or (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement with a securities regulatory authority, or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

Corporate Governance

Board of Directors

Mandate

The Board has overall responsibility for overseeing the management of the business and affairs of Athabasca. The Board has adopted a written mandate that summarizes, among other things, the Board's duties and responsibilities. A copy of the mandate is attached as Appendix C to the Circular.

Board Renewal and Tenure

The Board is committed to supporting the Corporation through the selection of qualified directors who have appropriate skills to meet the evolving needs of the Corporation and who can provide strong stewardship for the Corporation. Through its Compensation and Governance Committee, which is comprised entirely of independent directors, the Board regularly reviews and assesses the size, independence, operation, competencies and skills of the Board and the individual directors.

The eight Board nominees reflect a range of complementary but different experiences and skills to support the Corporation. The length of director tenure of the seven incumbent Board nominees ranges from one year to twelve years, and new appointments were made to the Board in 2012, 2015, 2016, 2020, 2022 and 2023 which the Compensation and Governance Committee believes, along with the proposed nominee, Ms. Roessel, is an appropriate mix of longer-term directors who have accumulated extensive knowledge and understanding of the Corporation, and newer directors who are bringing additional experience and fresh perspectives to the Board.

Athabasca does not currently have a policy regarding term limits for directors. The Compensation and Governance Committee believes Athabasca is meeting its objective of achieving the optimum balance of skills and experience at the Board level without the need to impose such limits.

The Compensation and Governance Committee has endorsed an annual Board review process that includes a written evaluation. The written evaluation process is seen as an opportunity to review the year's past performance, recognize successes, and identify areas for improvement for the Board, its committees, and individual directors. In the confidentially written and compiled evaluation, directors evaluate overall Board performance through a series of questions concerning the role of the Board, Board structure, and the Board's relationship with management as well as provide a self-assessment of strengths and opportunities. A confidential summary of the evaluation is then discussed at the Compensation and Governance Committee meeting with recommendations brought forward to the Board with a focus on ongoing development.

Membership and Independence

Our Board of Directors currently has seven members and will grow to eight members if all Board nominees are elected. Our Board Chair and a majority of our directors are independent for the purposes of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**"). The Board determined that Messrs. Begley, Eckhardt, Festival, and Proctor and that Mses. Avery, Smith, and Roessel are independent, and with respect of incumbent directors, were independent in 2023. Ms. Avery was previously not considered independent because she was employed by the Corporation as General Counsel and Vice President, Business Development from 2017 to 2020. Ms. Avery was considered independent for the purposes of NI 58-101 as of 2023. Mr. Broen is not independent because he is the President and Chief Executive Officer of the Corporation.

Meetings of the Independent Directors

The Board held five meetings between January 1, 2023 and December 31, 2023 and the independent directors conducted in-camera sessions, without members of management present, at all five of these meetings. Additionally, in-camera sessions were held during all four meetings of the Audit Committee that were held between January 1, 2023 and December 31, 2023 as well as in-camera sessions at the two Compensation and Governance meetings during the same period.

Board and Executive Diversity

Athabasca recognizes the benefits of diversity and inclusion at all levels within its organization and, as such, the Board adopted a formal Board Diversity Policy in 2018 that includes provisions relating to the identification and nomination of women directors ("**Board Diversity Policy**"). The Board Diversity Policy specifically requires the Board to consider candidates based on merit and to have regard to the benefits of diversity and the needs of the Board including the existing level of representation of women on the Board. Athabasca monitors its current approach to diversity by regularly evaluating the appropriateness of the level of representation of women on the Board and the effectiveness of the recruitment strategies in achieving appropriate diversity. Athabasca understands that building diversity within boards and senior management positions takes time but the commitment to diversity, as well as its promotion, expressed in the Board Diversity Policy are principles that Athabasca continuously works towards improving on and integrating in all aspects of the Corporation's hiring, recruitment, succession planning, and advancement practices.

The Board Diversity Policy requires that any search firm engaged to assist the Board in identifying candidates will be specifically

directed to include diverse candidates generally, and multiple women candidates in particular. Women candidates as well as racially and ethnically diverse candidates for director roles must be included on the organization's evergreen list of potential nominees. The Board also has the opportunity to evaluate the effectiveness of the director selection and nomination process, including compliance with the Board Diversity Policy, through its annual review process. As part of this process, the Board will consider the candidates identified or brought forward for board positions during the year and the skills, knowledge, and experience of such candidates to ensure that any woman candidates were fairly considered relative to other candidates.

Heidrick and Struggles, a global Executive search firm, was engaged in 2023 to support the Board in recruiting an additional Board member. The focus of the search was to improve diverse candidate representation on the board and provide audit financial expertise to support the Audit Committee. As a result of that search, Ms. Roessel, a female Chartered Accountant, is being nominated at this meeting. In total, three directors being nominated at this Meeting are women, which is expected to increase the Board composition to being 37.5% women. The Board acknowledges the value of ethnic and racial diversity and will prioritize the nomination of at least one ethnically or racially diverse director in future succession.

When appointing individuals to executive officer positions, Athabasca weighs several factors, including the skills and experience necessary for the position and the personal attributes of the candidates. The level of representation of women in executive officer positions is also considered one such factor. Instead of adopting a target, the organization believes that building a culture of inclusion throughout the organization removes barriers to women's advancement. Athabasca's executive management team is currently comprised of one woman, which represents 17% of the total executive officers, holding the position of Vice President, Thermal Oil.

Majority Voting Policy

In 2015, the Board adopted a majority voting policy ("**Majority Voting Policy**") which stipulates that if a director nominee receives more "withhold" votes than "for" votes at an uncontested shareholders' meeting, then such nominee must immediately tender his or her resignation for consideration by the Compensation and Governance Committee. The Compensation and Governance Committee will consider the director nominee's offer to resign and will make a recommendation to the Board to accept the resignation unless exceptional circumstances exist that would warrant the applicable director continuing to serve on the Board. Within 90 days of the date of the relevant shareholders' meeting, upon considering the Compensation and Governance Committee's recommendation, the Board will accept the director's offer to resign unless exceptional circumstances exist that warrant the

director remaining on the Board. The resignation will be effective when accepted by the Board. A news release will be issued promptly to announce the decision that is reached by the Board and if the Board chooses not to accept a director's offer to resign, the news release will describe the reasons for that decision. No director that is required to tender his or her resignation pursuant to the Majority Voting Policy shall participate in the deliberations or recommendations of the Compensation and Governance Committee or the Board with respect to the director's offer to resign. The Board may fill any vacancy resulting from a resignation pursuant to the Majority Voting Policy in accordance with the Corporation's by-laws and articles and applicable corporate laws.

Position Descriptions

The Board has developed and implemented written position descriptions for the Chair of the Board ("**Board Chair**"), the chairs of each committee of the Board and the Chief Executive Officer ("**CEO**"), Chief Financial Officer ("**CFO**").

Responsibility of the Chair

The Board Chair provides effective leadership to the Board in the governance of the Corporation. The Board Chair sets the "tone" for the Board and its members to foster ethical and responsible decision making and responsible practices in corporate governance. The Board Chair also provides leadership on governance, corporate social responsibility, board/management relationships, and organizing and conducting meetings of the Board and shareholder meetings.

Shareholder Engagement

Athabasca delivered strong operational and financial results in 2023. Operationally, the Corporation exceeded its targets for annual HSE results, production, operating costs, and capital investment. The Corporation continued to reinforce its financial strength with a net cash position of \$131 million, liquidity of \$429 million, including cash of \$343 million at year-end. In 2023, Athabasca delivered and exceeded on its commitment to return at least 75% of Excess Cash Flow to shareholders by returning 94% of Excess Cash Flow to shareholders through \$159 million of share buybacks (44 million shares at an average price of \$3.58/share). Athabasca has committed to allocate of 100% of Free Cash Flow to shareholders through continued share buybacks in 2024. The Corporation delivered Total Shareholder Return ("**TSR**") of 73% in 2023, well above the majority of the 2023 peer group's TSR.¹

¹ Excess Cash Flow, Adjusted Funds Flow, Sustaining Capital and Free Cash Flow are non-GAAP financial measures that do not have a standardized meaning under IFRS. See "*Advisories – Non-GAAP Financial Measures*" in this Circular.

Overall, consistent operational execution and a best-in-class balance sheet is expected to continue to unlock significant shareholder value. Athabasca is uniquely positioned as a low leveraged company, generating significant free cash flow through its low decline, oil weighted asset base.

The Board and the Corporation will continue to respond to voting results through active shareholder engagement and by advancing the Corporation's strategy and focusing on supporting shareholder returns.

Ethical Business Conduct

In order to encourage and promote a culture of ethical business conduct, the Board has adopted a written Code of Business Ethics and Conduct (the "Code") applicable to all directors, officers and employees of Athabasca. The Code is available on SEDAR+ at www.sedarplus.ca. The Board has also adopted a Whistleblower Policy (the "Whistleblower Policy") that provides directors, officers, and employees of Athabasca and others with a mechanism for raising complaints or concerns regarding questionable accounting practices, inadequate internal accounting controls, the misleading or coercion of auditors, disclosure of fraudulent or misleading financial information, violations of the Code, violations of Athabasca's Trading and Black-Out Policy and instances of corporate fraud. Reports made under the Whistleblower Policy may be made in a confidential and, if deemed necessary, anonymous manner. The Board monitors compliance with the Code through the Whistleblower Policy.

In accordance with the *Business Corporations Act* (Alberta), directors who are a party to, or are a director or an officer of a person who is a party to, a material contract or material transaction or a proposed material contract or proposed material transaction, are required to disclose the nature and extent of their interest and not vote on any resolution to approve the contract or transaction. In certain cases, an independent committee may be formed to deliberate on such matters in the absence of the interested party.

Environmental, Social and Governance ("ESG") Policies

We have a longstanding commitment to ESG initiatives and we are proud of the work we do to take care of the environment and the communities where we operate. We believe that measurement is key to evaluating our work, setting goals, and making year over year progress. We proudly published our third annual ESG report in 2023. It was an opportunity for Athabasca to showcase the positive impacts we have and explain how sustainability and responsibility are being embedded into every decision we make. We believe that ESG not only supports our communities, but also enhances our business and profitability and creates long term value for all our stakeholders and

shareholders. Our goal is to supply responsibly developed energy to help meet ongoing global demand, while also creating a positive and long-lasting impact on the communities where we operate.

Athabasca continues to make progress in reducing the Corporation's carbon footprint through investment in lower greenhouse gas ("GHG") intensity resources where new technology can also be deployed. The Corporation has a target of a 30% reduction in emissions intensity by 2025 from 2015 levels. Athabasca has partnered with Entropy Inc. to implement carbon capture and storage ("CCS") at Leismer, using Entropy's proprietary CCS technology. This project is not expected to be sanctioned until the Federal government provides fiscal and regulatory policy that ensure CCS projects are economically viable. In 2023, Athabasca completed the electrification of the Saxon Facility to support reduced GHG emission intensity. Athabasca is doing its part to reduce emissions and believes the world would greatly benefit from more Canadian energy.

Athabasca supports the communities in which we live and operate and strives to build long-term relationships with stakeholders in such communities. Our community engagement is guided by Athabasca's Three Pillars of Giving Back to the Community: our people, Indigenous relations, and community. The Corporation engages with Indigenous stakeholders at all stages of a project's development and early in our procurement processes to ensure local services from vendors from Indigenous communities are considered. Athabasca provides funding to a variety of organizations, charities, and outreach programs that benefit local communities and Albertans throughout the province. Athabasca also supports several educational initiatives including scholarships, endowments, and practicum opportunities at universities and colleges across Alberta.

We believe that measurement is key to evaluating our work, setting goals, and making year over year progress. Our ESG strategy and performance is reviewed and considered by the Board as a whole. To keep the Board well informed, management regularly provides updates on goals and accomplishments around environmental considerations, social responsibility, ethics and corporate citizenship. The Board regularly engages with management in discussions around climate risk and opportunities to reduce overall emissions, particularly when approving capital budgets. Management reviews health, safety and environment performance at each quarterly Board meeting and discusses current and emerging relevant issues. Health, safety and environment targets include producing quarterly ESG performance reports and an annual publicly disclosed ESG report. These targets currently make up 20% of our annual corporate performance scorecard and will reflect the importance of our broader ESG performance in years to come.

Board Committees

To assist it in fulfilling its mandate, the Board has formed the following three standing committees:

Compensation and Governance Committee

The responsibilities of the Compensation and Governance Committee include:

- Assisting the Board in fulfilling its oversight responsibilities of the key compensation and human resources policies of Athabasca.
- Orienting new directors as to the nature and operation of the business and affairs of Athabasca and the role of the Board and its committees.
- Making available continuing education opportunities designed to maintain or enhance the skills and abilities of Athabasca's directors and to ensure that their knowledge and understanding of Athabasca's business remains current.
- Identifying, assessing and recommending to the Board new director candidates for appointment or nomination. See "*Corporate Governance – Board of Directors – Board Renewal and Tenure*" above.
- Establishing and implementing procedures to evaluate the performance and effectiveness of the Board, Board committees, individual directors, the Board Chair, and committee chairs. The procedures include utilizing an annual directors' evaluation questionnaire, which addresses, among other things, individual director and overall board skills, and board effectiveness.
- Reviewing and making recommendations to the Board regarding the CEO's short-term and long-term corporate goals and objectives and performance measurement indicators.
- Making recommendations regarding the results of the annual evaluation to the Board.

A copy of the Compensation and Governance Committee's Mandate is available on the Corporation's website at www.atha.com. See "*Compensation Discussion and Analysis – Compensation Governance*" below for more information respecting the Compensation and Governance Committee.

Reserves Committee

The Reserves Committee assists the Board in fulfilling its oversight responsibilities with respect to the evaluation and reporting of Athabasca's oil and gas reserves and resources and related matters including:

- Reviewing, at least annually, the Corporation's procedures relating to its disclosures under National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities* and making recommendations to the Board regarding such procedures.
- Making recommendations to the Board regarding the engagement of independent, qualified reserves evaluators or auditors to report to the Board on Athabasca's reserve data.
- Making recommendations to the Board regarding the reserves and resource data of Athabasca that will be made publicly available and filed with applicable regulatory authorities.

A copy of the Reserves Committee Mandate is available on the Corporation's website at www.atha.com.

Audit Committee

The Audit Committee's primary purpose is to assist the Board in fulfilling its oversight responsibilities with respect to:

- The integrity of Athabasca's annual and quarterly financial statements.
- Athabasca's compliance with accounting and finance-based legal and regulatory requirements.
- The external auditor's qualifications, independence and compensation, and communicating with the external auditor.
- The system of internal accounting and financial reporting controls that management has established.
- The performance of the external audit process and of the external auditor.
- Financial policies and financial risk management practices; and transactions or circumstances which could materially affect the financial profile of Athabasca.

In accordance with the Audit Committee mandate, the Audit Committee holds in-camera sessions without management present at each regularly scheduled Audit Committee meeting. A copy of the Audit Committee's Mandate is available on the Corporation's website at www.atha.com.

Compensation Discussion & Analysis

Introduction

The Compensation and Governance Committee is committed to providing a clear and comprehensive discussion of our approach to executive compensation, including our overarching philosophy and objectives of aligning executive compensation with Athabasca's performance. The Corporation's compensation philosophy remains an important focus for the Board as we continue to believe that Athabasca's delivery of profitable and sustainable growth can only be achieved if we attract, retain, and motivate talented executives.

Athabasca's compensation program is aligned with competitive market practice. The program includes:

- A structured corporate scorecard for determining annual short-term incentive compensation.

- An omnibus incentive plan, designed to ensure alignment with shareholder interests by encouraging equity ownership among our officers, employees, and certain service providers to streamline the administration of the Corporation's long-term incentive awards. Board of Directors are ineligible for grants under the 2021 Omnibus Incentive Plan.
- A director DSU program designed to ensure alignment with shareholders.

The Compensation and Governance Committee will continue to ensure our incentive programs meet the needs of the Corporation's progressing business, retaining executives, all while being mindful of the sustainability of the programs and the impacts of equity grants on the Corporation's shareholders.

Named Executive Officers

Athabasca's Named Executive Officers ("NEOs") are those individuals who served as CEO and CFO and the Corporation's three other executive officers during the year ended December 31, 2023:

- Robert Broen, President and Chief Executive Officer
- Matthew Taylor, Chief Financial Officer

- Cam Danyluk, General Counsel and Vice President, Business Development
- Karla Ingoldsby, Vice President, Thermal Oil
- Michael Wojcichowsky, Vice President, DCS and Light Oil Operations

Athabasca's Approach to Compensation

Philosophy and Objectives

Our compensation program is designed to link executive pay to corporate performance, thereby aligning executive interests closely with those of the Corporation's shareholders. With significant proportions of "at risk" pay, Athabasca's compensation framework is competitive among Canadian oil and gas companies, with significant upside for high-performance and downside for under-performance.

Compensation and Governance

Oversight for Athabasca's executive compensation program is provided by the Board's Compensation and Governance Committee. Among other responsibilities, this Compensation and Governance Committee's mandate includes: (a) establishing key compensation and human resources policies; (b) annually establishing short-term and long-term corporate goals and objectives for the CEO and evaluating the CEO's performance in the context of those goals; (c) setting the CEO's compensation; and (d) establishing the compensation of Athabasca's executive management, including that of the NEOs.

Our compensation program has been designed to achieve these key objectives:

- Link compensation to Athabasca's performance.
- Align employees' interests with the interests of Athabasca's shareholders.
- Continue to attract and retain superior performing employees.

Following the 2023 annual general meeting, the Compensation and Governance Committee is comprised of three members: John Festival, Bryan Begley, and Angela Avery, all of whom are independent. Mr. Festival's, Mr. Begley's, and Ms. Avery's previous executive management experience and current board roles are described under "*Director Nominees – Director Nominee Profiles*" above. Mr. Festival's, Mr. Begley's and Ms. Avery's experience as it relates to overseeing the Corporation's governance and compensation is outlined below.

| Member | Independent | Skills and Experience Relevant to the Compensation and Governance Committee |
|---------------|-------------|--|
| John Festival | Yes | Mr. Festival has over three decades of experience in the oil and gas energy. He has held Executive roles for over 20 years including serving as the President of BlackRock Ventures from 2001 to 2006 and from 2009 to 2017 as the President and CEO of BlackPearl Resources Inc. In these roles, Mr. Festival led the planning and managing of company wide compensation programs. |
| Bryan Begley | Yes | Mr. Begley has over 15 years of management and executive experience as a managing director of several investment firms. In these roles, Mr. Begley has been directly involved in determining and managing compensation programs. |
| Angela Avery | Yes | Ms. Avery joined the Compensation and Governance Committee in 2023. She has more than 25 years of leadership and as WestJet’s EVP, Chief People, Corporate & Sustainability Officer, she is responsible for the legal, human resources and external affairs of the WestJet Group of Companies. In her role at WestJet, as well as previous executive roles in oil and gas companies, Ms. Avery has been directly involved in determining and managing compensation programs. |

External Consultants and Advisors

To ensure that Athabasca’s overall executive compensation is reasonable and competitive with other participants in the Canadian oil and gas industry, Athabasca and the Compensation and Governance Committee engage external advisors to provide advice and information regarding the development of compensation policies, to benchmark Athabasca’s pay and performance against a group of peer companies and to conduct comparative pay analyses.

Athabasca participates in Mercer Canada’s annual energy industry compensation survey (“**Mercer Survey**”), which entitles the Corporation to access and use Mercer’s compensation data

to benchmark the Corporation’s compensation against other market participants and participates in other local energy based Human Resource groups. The annual cost of the Mercer survey is listed below.

Executive Compensation-Related Fees:

| Consultant | Fees Paid | |
|---------------|-----------|----------|
| | 2022 | 2023 |
| Mercer Survey | \$9,475 | \$12,200 |

Pay Comparator Group

Each year, the Compensation and Governance Committee selects a comparator group of companies for the purpose of executive compensation benchmarking (the “**Pay Comparator Group**”). In determining the appropriate peers, the Compensation and Governance Committee sets a range of size and operational criteria to identify comparably sized oil and gas companies that generally operate in similar geographic locations as the Corporation. Athabasca’s 2023 peer group was determined to be as follows:

| | | |
|-----------------------|-------------------------|-------------------------------|
| Baytex Energy Corp. | Cardinal Energy Ltd. | International Petroleum Corp. |
| Kelt Exploration Ltd. | Kiwetinohk Energy Corp. | MEG Energy Corp. |
| NuVista Energy Ltd. | Obsidian Energy Ltd. | Pipestone Energy Corp. |
| Spartan Delta Corp. | Surge Energy Inc. | Tamarack Valley Energy Ltd. |

For evaluating compensation for Athabasca’s executive team, the Corporation relies both on market benchmark information from the Mercer Survey as well as compensation data disclosed in the Pay Comparator Group’s management information circulars. Management information circulars provide insight into market and pay practices to ensure that Athabasca’s executive compensation programs remain competitive and aligned with peers. The Pay Comparator Group is reviewed annually by the Compensation and Governance Committee and approved by the Board with the goal of identifying true peers with similar business, size, risk profile and scope of Athabasca to measure both executive compensation practices as well as relative total shareholder returns for benchmarking purposes. During 2023, some of the companies included in the Corporation’s former Pay Comparator Group were acquired or merged. Given the changes to the Corporation’s peers, a new Pay Comparator Group has been selected for 2024.

Elements of Executive Compensation: Linking the Elements to the Compensation Objectives

In fulfilling its mandate, the Compensation and Governance Committee seeks to link Athabasca’s executive compensation programs to its compensation objectives described above in “*Compensation Discussion & Analysis – Athabasca’s Approach to Compensation*”.

In addition to the foregoing, the Board exercises its discretion in terms of how the various discretionary components of executive compensation packages are comprised (as set out in more detail below and in Appendix B – *Description of Long-Term Incentive Plans*) in any given year based on factors which include individual performance and prevailing market conditions.

Total compensation for Athabasca’s executive officers (including its NEOs) is comprised of fixed and variable (or “at risk”) compensation as further described in the chart below. In general, the target pay mix for executive officers is comprised of: (a) 20% base salary and other compensation; (b) 20% as short-term incentive compensation (annual bonus); and (c) 60% in the form of long-term equity incentive compensation. This pay mix results in approximately 80% of NEO compensation being “at risk”.

| Element | Risk | Description | Objective |
|------------------------------|----------------------|---|--|
| Base salary | No risk | Fixed cash compensation for the services provided by the executive officer | Provide competitive level of fixed compensation |
| Annual short-term incentives | At risk | Cash bonus, 75% (100% for the CEO) of which is based on the Corporation’s performance against defined corporate metrics with the balance based on the achievement of pre-determined individual performance objectives | Reward individual contribution and achievement towards annual corporate objectives |
| Long-term incentives | Variable and at risk | Annual grants, which may be comprised of a mix of restricted share units (“RSUs”), performance share units (“PSUs”) and stock options (“Options”) with different vesting horizons | Align executives’ interests with shareholders and provides retention |
| Other | No risk | NEOs have the opportunity to participate in other programs and benefits that are generally available to all Athabasca employees, including a Retirement Plan and Savings Plan (as described below) | Provide a comprehensive and attractive executive compensation program |

Base Salary

Base salaries provide employees and executive officers with a competitive level of fixed cash compensation. The base salary of each executive officer compensates them for performing day-to-day responsibilities and reflects the complexity of their role, performance in role, and their industry experience. Base

salaries for our NEOs are determined using market data from our Compensation Peer Group (see “*Compensation Discussion & Analysis – Pay Comparator Group*”) and are reviewed every year by the Compensation and Governance Committee.

Annual Short-Term Incentive Compensation

All of the Corporation’s employees including its executive officers are eligible to receive annual cash bonus awards under the Corporation’s short-term incentive (“STI”) compensation program. Athabasca’s STI program has been designed to provide competitive annual bonuses that are based on both corporate

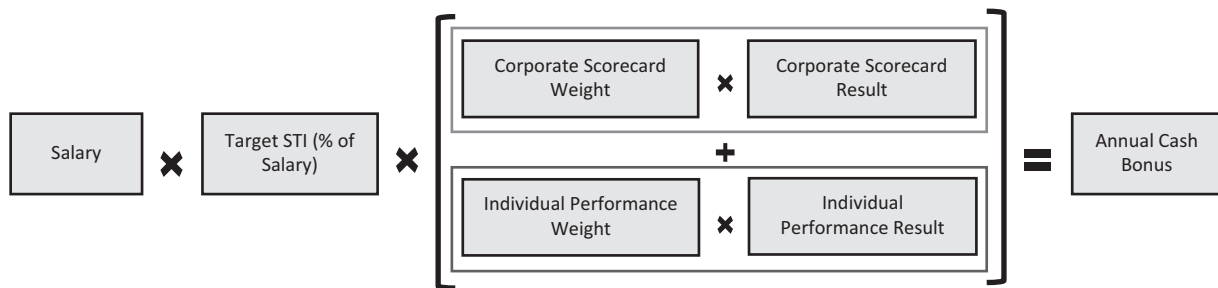
and individual performance. Performance measures are used to incent employees to meet or exceed individual and business-related objectives that are aligned with the execution of the Corporation’s long-term strategy.

Target STI awards are set for each executive position as a percentage of base salary and in reference to the median to P75 of the comparator group for positions of similar responsibilities. In 2023, the target STI award for each NEO was 50% of their respective base annual salaries, with the exception of the President and CEO, whose target STI was 100%. Each NEO (other than the CEO) may achieve an annual cash bonus payout of between 0% and 150% of their target STI. The CEO may achieve an annual cash bonus payout of between 0% and 200% of his target STI.

For 2023, the annual cash bonuses paid were calculated on a mix of corporate and individual objectives, with weightings as follows:

| Executive | Corporate Scorecard | Individual Performance |
|------------|---------------------|------------------------|
| CEO | 100% | 0% |
| Other NEOs | 75% | 25% |

Payouts were determined using the following formula:



Athabasca’s 2023 Corporate Scorecard Performance

Each year, Athabasca develops a corporate scorecard containing metrics by which it evaluates and measures its performance in key aspects of the Corporation’s business (the “Corporate Scorecard”).

In 2023, the Corporation met or exceeded all Corporate Scorecard metrics. Further, the Corporation’s stock saw a TSR that outperformed peers, creating significant shareholder value. The weight allocated to each of the Scorecard metrics and Athabasca’s performance against each metric is outlined in the table below.

| Performance Driver | Key Performance Indicator | Target ⁽¹⁾ | Achieved ⁽¹⁾ | Rating | Weight | Contribution |
|---|-----------------------------------|-----------------------|-------------------------|--------|--------------|--------------|
| Health, Safety and Environment | TRIF | 0.5 | 0.31 | 138% | 20% | 28% |
| | Contractor Verification Audits | 16 | 17 | | | |
| | ERP Drills | 12 | 23 | | | |
| | ESG Disclosure (Internal Reports) | 4 | 4 | | | |
| Average Production | Light Oil | 4,098 boe/d | 4,244 boe/d | 113% | 20% | 23% |
| | Thermal Oil | 29,940 bbl/d | 30,246 bbl/d | | | |
| | Corporation Total | 34,038 boe/d | 34,490 boe/d | | | |
| Costs | Light Oil Operating Expense | \$24.9 MM | \$24.1 MM | 142% | 20% | 28% |
| | Thermal Oil Operating Expense | \$172.7 MM | \$156.6 MM | | | |
| | Gross G&A Costs ⁽³⁾ | \$37.9 MM | \$36.8 MM | | | |
| | Corporation Total | \$235.5 MM | \$217.5 MM | | | |
| Capital Investment | Light Oil | \$25.3 MM | \$19.5 MM | 150% | 20% | 30% |
| | Thermal | \$121.8 MM | \$107.2 MM | | | |
| | Corporate | \$0.1 MM | \$0.1 MM | | | |
| | Corporation Total | \$147.2 MM | \$126.8 MM | | | |
| Corporate & Strategic Development Initiatives | | | | 150% | 20% | 30% |
| | | | | | Total | 139% |

Notes:

(1) Target metrics are normalized for non-controllable items such as commodity price input costs and have been adjusted to account for the sale of the Placid Montney asset to Cygnet in September 2023.

- (2) 2023 production was comprised of: 30,246 bbl/d of bitumen, 1,395 bbl/day of tight oil and light & medium oil (98% or more of which was tight oil), 528 bbl/d of condensate NGLs, 525 bbl/d of other NGLs, 10,769 mcf/d of shale gas and conventional natural gas (99% or more of which was shale gas). Thermal Oil production was comprised of bitumen production, with Light Oil production comprised of the previously mentioned product types other than bitumen.
- (3) Gross G&A Costs is calculated before operating and capital recoveries.

The Board considered the strategic development initiatives undertaken by the Corporation in 2023. This included the sale of non-core Light Oil assets at a premium valuation to previous market transactions and the establishment of the new subsidiary, Duvernay Energy Corporation (with equity partner Cenovus Energy Inc.). The Corporation also executed its first Normal Course Issuer Bid and delivered 94% of Excess Cash Flow back to shareholder through share buy-backs, well in excess of its stated target of 75%. The Corporation also prepared a succession plan for key Leadership positions and held multiple engagement sessions to further instill the Corporation's four values: We are Passionate, We take Ownership, We are Great at what we do, We get things Done. The Corporation delivered TSR of 73% in 2023, well above the majority of the 2023 peer group's TSR. Altogether, these were factors that contributed to the Board's decision that the rating of 150% be applied to the Corporate & Strategic Development Initiatives section (20% weighting) on the Corporate Scorecard.

Individual NEO Performance

Early in 2023, each executive officer developed key strategic personal deliverables in support of Athabasca's 2023 corporate objectives. In early 2024, the CEO met with each of the Corporation's executive officers as part of an annual review process to discuss and evaluate their individual 2023 performance and achievements. Following this review, the quantum of recommended cash bonus awards was reviewed by the Compensation and Governance Committee and advanced to the Board for approval.

Long-Term Incentive Compensation

Athabasca believes that equity-based long-term incentive ("LTI") awards allow the Corporation to reward its executive officers for their sustained contributions to the Corporation. Equity-based awards also promote executive continuity and retention and align executives' interests with those of the Corporation's shareholders by providing "at risk" compensation, the value of which is dependent on corporate performance linked to share performance. With these goals in mind, the Board also carefully considers the overall sustainability of its compensation programs and the dilutive effects of granting LTI.

On March 29, 2021, the Corporation adopted the 2021 Omnibus Incentive Plan, which was approved by the shareholders of the Corporation on May 5, 2021. The 2021 Omnibus Incentive Plan is a long-term incentive plan that permits the grant of PSUs, RSUs, Options and other security based awards to officers, employees and certain service providers of the Corporation and its affiliates. See *Matters to be Acted Upon at the Meeting – Approval of Unallocated Options, Rights and Other Entitlements under the 2024 Omnibus Incentive Plan* and Appendix B – *Description of Long-Term Equity Incentive Plans – 2024 Omnibus Incentive Plan* for a description of the 2024 Omnibus Incentive Plan.

PSUs

A PSU is intended to align the interests of participants with Athabasca's shareholders. The performance measures applied to awards serve to focus employees on operating and financial performance and relative long-term shareholder value.

The performance metrics applicable to PSUs include Athabasca's TSR and operational and corporate strategic measures in the Corporate Scorecard, which are set at the beginning of each performance period. The value of vested PSUs are based 50% on TSR for the particular period, compared to the Corporation's pay comparator group, and 50% based on its performance against the operational and corporate strategic measures outlined in the annual corporate scorecard for each performance period, with the weighting for each performance period as follows: 20% for year 1; 20% for year 2; 20% for year 3; and 40% for years 1-3. Depending on the Corporation's TSR and Corporate Scorecard Result, the Corporation calculates a sliding scale payout multiplier as further described in Appendix B – *Description of Long-Term Equity Incentive Plans – 2024 Omnibus Incentive Plan*. PSUs generally become vested following a period of continuous employment and vest, and are payable, on the third anniversary of the grant date.

RSUs

An RSU is a unit that is equivalent in value to a Common Share and that upon vesting, results in the holder thereof typically being issued a Common Share. RSUs generally become vested, if at all, following a period of continuous employment. RSUs generally vest and are payable as to one third (1/3) of the total number of RSUs granted on each of the first, second and third anniversaries of the grant date.

The Board believes that RSUs align the interests of all employees including the executive officers with the interests of

shareholders, thereby creating a link between executive compensation, the long-term corporate performance of Athabasca and the creation of shareholder value.

Options

The Board believes Option awards can be a part of the Corporation’s overall compensation program as they align the interests of senior employees with the interests of shareholders, thereby creating a link between executive compensation, the long-term corporate performance of Athabasca and the creation of shareholder value. Options generally become vested following a period of continuous employment. Options generally vest and are payable as to one third (1/3) of the total number of Options granted on each of the first, second and third anniversaries of the grant date. The last Option grant was made to the Executive

team in March 2022 in recognition of successful navigating Athabasca through the COVID-19 pandemic and for long term retention. This 2022 Option grant cliff vests in three years on March 2, 2025. The Board believes that the granting of Options remains a part of the Corporation’s compensation program and the Board may exercise its discretion to responsibly make Option grants in future years under the 2024 Omnibus Incentive Plan.

2023 LTI Mix and Targets

When considering a grant of equity-based awards to an executive officer, the Board takes into consideration the total number of equity-based awards that have been previously granted to that executive officer and industry peer and market practices. In 2023, the Corporation granted NEOs the following mix of equity as long-term incentive compensation within the annual program.

| Key Features | PSUs | RSUs |
|------------------------|---|---|
| 2023 LTI Mix | 50% | 50% |
| Vesting Period | 3-Year Cliff | 3-Year Ratable |
| Term | 3 Years | 3 Years |
| Award Size | Target grant sizes set as a % of base salary. | Target grant sizes set as a % of base salary. |
| 2023 Performance Goals | Relative Total Shareholder Return (50%) + Corporate Scorecard (50%) | None |
| Performance Framework | Payout 0% – 200% of Grant | None |
| Settlement | Common Shares or Cash, as determined by the Board | Common Shares or Cash, as determined by the Board |

LTI award targets are set for each executive officer based upon market competitive levels for roles of similar scope of responsibility. Actual awards in each year may vary from target

based on the Board’s assessment of individual performance and the prevailing market conditions for that year. The LTI target for the President and Chief Executive Officer is 300% of base salary.

Other Compensation

Retirement Plan and Savings Plan

The Corporation has a group employee registered retirement savings plan (the “RRSP”) to assist employees in meeting their retirement and savings goals. Under the RRSP, employees (including the NEOs) may elect to contribute between 1% and 5% of their salary to the RRSP and the Corporation makes a matching contribution. The amount of the matching contribution depends on the number of years of service that an employee (including an NEO) has provided to the Corporation, as is set forth below:

| Years of Service | Matching Contribution |
|---|------------------------------|
| Less than 3 | 100% up to 5% of base salary |
| 3 – 8, and all full-time, field-based employees | Up to 7% of base salary |
| Over 8 | Up to 9% of base salary |

Under the Corporation’s savings plan (the “Savings Plan”), the Corporation contributes on each participating employee’s behalf an amount equal to 5% of the participating employee’s base salary and on their annual bonus into an individual’s Savings Plan account to solely purchase Athabasca Common Shares in the

market. The objectives of the Savings Plan is to provide all employees (including the NEOs) the opportunity to participate in the growth potential of the Corporation and further align their interests with the long-term goals of the Corporation.

Compensation Risk

Risk Assessment

As part of its annual review of the Corporation's compensation program, one of the Compensation and Governance Committee's objectives is to ensure that the Corporation's compensation program provides executive officers with appropriate incentives to achieve both short-term and long-term corporate objectives, without motivating them to take inappropriate or excessive risks. The Compensation and Governance Committee did not identify any significant areas of risk arising from the Corporation's compensation policies and practices that would be reasonably likely to have a material adverse effect on the Corporation.

In 2023, the Compensation and Governance Committee considered the following aspects of the Corporation's compensation program, among others:

- a significant portion of executive compensation is at risk (not guaranteed) and is variable year over year. For example, annual short-term incentive compensation is granted in the form of annual cash bonus awards that are determined by the Board with reference to a target percentage of annual base salary, adjusted for corporate and personal performance during the performance period; and
- the 2021 Omnibus Incentive Plan and applicable award agreements are designed such that RSUs vest one-third per year on the first, second and third anniversaries of the grant date, Options have a term of seven years and PSUs have a term that expires on December 15th of the third year following the year the PSU is granted, all of which in combination, the Board believes reduces the risk of executives taking actions which may only have short-term benefits.

Compensation risk has also been mitigated through the Corporation's policies that are described below.

Restrictions on Short-Selling and Derivative Transactions

In accordance with the Corporation's Trading and Black-Out Policy, executive officers and the directors of the Corporation are

prohibited from: (a) short selling securities of the Corporation ("**Securities**") or otherwise speculating in Securities with the intention of reselling or buying back such Securities in a relatively short period of time in the expectation of a rise or fall in the market price of Securities; (b) buying or selling put or call options or other derivatives in respect of Securities; or (c) entering into other transactions which have the effect of hedging the economic value of any direct or indirect interest in Securities, including financial instruments such as prepaid variable forward contracts, equity swaps or collars.

Share Ownership Guidelines

The Board implemented a mandatory equity ownership policy for directors and executive officers in 2014. See Appendix D – "*Equity Ownership and Retention Guidelines for Non-Executive Directors and Executive Officers*" for a detailed description of the guidelines. On March 16, 2022, the Board approved an amendment to the Corporation's Equity Ownership and Retention Guidelines to increase the share ownership requirement for non-executive directors and to include a non-executive director's equity retainer in the calculation of their equity accumulations.

All executives and directors met our Equity Ownership and Retention Guidelines by December 31, 2023 excluding Ms. Smith, who joined the Board in 2023. Ms. Smith has five years from her appointment date to meet the guideline.

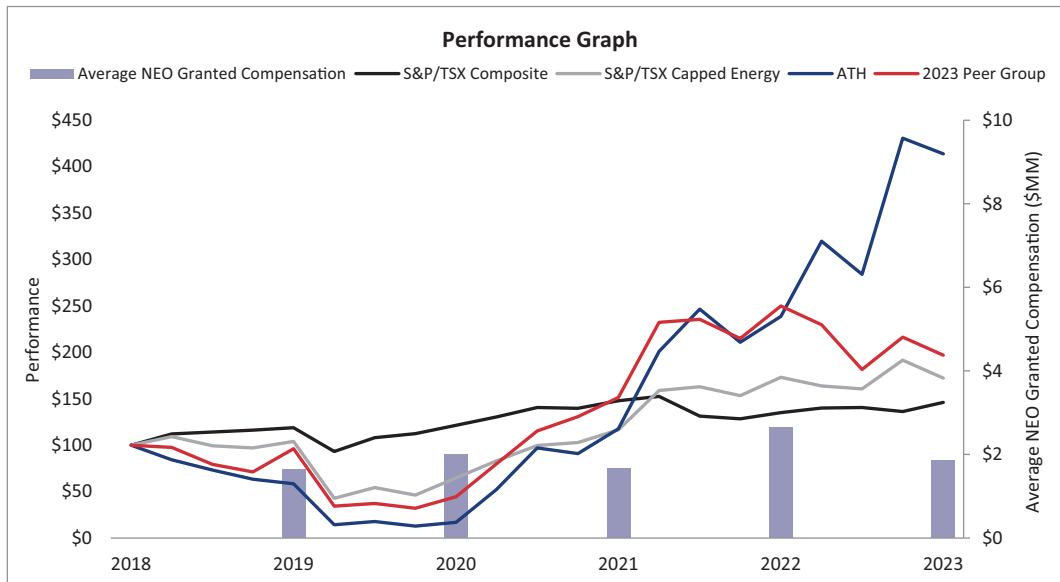
Clawback Policy

In 2017, the Board adopted an Executive Compensation Clawback Policy pursuant to which the independent directors of the Corporation may rectify or prevent the unjust enrichment of an executive who, through his or her own misconduct, improperly receives incentive compensation beyond what he or she would, in the absence of such misconduct, have otherwise been entitled to receive.

Executive Compensation Alignment with Shareholder Value

Performance Graph

The Corporation’s Common Shares trade on the TSX under the symbol “ATH”. The following graph compares the cumulative shareholder return of the Common Shares assuming an initial investment of \$100 on January 1, 2019 with the cumulative shareholder return of the S&P/TSX Energy Index and Athabasca’s 2023 Pay Comparator Group (see “*Compensation Discussion and Analysis – Athabasca’s Approach to Compensation – Pay Comparator Group*”). The graph also shows the trend of the average NEO Total Compensation for each of the last five years, which is the amount shown in the “Total Compensation” column of the “Summary Compensation Table – NEOs”.



The Corporation’s cumulative shareholder return performance reflects both operational and financial performance within the Corporation’s control as well as commodity prices and economic and market conditions beyond its control. Athabasca continued to achieve strong financial, operational, and health and safety results with focus on long term value creation for Athabasca’s shareholders.

The Corporation’s Shares outperformed both the S&P/TSX Composite Index and Athabasca’s 2023 Pay Comparator Group as set out in the graph over the five-year period. Over the same period, the average Total Compensation (“as granted”) for NEO’s followed a similar trend to S&P/TSX Composite Index and reflects decisions of the Board to freeze base salaries of the Corporation’s executives prior to 2022, except for cases of increasing responsibilities, and base salary rollbacks in 2019 and 2020. Salaries and bonus were re-instated in 2021 with 2022 reflecting the exceptional operational results and TSR return relative to peers. Salaries and bonuses for the Corporation’s executive officers are based in part on the achievement of certain predetermined performance metrics at the beginning of each fiscal year. The achievement of these objectives is measured against corporate and individual targets. As outlined throughout this disclosure, a significant proportion of the NEOs

compensation consists of long-term incentives that are designed to align executive compensation with shareholders by linking a significant component of compensation to share performance. Over the past five years, on a compounded annual return basis, shareholders realized a 33% return.

Compensation “At Risk”

As part of Athabasca’s pay philosophy, a significant portion of NEO compensation is “at risk.” See “*Elements of Executive Compensation: Linking the Elements to the Compensation Objectives*”.

Each NEO’s contribution to the leadership of Athabasca and company performance is reflected in his or her annual bonus, which is based 75% (100% for the CEO) on the Corporation’s performance against its Corporate Scorecard. In addition, the quantity of the LTI granted to NEOs is directly tied to the Corporation’s share price.

It is important to note that the value of the share-based awards and option-based awards reflected in the “*Summary Compensation Table – NEOs*” below are the notional fair market values of such equity-based incentive awards as of the date they are awarded. These values are reported pursuant to the

requirements of National Instrument 51-102 – *Continuous Disclosure Obligations* and do not reflect the eventual payout received by the NEOs for the share-based awards and option-based awards when settled.

A NEO’s actual, realized payout is subject to the NEO first meeting certain vesting requirements as set out in the applicable equity incentive plan and depends on the price of the underlying Common Shares at the time of exercise or release.

Options have a realized value only if the price of the Common Shares increases above the exercise price after the Option’s

applicable vesting date. PSUs have value only if Athabasca’s TSR is at least above the 25th percentile of its peer group and if Athabasca meets certain operational and corporate strategic performance thresholds in its Corporate Scorecard. The value of an RSU decreases or increases with the value of a Common Share. As a result, there is a correlation between the price performance of the Common Shares and the NEOs’ “realized” compensation at the time the equity incentive award is settled. NEO compensation is highly impacted by share price changes as up to 60% of each NEO’s total compensation is comprised of long-term incentives.

Summary Compensation Table – NEOs

The following table sets out information concerning the compensation paid by the Corporation to the NEOs during the years ended December 31, 2023, December 31, 2022 and December 31, 2021.

| Name and principal position | Year | Salary (\$) | Share-based awards (\$) ⁽¹⁾ | Option-based awards (\$) ⁽²⁾⁽³⁾ | Non-equity incentive plan compensation (\$) | | | All other compensation (\$) ⁽⁵⁾ | Total compensation (\$) |
|--|------|-------------|--|--|---|---------------------------|--------------------|--|-------------------------|
| | | | | | Annual incentive plans ⁽⁴⁾ | Long-term incentive plans | Pension Value (\$) | | |
| Robert Broen, President and Chief Executive Officer | 2023 | 558,300 | 1,687,200 | — | 993,800 | — | N/A | 127,797 | 3,367,097 |
| | 2022 | 539,500 | 2,047,602 | 1,500,052 | 992,700 | — | N/A | 70,135 | 5,149,989 |
| | 2021 | 512,121 | 1,560,000 | — | 884,000 | — | N/A | 58,303 | 3,014,424 |
| Matthew Taylor, Chief Financial Officer | 2023 | 365,000 | 738,720 | — | 247,300 | — | N/A | 63,345 | 1,414,365 |
| | 2022 | 347,600 | 879,588 | 400,064 | 244,900 | — | N/A | 42,927 | 1,915,079 |
| | 2021 | 329,324 | 669,981 | — | 232,500 | — | N/A | 30,962 | 1,262,727 |
| Cam Danyluk, Vice President, Business Development ⁽⁶⁾ | 2023 | 322,125 | 649,230 | — | 223,300 | — | N/A | 42,572 | 1,237,227 |
| | 2022 | 108,634 | 379,500 | — | 207,200 | — | N/A | 9,450 | 704,784 |
| | 2021 | — | — | — | — | — | — | — | — |
| Karla Ingoldsby, Vice President, Thermal Oil | 2023 | 375,950 | 760,950 | — | 254,800 | — | N/A | 65,243 | 1,456,943 |
| | 2022 | 357,975 | 905,664 | 400,064 | 252,200 | — | N/A | 46,537 | 1,962,440 |
| | 2021 | 337,500 | 689,988 | — | 232,400 | — | N/A | 38,500 | 1,298,388 |
| Michael Wojcichowsky, Vice President, DCS & Light Oil Operations ⁽⁷⁾ | 2023 | 315,000 | 629,850 | — | 193,800 | — | N/A | 54,335 | 1,192,985 |
| | 2022 | 311,250 | 787,368 | 200,032 | 204,700 | — | N/A | 40,463 | 1,543,813 |
| | 2021 | 295,455 | 600,015 | — | 194,100 | — | N/A | 31,227 | 1,120,797 |

Notes:

- (1) The value of share-based awards is based on the 20-day volume weighted average price which was calculated on March 2, 2021 (\$0.39) for 2021 awards, on March 2, 2022 (\$1.59) for 2022 awards, and on February 28, 2023 (\$2.85) associated with the Board approvals of the LTI annual grants.
- (2) The value of Option-based awards is based on the grant date fair value of the applicable awards calculated using the Black-Scholes-Merton formula in accordance with International Financial Reporting Standards 2 *Share-based Payment*. The weighted average assumptions used in valuation of Option-based awards are outlined in the table below:

| Assumption/Estimate | 2023 | 2022 | 2021 |
|------------------------------------|--------|--------|--------|
| Risk free interest rate | N/A | 1.6% | N/A |
| Estimated forfeiture rate | N/A | 7.0% | N/A |
| Expected life (years) | N/A | 5.0 | N/A |
| Dividend rate | N/A | 0% | N/A |
| Volatility | N/A | 55.5% | N/A |
| Grant date fair value (per Option) | N/A | \$0.94 | N/A |
| Grant date fair value (per RSU) | \$3.27 | \$1.87 | \$0.49 |

- (3) In recognition of successfully navigating Athabasca through the COVID-19 pandemic and for long-term retention, the Board approved a special grant of a total of 2,659,800 Options, which they allocated to the NEOs on March 2, 2022. Each Option cliff vests in three years on March 2, 2025 and expires 7 years from date of grant (March 2, 2029).
- (4) Reflects bonuses earned by the NEOs in respect of the applicable year's performance.
- (5) "All Other Compensation" includes employer matching contributions made by the Corporation on the NEO's behalf pursuant to the RRSP or the Savings Plan, referenced in "Other Compensation – Retirement Plan and Savings Plan." In no case did other personal benefits exceed in aggregate more than \$50,000 or ten percent (10%) of the NEOs total salary for the financial year.
- (6) Mr. Danyluk was hired as General Counsel & Vice President Business Development on August 29, 2022. In 2022, Mr. Danyluk received an annual bonus that was pro-rated for a full year of service reported within the column labelled "Annual incentive plans."
- (7) Mr. Wojcichowsky's title changed on December 19, 2023 from Vice President, Light Oil to Vice President, DCS and Light Oil Operations to reflect a revised portfolio.

Long-Term Equity Incentive Plans

Detailed descriptions of Athabasca's long-term equity incentive plans are contained in Appendix B to the Circular. These plans consist of the 2021 Omnibus Incentive Plan (as amended by the 2024 Omnibus Incentive Plan), the Option Plan, and the RSU Plan. Since the implementation of the 2021 Omnibus Incentive Plan, the Corporation does not grant incentive awards under the Corporation's stock option plan dated September 1, 2009 (the "**Option Plan**"), the Corporation's performance award plan dated March 18, 2014 (the "**Performance Plan**") or the Corporation's RSU plan dated March 11, 2015 (the "**RSU Plan**"). The maximum number of Common Shares issuable on the exercise or conversion of outstanding securities granted under any of such plans, at any time, is limited to 8% of the number of Common Shares that are issued and outstanding, less the number of Common Shares that are issuable pursuant to all other security based compensation arrangements of Athabasca under the 2024 Omnibus Incentive Plan. In addition, the number of Common Shares reserved for issuance to any one participant under all security based compensation arrangements of Athabasca may not exceed 5% of the issued and outstanding Common Shares. The number of Common Shares issuable to insiders at any time, as well as the number of Common Shares issued to insiders within any one-year period under all security based compensation arrangements of Athabasca, may not exceed 8% of the issued and outstanding Common Shares under the 2024 Omnibus Incentive Plan.

As at December 31, 2023, the total number of Common Shares issuable to insiders under all of its security based compensation arrangements was approximately 1.9% of its total issued and outstanding Common Shares.

Burn Rate

The following table sets forth the annual burn rate for each of the three most recently completed fiscal years for each of the Corporation's equity incentive plans. The burn rate has been calculated by dividing the number of awards granted under the arrangement during the applicable fiscal year, by the weighted average number of securities outstanding for the applicable fiscal year:

| Plans | 2021 | 2022 | 2023 |
|---------------------------------------|-------------|-------------|-------------|
| 2021 Omnibus Incentive Plan — RSUs | 0.0% | 0.8% | 0.4% |
| 2021 Omnibus Incentive Plan — Options | 0.0% | 0.5% | 0.0% |
| 2021 Omnibus Incentive Plan — PSUs | 0.0% | 0.3% | 0.2% |
| 2015 RSU Plan | 2.4% | 0.0% | 0.0% |
| Total | 2.4% | 1.6% | 0.6% |

Outstanding Share-Based Awards and Option-Based Awards – NEOs

The following table set forth information regarding all Options, RSUs and PSUs held by each NEO as of December 31, 2023.

| Name | Option-Based Awards ⁽¹⁾ | | | | Share-Based Awards ⁽³⁾ | | |
|----------------------|---|----------------------------|------------------------|---|--|---|--|
| | Number of securities underlying unexercised options (#) | Option exercise price (\$) | Option expiration date | Value of unexercised in-the-money options (\$) ⁽²⁾ | Number of shares or units of shares that have not vested (#) | Market or payout value of share-based awards that have not vested (\$) ⁽⁴⁾ | Market or payout value of vested share-based awards not paid out or distributed (\$) |
| Robert Broen | 1,595,800 | 1.93 | 02-Mar-2029 | 3,574,592 | 2,998,499 | 11,080,622 | — |
| | 508,700 | 0.8531 | 01-Apr-2026 | 1,687,307 | | | |
| Matthew Taylor | 425,600 | 1.93 | 02-Mar-2029 | 953,344 | 1,292,833 | 4,773,457 | — |
| | 205,400 | 0.8531 | 01-Apr-2026 | 681,291 | | | |
| Cam Danyluk | — | — | — | — | 352,800 | 1,100,075 | — |
| Karla Ingoldsby | 425,600 | 1.93 | 02-Mar-2029 | 953,344 | 1,331,399 | 4,915,817 | — |
| | 215,200 | 0.8531 | 01-Apr-2026 | 713,797 | | | |
| Michael Wojcichowsky | 212,800 | 1.93 | 02-Mar-2029 | 476,672 | 1,146,499 | 4,242,254 | — |
| | 24,500 | 0.41 | 01-Feb-2027 | 92,120 | | | |

Notes:

- (1) Options granted prior to May 5, 2021 were granted pursuant to the Option Plan. The 2021 Omnibus Incentive Plan (as amended by the 2024 Omnibus Incentive Plan) applies to Options granted after May 5, 2021. A description of the key terms of the Option Plan and the 2024 Omnibus Incentive Plan is provided in Appendix B – *Description of Long-Term Equity Incentive Plans*.
- (2) Options are defined in the money if the Option exercise price is less than the Common Share price of \$4.17 (the closing price of the Common Shares on the TSX on December 29, 2023).
- (3) RSUs and PSUs granted prior to May 5, 2021 were granted pursuant to the RSU Plan and Performance Plan, respectively. The 2021 Omnibus Incentive Plan applies to RSUs and PSUs granted after May 5, 2021. A description of the key terms of the RSU Plan and the 2021 Omnibus Incentive Plan is provided in Appendix B – *Description of Long-Term Equity Incentive Plans*.
- (4) PSUs provide a single payout upon their 3 year cliff vesting. The Award Value of PSUs is based on the performance multiplier determined for the performance period(s). The minimum award value may be \$0. The value of unvested PSUs is based on the current weighted average performance multiplier for the performance period(s) multiplied by the number of units and \$4.17, being the closing price of the Common Shares on the TSX on December 29, 2023. The value of unvested RSUs is based on the number of units multiplied by \$4.17, being the closing price of the Common Shares on the TSX on December 29, 2023.

Incentive Plan Awards – Value Vested or Earned During the Year – NEOs

The following table sets forth for each NEO, the value of option-based awards and share-based awards which vested during the year ended December 31, 2023, and the value of non-equity incentive plan compensation during the year ended December 31, 2023.

| Name | Option-based awards – Value vested during the year (\$) ⁽¹⁾ | Share-based awards – Value vested during the year (\$) ⁽²⁾ | Non-equity incentive plan compensation – Value earned during the year (\$) ⁽³⁾ |
|----------------------|--|---|---|
| Robert Broen | 0 | 17,724,329 | 993,800 |
| Matthew Taylor | 0 | 7,612,536 | 247,300 |
| Cam Danyluk | 0 | 83,408 | 223,300 |
| Karla Ingoldsby | 0 | 7,598,325 | 254,800 |
| Michael Wojcichowsky | 19,762 | 7,006,499 | 193,800 |

Notes:

- (1) The value vested during the year for Option-based awards has been calculated by determining the difference between the trading price of the Common Shares and the Exercise price of the vested securities on the applicable vesting dates (or the next trading day if the securities vested on a date when the TSX was closed).
- (2) The value vested during the year for share-based awards (RSUs and PSUs) has been calculated by multiplying the number of share-based awards vested by (i) the PSU multiplier and (ii) the market price at the time of release.
- (3) Reflects 2023 annual bonuses earned by the NEOs for the year ended December 31, 2023.

Termination and Change of Control Benefits

Except as described below, Athabasca has not entered into any contract, agreement, plan or arrangement that provides for payments to an NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of Athabasca or a change in an NEO's responsibilities.

Executive Employment Agreements

The Corporation has entered into executive employment agreements with each of the NEOs that outline the terms and conditions of their employment with the Corporation and treatment in the event of termination, resignation or change of control. These agreements provide for base salary, benefits, a discretionary annual bonus and grants of equity incentive awards.

Pursuant to the current executive employment agreements that are in effect as of the date of this Circular, Athabasca may immediately terminate the employment of:

- (a) Mr. Broen, Mr. Taylor, Mr. Danyluk, Ms. Ingoldsby, and Mr. Wojcichowsky at any time (other than for just cause) with payment to the NEO of a retiring allowance equal to the sum of two times their current annual salary plus the average of any cash bonus paid in the previous two years and an amount equal to 20% for Mr. Broen and 15% for Mr. Taylor, Mr. Danyluk, Ms. Ingoldsby and Mr. Wojcichowsky of their respective retiring allowance for the loss benefits.

These payments are collectively the **"Applicable Retiring Allowance"** for each NEO.

If an event occurs such that an NEO no longer has a substantially equivalent role within a year following a change of control of Athabasca, the NEO has the right to terminate his or her employment upon providing Athabasca two weeks advance written notice, and unless Athabasca makes the request described below, Athabasca must pay the Applicable Retiring Allowance to the NEO. If the NEO elects to resign from his or her employment within one year of a change of control of Athabasca, he or she must, at the request of Athabasca, continue his or her employment with Athabasca for a period of up to six months (three months in respect of the CEO) with existing compensation and benefits to provide transition services and other duties requested by Athabasca. Any changes to the NEO's position or his or her duties during the transition period will not constitute constructive dismissal.

In order to receive the Applicable Retiring Allowance, the NEO must execute a full and final release in favour of Athabasca and resign from any of the NEO's director or officer roles at Athabasca if requested by the Board.

Pursuant to the terms of the executive employment agreements, the NEOs have an obligation to not reveal confidential or proprietary information of Athabasca during employment or at any time thereafter. In addition, for a period of one year after employment ceases, regardless of the reason for the cessation of employment, the NEOs cannot, directly or indirectly, solicit, induce, encourage or facilitate any employees or consultants of Athabasca to leave the employment of, or consulting relationship with, Athabasca.

If the executive employment agreements had been terminated as of December 31, 2023 and the Applicable Retiring Allowance had been payable by Athabasca pursuant to such agreements, the following aggregate amounts would have been paid to the following NEOs: Mr. Broen – \$3,226,460; Mr. Taylor – \$1,327,020; Mr. Danyluk \$1,160,750, Ms. Ingoldsby – \$1,359,750; and Mr. Wojcichowsky \$1,123,300.

Options, RSUs and PSUs

In the event there is a change of control of the Corporation (as defined in the applicable plan), the NEOs are entitled to receive varying treatment under the 2021 Omnibus Incentive Plan, Option Plan, RSU Plan and Performance Plan and related award agreements, as approved by the Board of Directors, as set forth below. See Appendix B – *Description of Long-Term Equity Incentive Plans*.

Except with respect to Options granted to NEOs in 2022, if the NEO is provided a termination notice that the NEO's employment with the Corporation will terminate within 30 days of the change of control: (i) the NEO's Options will vest immediately and terminate within 90 days; (ii) the NEO's RSUs vest immediately prior to the change of control unless the Board establishes an earlier vesting date; and (iii) the NEO becomes entitled to PSUs, the calculation of which depends on when the change of control occurs.

Except with respect to Options granted to NEOs in 2022, if the NEO has continuing employment after the change of control, he or she becomes entitled, as applicable, to: (i) an Option cash bonus; (ii) the value of any RSU awards fixed as of the date of the change of control but vesting in accordance with the original grant and paid in cash; and (iii) PSU awards are contingent on the NEO remaining in the continuous employ for the period of the original grant.

With respect to Options granted to NEOs in 2022, if within 12 months of a change of control the NEO's employment is terminated without cause or the NEO is constructively dismissed, then all such Options shall be exercisable (whether or not then vested) on the NEO's termination date. The Options continue to be exercisable until the earlier of their expiry date and 90 days after the NEO's termination date.

For additional information, see Appendix B – *Description of Long-Term Equity Incentive Plans*.

The following table outlines the estimated incremental payment, payables and benefits that theoretically would have been obtained by the NEO's pursuant to their Options, PSUs, and RSUs if a change of control were to have occurred on December 31, 2023.

| Name | Options Issued Under the Option Plan/ Agreement w/ Optionee Termination Notice (\$) ⁽¹⁾⁽²⁾ | Options Cash Bonus (w/o Optionee Termination Notice) (\$) ⁽¹⁾⁽³⁾ | Options Issued under the 2021 Omnibus Incentive Plan (\$) ⁽²⁾ | All Issued PSU and RSU Change of Control Award Value (w/ Service Provider Termination Notice) (\$) ⁽⁴⁾ | All Issued PSU and RSU Contingent Change of Control Award Value (w/o Service Provider Termination Notice) (\$) ⁽²⁾ |
|----------------------|---|---|--|---|---|
| Robert Broen | 1,687,307 | 0 | 3,574,592 | 16,005,417 | 16,005,417 |
| Matthew Taylor | 681,291 | 0 | 953,344 | 6,904,411 | 6,904,411 |
| Cam Danyluk | 0 | 0 | 0 | 2,173,804 | 2,173,804 |
| Karla Ingoldsby | 713,797 | 0 | 953,344 | 7,110,309 | 7,110,309 |
| Michael Wojcichowsky | 92,120 | 0 | 476,672 | 6,115,080 | 6,115,080 |

Notes:

- (1) See Appendix B – *Description of Long-Term Equity Incentive Plans* for additional details and for descriptions of the defined terms set out in the table.
- (2) Based on the Common Share price of \$4.17 (the closing price of the Common Shares on the TSX on December 29, 2023).
- (3) Assumes a change of control price of \$4.17 (the closing price of the Common Shares on the TSX on December 29, 2023). The NEO cash bonus is payable on the schedule vesting dates pursuant to the Option Agreement.
- (4) Includes 2015 RSUs and PSUs/RSUs issued under the 2021 Omnibus Incentive Plan forward. Assumes a change of control price of \$4.17 (the closing price of the Common Shares on the TSX on December 29, 2023).

Securities authorized for Issuance under equity compensation plans

The following table sets forth information in respect of securities authorized for issuance under each of the Corporation's equity compensation plans approved at December 31, 2023.

| Plan Category | Number of securities to be issued upon exercise of outstanding options, warrants and rights (a) | Number of Securities Outstanding as a percentage of the issued and outstanding Common Shares as at December 31, 2023 | Weighted average exercise price of outstanding options, warrants and rights (b) | Number of securities remaining available for future issuance under equity compensation plan (excluding securities reflected in column (a)) (c) |
|--|---|--|---|--|
| 2021 Omnibus Incentive Plan | | | | |
| Options | 2,659,800 | 0.5% | \$1.93 | — |
| PSUs | 2,625,700 | 0.5% | \$0 | — |
| RSUs | 5,252,645 | 0.9% | \$0 | — |
| Total (2021 Omnibus Incentive Plan) | 10,538,145 | 1.8% | \$1.93 | — |
| Option Plan | | | | |
| Options | 953,800 | 0.2% | \$0.84 | — |
| RSU Plan | | | | |
| RSUs | 4,019,659 | 0.7% | \$0 | — |
| Performance Plan | | | | |
| PSUs | 0 | 0.0% | \$0 | — |
| Approved and Not Approved Equity Compensation Plans | | | | |
| Equity compensation plans approved by securityholders | 15,511,604 | 2.7% | \$1.64 | 41,723,616 |
| Equity compensation plans not approved by securityholders | — | — | — | — |
| Total | 15,511,604 | | \$1.64 | 41,723,616 |

Notes:

- Pursuant to the 2021 Omnibus Incentive Plan, Option Plan, and 2015 RSU Plan, the maximum number of Common Shares issuable on exercise/vesting of Options, PSUs and RSUs at any time is limited to 10% of the outstanding Common Shares, less the number of Common Shares issuable pursuant to all other security based compensation arrangements (as defined in the TSX Company Manual), which includes the 2021 Omnibus Incentive Plan, Option Plan, and RSU Plan. See *Matters to be Acted Upon at the Meeting – Approval of Unallocated Options, Rights and Other Entitlements under the 2024 Omnibus Incentive Plan* and Appendix B – *Description of Long-Term Equity Incentive Plans – 2024 Omnibus Incentive Plan*.
- Options, RSUs and PSUs granted prior to May 5, 2021 were granted pursuant to the Corporation's Option Plan, Performance Plan and RSU Plan, respectively. The 2021 Omnibus Incentive Plan applies to Options, RSUs and PSUs granted after May 5, 2021. A description of the key terms of the Option Plan, RSU Plan, Performance Plan and the Omnibus Incentive Plan is provided in Appendix B – *Description of Long-Term Equity Incentive Plan*. See *Matters to be Acted Upon at the Meeting – Approval of Unallocated Options, Rights and Other Entitlements under the 2024 Omnibus Incentive Plan*.

Interest of Informed Persons in Material Transactions

There were no material interests, direct or indirect, of any proposed director or any informed person (as defined in National Instrument 51-102 – *Continuous Disclosure Obligations*) or any known associate or affiliate of such persons, in any transaction since the commencement of the last completed financial year of the Corporation or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

Interest of Certain Persons or Companies in Matters to be Acted Upon

Management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or nominee for director, executive officer, or anyone who has held office as such since the commencement of the last completed financial year of the Corporation, or of any associate or affiliate of any of the foregoing individuals, in any matter to be acted on at the Meeting, other than the election of directors or the appointment of auditors.

Indebtedness of Directors, Executive Officers and Others

No director, proposed nominee for election as a director of the Corporation, executive officer or former executive officer or director of the Corporation, any associate of any such director or officer, or any employee or former employee is, or has been at any time since the beginning of the most recently completed financial year of the Corporation, indebted to the Corporation, nor, at any time since the beginning of the most recently completed financial year of the Corporation, has, any indebtedness of any such person been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation.

Other Matters Coming Before The Meeting

Management knows of no other matters to come before the Meeting other than those referred to in the Notice of Annual General and Special Meeting. Should any other matters properly come before the Meeting, the Common Shares represented by proxy solicited hereby will be voted on such matters in accordance with the best judgment of the person voting such proxy.

Additional Information

Additional information relating to the Corporation is available electronically on SEDAR+ at www.sedarplus.ca or on the Corporation's website at www.atha.com. Financial information is provided in our comparative financial statements and management's discussion and analysis for our most recently completed financial year. Copies of our comparative financial statements and related management's discussion and analysis for our most recently completed financial year may be obtained by shareholders by contacting our Chief Financial Officer at Athabasca Oil Corporation, Suite 1200, 215 – 9th Avenue SW, Calgary, Alberta T2P 1K3 (Telephone: (403) 237-8227).

Advisories

Forward-Looking Information

This Information Circular contains forward-looking information that involves various risks, uncertainties and other factors. All information other than statements of historical fact is forward-looking information. The use of any of the words "continue", "estimate", "expect", "will", "target", "intend", "potential", "goal" and similar expressions suggesting future outcome are intended to identify forward-looking information. The forward-looking information is not historical fact, but rather is based on the Corporation's current plans, objectives, goals, strategies, estimates, assumptions and projections about the Corporation's industry, business and future operating and financial results. This information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. No assurance can be given that these expectations will prove to be correct and such forward-looking information included in this Information Circular should not be unduly relied upon. This

information speaks only as of the date of this Information Circular. In particular, this Information Circular contains forward-looking information pertaining to, but not limited to, the following: the prioritization of the nomination of at least one ethnically or racially diverse Board member; our goal to supply responsibly developed energy to help meet ongoing global demand, while also creating a positive and long-lasting impact on the communities where we operate; our goal to reduce our GHG emissions intensity by 30% by 2025; our ability to unlock shareholder value through operational execution and a best-in-class sheet; and our commitment to return 100% of Excess Cash Flow to shareholders.

Actual results could differ materially from those anticipated in this forward-looking information as a result of the risk factors set forth in the Corporation's Annual Information Form dated February 29, 2024 available on SEDAR+ at www.sedarplus.ca, including, but not limited to: weakness in the oil and gas industry; exploration, development and production risks; prices, markets and marketing; market conditions; climate change and carbon pricing risk; statutes and regulations regarding the environment; regulatory environment and changes in applicable law; gathering and processing facilities, pipeline systems and rail; reputation and public perception of the oil and gas sector; environment, social and governance goals; political uncertainty; state of the capital markets; ability to finance capital requirements; access to capital and insurance; abandonment and reclamation costs; changing demand for oil and natural gas products; anticipated benefits of acquisitions and dispositions; royalty regimes; foreign exchange rates and interest rates; reserves; hedging; operational dependence; operating costs; project risks; supply chain disruption; financial assurances; diluent supply; third-party credit risk; indigenous claims; reliance on key personnel and operators; income tax; cybersecurity; advanced technologies; hydraulic fracturing; liability management; seasonality and weather conditions; unexpected events; internal controls; limitations of insurance; litigation; natural gas overlying bitumen resources; competition; chain of title and expiration of licenses and leases; breaches of confidentiality; new industry related activities or new geographical areas; water use restrictions and/or limited access to water; relationship with Duvernay Energy Corporation; management estimates and assumptions; third-party claims; conflicts of interest; inflation and cost management; credit ratings; growth management; impact of pandemics; ability of investors resident in the United States to enforce civil remedies in Canada; and risks related to our debt and securities, including level of indebtedness, restrictions in our debt instruments, additional indebtedness and issuance of additional securities. Readers are cautioned that the foregoing list of factors is not exhaustive. Unpredictable or unknown factors not discussed in this Information Circular could also have adverse effects on forward-looking statements. Although the Corporation believes that the expectations conveyed by the forward-looking information are reasonable based on information available to it on the date such forward-looking information are made, no assurances can be given as to future results, levels of activity and achievements. All subsequent forward-looking information, whether written or oral, attributable to the Corporation or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. Except as required by applicable securities laws, we undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

Oil and Gas Information

"BOEs" may be misleading, particularly if used in isolation. A BOE conversion ratio of six thousand cubic feet of natural gas to one barrel of oil equivalent (6 Mcf: 1 bbl) is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. As the value ratio between natural gas and crude oil based on the current prices of natural gas and crude oil is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

Non-GAAP Financial Measures

The "Adjusted Funds Flow", "Excess Cash Flow", "Free Cash Flow" and "Sustaining Capital" financial measures discussed in this Information Circular do not have standardized meanings which are prescribed by IFRS and they are considered to be non-GAAP financial measures. These measures may not be comparable to similar measures used by other issuers and should not be considered in isolation with measures that are prepared in accordance with IFRS. Adjusted Funds Flow and Free Cash Flow are non-GAAP financial measures and are not intended to represent cash flow from operating activities, net earnings or other measures of financial performance calculated in accordance with IFRS. The Adjusted Funds Flow and Free Cash Flow measures allow management and others to evaluate the Corporation's ability to fund its capital programs and meet its ongoing financial obligations using cash flow internally generated from ongoing operating related activities. Adjusted Funds Flow per share is a non-GAAP financial ratio calculated as Adjusted Funds Flow divided by the applicable number of weighted average shares outstanding. The Excess Cash Flow and Sustaining Capital measures allow management and others to evaluate the Corporation's ability to return capital to Shareholders. Sustaining Capital is management's assumption of the required capital to maintain the Corporation's production base. The Excess Cash Flow measure is calculated by Adjusted Funds Flow less Sustaining Capital. Further discussion of these financial measures is available beginning on page 20 of our annual 2023 Management's Discussion and Analysis dated February 29, 2024 under "Advisories and Other Guidance — Non-GAAP and Other Financial Measures, and Production Guidance", which is available on SEDAR+ at www.sedarplus.ca.

Appendix A

ATHABASCA OIL CORPORATION SUMMARY OF SHAREHOLDER RIGHTS PLAN AGREEMENT

SUMMARY OF PRINCIPAL TERMS

The following is a summary of the principal terms of the 2024 Rights Plan which is qualified in its entirety by reference to the text of the 2024 Rights Plan which is available on the Corporation's website at www.atha.com. The 2024 Rights plan has been approved by the Board but is subject to approval by the shareholders before it shall be effective.

Issue of Rights

Pursuant to the 2024 Rights Plan, one right (a "**Right**") is issued and attached to each outstanding Common Share subject to the limitations set forth in the 2024 Rights Plan.

The Rights are not exercisable prior to the Separation Time (as defined below). After the Separation Time, each Right entitles the registered holder thereof to purchase from the Corporation one Common Share at an exercise price equal to three times the market price of a Common Share determined as at the Separation Time in accordance with the provisions of the 2024 Rights Plan, subject to adjustment and certain anti-dilution provisions (the "**Exercise Price**"). If a Flip-in Event occurs (as described below), each Right will be adjusted and entitle the registered holder to receive, upon payment of the Exercise Price, Common Shares having an aggregate market value equal to twice the Exercise Price.

Rights Certificates and Transferability

Before the Separation Time, the Rights will be evidenced by the certificates for the Common Shares (or by the book entry form registration for the associated Common Share if issued in book entry form) and will be transferable only together with, and will be transferred by a transfer of, the associated Common Shares and will not be transferable separate from such shares. At the Separation Time, the Rights will separate from the associated Common Shares and, from and after such time, the Rights will be evidenced by separate certificates for the Rights (or separate book entry registration) which will be transferable and traded separately from the shares.

Separation Time

The "**Separation Time**" is the close of business on the tenth trading day after the earliest to occur of the (i) the "**Stock Acquisition Date**", which is the first date of public announcement of facts indicating that a person has become an Acquiring Person (as defined below); (ii) the date of the commencement of, or first public announcement of the intent of any person (other than the Corporation or a subsidiary thereof) to make a Take-over Bid (other than a Permitted Bid or a

Competing Permitted Bid, as each such term is defined below); and (iii) the date on which a Permitted Bid or Competing Permitted Bid fails to qualify as such.

In any case, the Separation Time can be such later date determined by the Board. A "**Take-over Bid**" is an offer to acquire outstanding Common Shares and any other shares of the Corporation entitled to vote generally in the election of directors ("**Voting Shares**") of the Corporation or securities convertible into or exercisable or exchangeable for Voting Shares ("**Convertible Securities**") or both, where the securities subject to the offer, together with the securities "**Beneficially Owned**" (as defined below) by the person making the Take-over Bid (the "**Offeror**"), constitute 20% or more of the Corporation's outstanding Voting Shares.

Acquiring Person

In general, an "**Acquiring Person**" is a person who is the Beneficial Owner of 20% or more of the Corporation's Voting Shares. Excluded from the definition of "Acquiring Person" are the Corporation and its subsidiaries, and any person who becomes the Beneficial Owner of 20% or more of the Voting Shares as a result of one or more, or any combination, of the following:

- (a) an acquisition or redemption by the Corporation which reduces the outstanding number of Voting Shares;
- (b) an "**Exempt Acquisition**", meaning a share acquisition in respect of which the Board has waived the application of the 2024 Rights Plan, or which is only a temporary step in an acquisition transaction by the Corporation or subsidiary thereof or which is made pursuant to an amalgamation, merger, reorganization, arrangement, business combination or similar transaction (but not including a Take-over Bid) requiring shareholder approval;
- (c) a "**Permitted Bid Acquisition**", meaning an acquisition made pursuant to a Permitted Bid or Competing Permitted Bid;
- (d) a "**Pro Rata Acquisition**", meaning an acquisition as a result of a stock dividend, stock split or other event in respect of which securities are acquired on the same pro rata basis as all other holders of Voting Shares, or pursuant to a dividend reinvestment plan of the Corporation, or pursuant to any other event pursuant to which all holders of Voting Shares or Convertible Securities are entitled to receive Voting Shares or Convertible Securities of the same class or series (including as a result of a rights offering made to all holders of such securities on a pro rata basis); and

(e) a “**Convertible Security Acquisition**”, meaning an acquisition of Voting Shares on the exercise of Convertible Securities acquired by such person pursuant to a Permitted Bid Acquisition, an Exempt Acquisition or a Pro Rata Acquisition.

Any person who is the Beneficial Owner of 20% or more of the outstanding Voting Shares at the Effective Time is “grandfathered” (a “**Grandfathered Person**”) and excluded from the definition of “Acquiring Person”, but will lose such grandfathered status if such ownership drops below 20% or the Grandfathered Person acquires additional Voting Shares exceeding the person’s Beneficial Ownership as at the Effective Time by more than an additional 1% of the outstanding Voting Shares.

Also excluded from the definition of “Acquiring Person” are underwriters or members of banking or selling groups acting in connection with a distribution of securities by way of a prospectus or private placement.

Beneficial Ownership

In general, a person is deemed to “Beneficially Own” Voting Shares actually held by it and, in certain circumstances, Voting Shares held by others. Included are holdings of a person’s “Affiliates” (generally, a person that controls, is controlled by, or is under common control with another person) and “Associates” (generally, relatives that share the same residence). Also included are securities which the person or any of the person’s Affiliates or Associates has the right to acquire within 60 days (other than customary agreements with and between underwriters and banking group or selling group members with respect to a distribution of securities by way of a prospectus or private placement, and other than pledges of securities in the ordinary course of business).

A person is also deemed to Beneficially Own any securities Beneficially Owned (as described above) by any other person with whom the person is acting jointly or in concert (a “**Joint Actor**”). A person is a Joint Actor with anyone who is party to an agreement, arrangement or understanding with the first person, or an Affiliate or Associate thereof, for the purpose of acquiring or offering to acquire Voting Shares or Convertible Securities (subject to the same exclusions mentioned in the immediately preceding paragraph for underwriters, banking and selling group members and pledges).

Institutional Shareholder Exemption

The definition of “Beneficial Ownership” contains several exclusions whereby a person is not considered to “Beneficially Own” a security. There are exemptions from the deemed Beneficial Ownership provisions for institutional shareholders acting in the ordinary course of business. These exemptions apply to:

- (a) an investment manager (“**Investment Manager**”) holding securities in the ordinary course of business in the performance of its duties for the account of any other person (a “**Client**”), including the acquisition or holding of securities for non-discretionary accounts held on behalf of the Client by a broker or dealer registered under applicable securities law;
- (b) a licensed trust company (“**Trust Company**”) acting as trustee or administrator or in a similar capacity in relation to estates of deceased or incompetent persons (an “**Estate Account**”) or in relation to other accounts (“**Other Accounts**”) and which holds the security in the ordinary course of its duties for such Other Accounts;
- (c) a person established by statute (“**Statutory Body**”) whose ordinary business or activity includes the management of investment funds for employee benefit plans, pension plans, insurance plans or various public bodies;
- (d) the administrator or the trustee (“**Administrator**”) of one or more pension plans (a “**Plan**”), or is a Plan registered under the laws of Canada or any Province thereof or the corresponding laws of the jurisdiction by which such Plan is governed and the Administrator holds such security for the purposes of its activities as such; and
- (e) a Crown agent or agency (“**Crown Agent**”).

Furthermore, a person will not be deemed to “Beneficially Own” a security because: (i) the person is a Client of the same Investment Manager, an Estate Account or an Other Account of the same Trust Company, or Plan with the same Administrator as another person or Plan on whose account the Investment Manager, Trust Company or Administrator, as the case may be, holds such security, or (ii) the person is the Client of an Investment Manager, Estate Account, Other Account or Plan and the security is owned at law or in equity by the Investment Manager, Trust Company or Plan, as the case may be.

The foregoing exemptions only apply so long as the Investment Manager, Trust Company, Statutory Body, the Administrator, the Plan or Crown Agent is not making or has not announced an intention to make a Take-over Bid and is not a Joint Actor of any other person who is making or has announced an intention to make a Take-over Bid, other than an offer to acquire Voting Shares or Convertible Securities pursuant to a distribution by the Corporation or by means of ordinary market transactions through the facilities of a stock exchange or over-the-counter market.

Permitted Lock-up Agreement Exemption

A person will not be deemed to “Beneficially Own” any security where the holder of such security has agreed to deposit or tender such security pursuant to a Permitted Lock-up Agreement (as defined below) to a Take-over Bid made by such person or such person’s Affiliates or Associates or a Joint Actor, or such

security has been deposited or tendered pursuant to a Take-over Bid made by such person or such person's Affiliates, Associates or Joint Actors until the earliest time at which any such tendered security is accepted unconditionally for payment or is taken up or paid for.

A "**Permitted Lock-up Agreement**" is essentially an agreement between a person and one or more holders of Voting Shares (the terms of which are publicly disclosed and a copy of the agreement is made available to the public within the time frames set forth in the definition of Permitted Lock-up Agreement) pursuant to which each holder (a "**Locked-up Person**") agrees to deposit or tender Voting Shares and /or Convertible Securities to a Take-over Bid (the "**Lock-up Bid**") and which further provides that such agreement permits the Locked-up Person to withdraw its Voting Shares and/or Convertible Securities in order to deposit or tender them to another Take-over Bid or support another transaction:

- (a) (i) at a price or value that exceeds the price under the Lock-up Bid, or (ii) that contains an offering price that exceeds the offering price in the Lock-up Bid by as much as or more than a specified amount not greater than 7% of the offering price in the Lock-up Bid; or
- (b) if the Lock-up Bid is for less than 100% of the Voting Shares or Convertible Securities held by Independent Shareholders, and the price or value of the consideration offered under the other Take-over Bid or transaction is not less than that offered under the Lock-up Bid, the number of Voting Shares or Convertible Securities to be purchased under such other Take-over Bid or transaction (i) exceeds the number of Voting Shares or Convertible Securities the Offeror has offered to purchase under the Lock-up Bid, or (ii) exceeds by as much as or more than a specified number not greater than 7% of the number of Voting Shares or Convertible Securities offered to be purchased by the Offeror under the Lock-up Bid.

The 2024 Rights Plan therefore requires that a person making a Take-over Bid structure any lock-up agreement so as to provide reasonable flexibility to the shareholder in order to avoid being deemed the Beneficial Owner of the Common Shares subject to the lock-up agreement and potentially triggering the provisions of the 2024 Rights Plan.

A Permitted Lock-up Agreement may contain a right of first refusal or require a period of delay to give the person who made the Lock-up Bid an opportunity to match a higher price in another Take-over Bid or transaction or other similar limitation on a Locked-up Person's right to withdraw Voting Shares and/or Convertible Securities so long as the limitation does not preclude the exercise by the Locked-up Person of the right to withdraw Voting Shares and/or Convertible Securities during the period of

the other Take-over Bid or transaction. Finally, under a Permitted Lock-up Agreement no "break up" fees, "top up" fees, penalties, expenses or other amounts that exceed in aggregate the greater of (i) 2.5% of the price or value of the consideration payable under the Lock-up Bid; and (ii) 50% of the amount by which the price or value of the consideration received by a Locked-up Person under another Take-over Bid or transaction exceeds what such Locked-up Person would have received under the Lock-up Bid; can be payable by such Locked-up Person if the Locked-up Person fails to deposit or tender Voting Shares and/or Convertible Securities to the Lock-up Bid or withdraws Voting Shares and/or Convertible Securities previously tendered thereto in order to deposit such Voting Shares and/or Convertible Securities to another Take-over Bid or support another transaction.

Flip-in Event

A Flip-in Event occurs when any person becomes an Acquiring Person. In the event that, prior to the Expiration Time, a Flip-in Event which has not been waived by the Board occurs (see "Redemption, Waiver and Termination" below), each Right (except for Rights Beneficially Owned or which may thereafter be Beneficially Owned by an Acquiring Person or a transferee of such a person, which Rights will become null and void) shall constitute the right to purchase from the Corporation, upon exercise thereof in accordance with the terms of the 2024 Rights Plan, that number of Common Shares having an aggregate market value on the date of the Flip-in Event equal to twice the Exercise Price, on payment of the Exercise Price (subject to antidilution adjustments set forth in the Rights Plan).

For example, if at the time of the Flip-in Event the Exercise Price is \$150 and the market price of the Common Shares is \$50, the holder of each Right would be entitled to purchase Common Shares having an aggregate market price of \$300 (that is, 6 Common Shares) for \$150 (that is, a 50% discount from the market price). Thus, the potential exercise of the Rights following a Flip-in Event creates the threat of substantial economic and voting dilution to the Acquiring Person's Beneficial Ownership of Voting Shares.

Permitted Bid and Competing Permitted Bid

A Take-over Bid that qualifies as a Permitted Bid or Competing Permitted Bid will not trigger the exercise of the Rights.

A "**Permitted Bid**" is a Take-over Bid made by way of a Take-over Bid circular and which complies with the following additional provisions:

- (a) the Take-over Bid is made to all holders of Voting Shares as registered on the books of the Corporation other than the Offeror;

- (b) the Take-over Bid contains, and the take-up and payment for securities tendered or deposited thereunder is subject to, an irrevocable and unqualified provision that no Voting Shares shall be taken up or paid for pursuant to the Takeover Bid:
- (i) prior to the close of business on the date that is not less than 105 days following the date of the Take-over Bid or such shorter minimum period that a take-over bid that is not exempt from any of the requirements of applicable securities laws must remain open for deposits of securities thereunder; and
 - (ii) then only if, at the close of business on the date Voting Shares are first taken up or paid for under such Takeover Bid, more than 50% of the Voting Shares held by Independent Shareholders have been deposited or tendered pursuant to the Take-over Bid and not withdrawn;
- (c) the Take-over Bid contains an irrevocable and unqualified provision that:
- (i) unless the Take-over Bid is withdrawn, Voting Shares may be deposited pursuant to such Take-over Bid at any time during the period of time between the date of the Take-over Bid and the date on which the Voting Shares subject to the Take-over Bid may be taken up and paid for and that any Voting Shares deposited pursuant to the Take-over Bid may be withdrawn until taken up and paid for; and
 - (ii) if, on the date on which Voting Shares may be taken up and paid for, more than 50% of the Voting Shares held by Independent Shareholders shall have been deposited or tendered pursuant to the Take-over Bid and not withdrawn, the Offeror will make a public announcement of that fact and the Take-over Bid will remain open for deposits and tenders of Voting Shares for not less than 10 days from the date of such public announcement.

A Take-over Bid that qualified as a Permitted Bid shall cease to be a Permitted Bid at any time and as soon as such time as when such Take-over Bid ceases to meet any or all of the provisions of the definition of a “Permitted Bid”.

“**Independent Shareholders**” generally means holders of Voting Shares other than any Acquiring Person, any Offeror, any Affiliate, Associate or Joint Actor of an Acquiring Person or Offeror, or any employee benefit plan, stock purchase plan, deferred profit sharing plan or similar plan or trust for the benefit of employees of the Corporation or its subsidiaries so long as the beneficiaries of the plan or trust direct how Voting Shares will be voted and whether such shares will be tendered to a Take-over Bid.

A “**Competing Permitted Bid**” is a Take-over Bid that is made after a Permitted Bid or another Competing Permitted Bid (a “**Prior Bid**”) has been made but prior to its expiry, and satisfies all the requirements of a Permitted Bid as described above and contains, and the take-up and payment for securities tendered or deposited thereunder is subject to, an irrevocable and unqualified condition that no Voting Shares will be taken up or paid for pursuant to the Take-over Bid prior to the close of business on the last day of the minimum initial deposit period that such Take-over Bid must remain open for deposits of securities thereunder pursuant to applicable securities laws after the date of the Take-over Bid constituting the Competing Permitted Bid.

Redemption, Waiver and Termination

(a) Redemption of Rights on Approval of Holders of Voting Shares and Rights. The Board acting in good faith may, after having obtained the prior approval of the holders of Voting Shares or Rights, at any time prior to the occurrence of a Flip-in Event, elect to redeem all but not less than all of the then outstanding Rights at a redemption price of \$0.00001 per Right, appropriately adjusted for anti-dilution as provided in the Rights Plan (the “**Redemption Price**”).

(b) Waiver of Inadvertent Acquisition. The Board acting in good faith may waive the application of the 2024 Rights Plan in respect of 2024 occurrence of any Flip-in Event if the Board has determined that a person became an Acquiring Person under the 2024 Rights Plan by inadvertence and without any intent or knowledge that it would become an Acquiring Person, but the waiver must be on the condition that the Acquiring Person reduces its Beneficial Ownership of Voting Shares within 30 days, or such earlier or later date as the Board may determine, such that the person is no longer an Acquiring Person.

(c) Deemed Redemption. In the event that a person who has made a Permitted Bid, Competing Permitted Bid or a Takeover Bid in respect of which the Board has waived or has deemed to have waived the application of the Rights Plan consummates the acquisition of the Voting Shares, the Board shall be deemed to have elected to redeem the Rights for the Redemption Price.

(d) Discretionary Waiver with Mandatory Waiver of Concurrent Bids. The Board acting in good faith may, prior to the occurrence of a Flip-in Event that would occur by reason of a Take-over Bid made by means of a take-over bid circular to all holders of record of Voting Shares (a “**qualified bid**”), waive the application of the 2024 Rights Plan to such Flip-in Event upon prior written notice to the Rights Agent. However, if the Board waives the application of the 2024 Rights Plan for any such qualified bid, the Board shall be deemed to have waived the application of the 2024 Rights Plan in respect of any other Flip-in Event occurring by reason of any other qualified bid made prior to the expiry of any bid for which the waiver is, or is deemed to have been, granted.

(e) Discretionary Waiver respecting Acquisition not by Takeover Bid Circular. The Board acting in good faith may, with the prior consent of the holders of Voting Shares, determine, at any time prior to the occurrence of a Flip-in Event as to which the application of the 2024 Rights Plan has not been waived, if such Flip-in Event would occur by reason of an acquisition of Voting Shares otherwise than pursuant to a Take-over Bid made by means of a take-over bid circular to holders of Voting Shares and otherwise than by inadvertence in the circumstances described in (ii) above, to waive the application of the 2024 Rights Plan to such Flip-In Event. However, if the Board waives the application of the 2024 Rights Plan, the Board shall extend the Separation Time to a date subsequent to and not more than 10 Business Days following the meeting of shareholders of the Corporation called to approve such a waiver.

(f) Redemption of Rights on Withdrawal or Termination of Bid. Where a Take-over Bid that is not a Permitted Bid or Competing Permitted Bid is withdrawn or otherwise terminated after the Separation Time and prior to the occurrence of a Flip-in Event, the Board may elect to redeem all the outstanding Rights at the Redemption Price. In such event, the Rights Plan will continue to apply as if the Separation Time had not occurred and one Right will remain attached to each Common Share as provided for in the Rights Plan.

(g) Waiver with Divestiture Arrangement. The Board may, before the tenth trading day after a Stock Acquisition Date or such later trading day as the Board may determine, by written notice to the Rights Agent, waive the application of the 2024 Rights Plan to the related Flip-in Event provided the Acquiring Person has reduced its Beneficial Ownership of Voting Shares (or entered into a contractual arrangement with the Corporation to do so within 15 days or such earlier or later date as the Board may determine) such that at the time the waiver becomes effective the person is no longer an Acquiring Person. In such event, the Flip-in Event shall be deemed not to have occurred.

If the Board is deemed to have elected or elects to redeem the Rights as described above, the right to exercise the Rights will thereupon, without further action and without notice, terminate and the only right thereafter of the holders of Rights is to receive the Redemption Price. Within 10 business days of any such election or deemed election to redeem the Rights, the Corporation will notify the holders of the Voting Shares or, after the Separation Time, the holders of the Rights.

Anti-dilution Adjustments

The Exercise Price of a Right, the number and kind of shares subject to purchase upon exercise of a Right, and the number of Rights outstanding, will be adjusted in certain events, including:

(a) if there is a dividend payable in Voting Shares or Convertible Securities (other than pursuant to any optional stock dividend

program or dividend reinvestment plan or a dividend payable in Voting Shares in lieu of a regular periodic cash dividend) on the Common Shares, or a subdivision or consolidation of the Common Shares, or an issuance of Common Shares or Convertible Securities in respect of, in lieu of or in exchange for Common Shares; or

(b) if the Corporation fixes a record date for the distribution to all holders of Common Shares of certain rights or warrants to acquire Common Shares or Convertible Securities, or for the making of a distribution to all holders of Common Shares of evidences of indebtedness or assets (other than regular periodic cash dividends or stock dividends payable in Common Shares) or rights or warrants.

Supplements and Amendments

The Corporation may, without the consent of the holders of Common Shares or Rights, make amendments to the 2024 Rights Plan (i) to correct any clerical or typographical error, or (ii) as required to maintain the validity or effectiveness of the 2024 Rights Plan as a result of any change in any applicable legislation, rules or regulation, subject to the below.

Any amendments made by the Corporation to this Agreement pursuant to the above which are required to maintain the validity of the Agreement as a result of any change in any applicable legislation, rule or regulation thereunder shall:

- (a) if made before the Separation Time, be submitted to the shareholders of the Corporation at the next meeting of such shareholders and such shareholders may, confirm or reject such amendment; or
- (b) if made after the Separation Time, be submitted to the holders of Rights at a meeting to be called for on a date not later than immediately following the next meeting of shareholders of the Corporation and the holders of Rights may, by resolution, confirm or reject such amendment.

Any such amendment shall be effective from the date of the resolution of the Board adopting such amendment, until it is confirmed or rejected or until it ceases to be effective (as described in the next sentence) and, where such amendment is confirmed, it continues in effect in the form so confirmed. If such amendment is rejected by the shareholders of the Corporation or the holders of Rights or is not submitted to the shareholders of the Corporation or the holders of Rights as required, then such amendment shall cease to be effective from and after the termination of the meeting at which it was rejected or to which it should have been but was not submitted or from and after the date of the meeting of holders of Rights that should have been but was not held, and no subsequent resolution of the Board to amend the Agreement to substantially the same effect shall be effective until confirmed by the shareholders of the Corporation or holders of Rights as the case may be.

Subject to the above exceptions, after the 2024 Rights Plan is approved by the shareholders of the Corporation at the Meeting, any supplement, amendment, deletion, variation, restatement or rescission of any provision of the 2024 Rights Plan and the Rights is subject to the prior approval of the holders of Common Shares, or, after the Separation Time, the holders of the Rights.

Rights Agent

The 2024 Rights Plan contains customary provisions concerning the duties, liabilities, indemnification and replacement of the Rights Agent.

Proposed Amendment to 2021 Rights Plan

At the Meeting, shareholders are being asked to approve the 2024 Rights Plan. The amendments include revisions to the termination provisions in the 2021 Rights Plan to provide that the 2021 Rights Plan must be reconfirmed at the third and sixth annual meetings of the shareholders after the adoption of the 2021 Rights Plan (i.e., at the Meeting and then in 2027), and the ability of the Board to modify the 2021 Rights Plan.

To remain in effect, the 2021 Rights Plan must be reconfirmed by a resolution passed by a majority of the votes cast by holders

(other than any holder who does not qualify as an Independent Shareholder) of Voting Shares (subject to any additional requirements relating to such vote prescribed by a stock exchange on which the Voting Shares are then listed), who vote in respect of reconfirmation of the 2021 Rights Plan, as amended, at the third and sixth annual meetings of the Corporation following the Meeting.

If the 2021 Rights Plan is not so ratified, or if it is not presented to the shareholders for ratification at the Meeting, the 2021 Rights Plan and all outstanding Rights shall terminate and be void and of no further force and effect from and after the date of termination of the Meeting; provided that termination shall not occur if a Flip-in Event has occurred (other than a Flip-in Event which has been waived) prior to the date upon which 2021 Rights Plan would otherwise terminate.

If the 2024 Rights Plan is approved at the Meeting, it shall remain in place until the termination of the annual meeting in 2027 and must be reconfirmed at the Corporation's annual meeting in 2027 (i.e., the third annual meeting following the Meeting) to remain in effect.

Appendix B

ATHABASCA OIL CORPORATION DESCRIPTION OF LONG-TERM EQUITY INCENTIVE PLANS

The following are descriptions of each of Athabasca's long-term equity incentive plans, which include the 2024 Omnibus Incentive Plan, the 2015 RSU Plan and the Option Plan (collectively, "Security Based Compensation Arrangements"). The DSU Plan is also described.

GENERAL LIMITATIONS APPLICABLE TO ALL LONG-TERM INCENTIVE PLANS

Grants made under each of Athabasca's Security Based Compensation Arrangements are subject to the following limitations:

- (a) the maximum number of Common Shares issuable in aggregate pursuant to outstanding rights granted under all Security Based Compensation Arrangements at any time shall be limited to 8% of the aggregate number of issued and outstanding Common Shares;
- (b) the number of Common Shares reserved for issuance to any one participant under all Security Based Compensation Arrangements shall not exceed 5% of the issued and outstanding Common Shares;
- (c) the number of Common Shares issuable to insiders, at any time, under all Security Based Compensation Arrangements, shall not exceed 8% of the issued and outstanding Common Shares; and
- (d) the number of Common Shares issued to insiders, within any one year period, under all Security Based Compensation Arrangements, shall not exceed 8% of the issued and outstanding Common Shares.

2024 OMNIBUS INCENTIVE PLAN

Purpose of the Omnibus Incentive Plan and Eligibility

The 2024 Omnibus Incentive Plan is a long-term incentive plan that permits the grant of RSUs, PSUs, Options and other security based awards to officers, employees and certain service providers of the Corporation and its affiliates. The 2024 Omnibus Incentive Plan is designed to, among other things, promote a proprietary interest in the Corporation among officers, employees and certain service providers of the Corporation and its affiliates and to align the interests of such individuals with the interests of shareholders. The 2024 Omnibus Incentive Plan also streamlines the administration of long term incentive awards, as all new awards granted by the Corporation to officers, employees and certain service providers of the Corporation and its affiliates are governed by this single plan and the Corporation will no longer grant awards pursuant to the Performance Plan, the RSU Plan and the Option Plan.

As noted, the Board approved the 2024 Omnibus Incentive Plan on March 15, 2024. The 2021 Omnibus Incentive Plan, which came into effect on March 29, 2021, preceded the 2024 Omnibus Incentive Plan.

Shares Reserved for Issuance

The maximum number of Common Shares available for issuance under the 2024 Omnibus Incentive Plan or any other Security Based Compensation Arrangement is fixed at 8% of the aggregate number of issued and outstanding Common Shares from time to time.

To the extent any awards under the 2024 Omnibus Incentive Plan or any other Security Based Compensation Arrangement terminate or are cancelled for any reason prior to exercise or settlement in full or are settled in cash or Common Shares acquired on the TSX, the Common Shares subject to such awards are added back to the number of Common Shares available for issuance.

Any Common Shares issued by the Corporation through the assumption or substitution of outstanding Options or other equity based awards from an entity acquired by the Corporation does not reduce the number of Common Shares available for issuance under the 2024 Omnibus Incentive Plan.

As of March 20, 2024, there were a total of 2,659,800 Options, 2,625,700 PSUs and 5,242,179 RSUs outstanding under the 2024 Omnibus Incentive Plan, representing approximately 0.47%, 0.47% and 0.94%, respectively, of the issued and outstanding Common Shares. As of March 20, 2024, there were a total of 270,406 Options outstanding under the Corporation's Option Plan and 4,019,659 RSUs outstanding under the 2015 RSU Plan (each as further discussed herein).

As of March 20, 2024, 30,003,304 Common Shares were available for grant under the 2024 Omnibus Incentive Plan, representing approximately 5.36% of the number of current issued and outstanding Common Shares as at that date

In 2023, nil Options, 2,438,600 RSUs, 968,600 PSUs and nil other security based awards were issued pursuant to the 2021 Omnibus Incentive Plan. During the financial year ended December 31, 2023, 1,515,189 Common Shares vested and were issued in relation to outstanding RSU awards under the 2021 Omnibus Incentive Plan upon settlement of Omnibus Incentive Plan Awards, representing 0.26% of the number of issued and outstanding Common Shares as at December 31, 2023.

Insider Participation Limits and Other Participation Limits

The number of Common Shares that are issuable to insiders of the Corporation, at any time, under the 2024 Omnibus Incentive Plan or any other Security Based Compensation Arrangement, cannot exceed 8% of our total issued and outstanding Common Shares.

The number of Common Shares issued to insiders of the Corporation, within any one year period, under the 2024 Omnibus Incentive Plan or any other Security Based Compensation Arrangement of the Corporation, cannot exceed 8% of our total issued and outstanding Common Shares.

The number of Common Shares issued to any one participant under all of the Security Based Compensation Arrangements cannot exceed 5% of the total issued and outstanding Common Shares.

Blackout Period

The 2024 Omnibus Incentive Plan provides that the exercise or settlement period of awards granted thereunder shall automatically be extended if the date on which such award is scheduled to expire falls during a blackout period or within five business days following the expiry of such blackout period. In such cases, unless the delayed expiration would result in tax penalties, the award will expire 10 business days after the last day of the blackout period.

Options

All Options granted under the 2024 Omnibus Incentive Plan have an exercise price determined and approved by the Board at the time of grant, which exercise price is not less than the fair market value of our Common Shares on the grant date. Fair market value is defined as the volume weighted average of the prices at which the Common Shares were traded on the TSX for the five trading days immediately preceding the date of grant. If the participant is a U.S. taxpayer, the exercise price must not be less than the greater of (i) the fair market value on the date of grant; and (ii) the closing price of the Common Shares on the TSX on the business day immediately prior to the date of grant. Each Option vests as set forth in each participant's award agreement. Options are exercisable during a period established by the Board which shall not be more than 10 years from the grant of the Option. Vesting conditions for Options under the 2024 Omnibus Incentive Plan are determined by the Board at the time of grant. The Board has the right to accelerate the date upon which any portion of any Option becomes exercisable.

The Corporation may make arrangements through a broker approved by the Corporation whereby payment of the exercise price is accomplished through the proceeds of the sale of Common Shares deliverable upon exercise of the Option.

In lieu of exercising a vested Option, the participant may elect to surrender all or part of the Option for cancellation for an amount

equal to the fair market value of the Common Shares on the date of surrender less the exercise price (the "**in-the-money amount**") and request that the in-the-money amount be satisfied in cash, in shares with an aggregate fair market value equal to the "in-the-money amount", or a combination of the two. Notwithstanding any election by the participant to receive cash, the Corporation may choose to issue Common Shares in satisfaction of the in-the-money amount. The full number of Common Shares underlying the surrendered Option will be added back to the reserve.

RSUs and PSUs

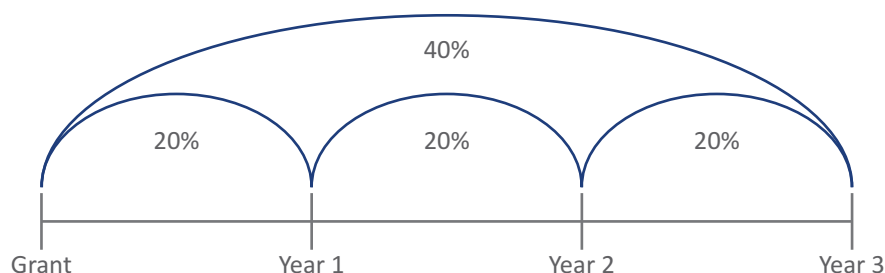
The Board is authorized to grant RSUs and PSUs evidencing the right to receive Common Shares (issued from treasury or acquired on the TSX) or cash (based on the market value of the Common Share on the payment date) or a combination thereof, at some future time to officers, employees and certain service providers of the Corporation and its affiliates under the 2024 Omnibus Incentive Plan. The Corporation will determine whether the payment method will take the form of cash or Common Shares on the applicable vesting date, or some reasonable time prior thereto.

The terms and conditions of grants of RSUs and PSUs, including the quantity, type of award, grant date, vesting conditions, vesting periods, settlement date and other terms and conditions with respect to these awards are set out in the participant's award agreement.

RSUs generally become vested, if at all, following a period of continuous employment. Unless otherwise specified by the Board, RSUs vest and are payable as to one third (1/3) of the total number of RSUs granted (together with a proportionate number of dividend equivalents) on each of the first, second and third anniversaries of the grant date.

Vesting of PSUs generally occurs on the third anniversary of the grant date, and is conditioned on the attainment of specified performance metrics as may be determined by the Board, provided that the minimum performance multiplier is 0% and the maximum payout multiplier cannot exceed 200% (the "**Payout Multiplier**"). Generally, the performance metrics applicable to PSUs include Athabasca's total shareholder return ("**TSR**") and operational and corporate strategic measures in the Corporate Scorecard, which are set at the beginning of each performance period. The value of vested PSUs are generally based 50% on TSR for the particular period, compared to the Corporation's pay comparator group, and 50% based on its performance against the operational and corporate strategic measures for each performance period ("**Corporate Scorecard Result**"), with the weighting for each performance period as follows: 20% for year 1 ("**First Tranche**"); 20% for year 2 ("**Second Tranche**"); 20% for year 3 ("**Third Tranche**") and 40% for years 1-3 ("**Fourth Tranche**").

Performance Periods



Depending on the Corporation's TSR and Corporate Scorecard Result, the Corporation calculates the Payout Multiplier as follows:

- In the case of the Corporate Scorecard result, (i) if the result is 100%, the Payout Multiplier will be 100%; (ii) if the result is the maximum available assessment, the Payout Multiplier will be 200%; (iii) if the result is below 100%, the Payout Multiplier will be calculated using a linear sliding scale based on the endpoints of 0% and 100%; and (iv) if the result is above 100%, the Payout Multiplier will be calculated using a linear sliding scale based on endpoints of 100% and 200%. In no event will the Payout Multiplier exceed 200%.
- In the case of the TSR multiplier, if the Corporation's TSR compared to the TSR range for all peer companies during the relevant performance period is: (i) below the 25th percentile the Payout Multiplier will be 0%; (ii) equal to the 25th percentile the performance multiplier will be 50%; (iii) equal to the 50th percentile the Payout Multiplier will be 100%; and (iv) at or above the 75th percentile the Payout Multiplier will be 200%. If the Corporation's TSR compared to the TSR range for all peer companies during the particular period is above the 25th and below the 50th percentiles or above the 50th and below the 75th percentiles, the Payout Multiplier shall be calculated using a linear sliding scale based on the endpoints noted in (ii) and (iii) or between (iii) and (iv) above, respectively. In no event will the Payout Multiplier exceed 200%.

Subject to the achievement of the applicable vesting conditions, the payout of an RSU or PSU will generally occur on the settlement date. Each vested RSU and PSU (which PSUs will be subject to performance vesting conditions) entitles a holder to one Common Share or a cash payment equal to the fair market value of a Common Share, calculated using a five-day volume weighted trading price of the Common Shares. If the Board elects to settle RSUs or PSUs in cash, the payment will be made no later than December 31 of the third calendar year following the calendar year in which the services giving rise to the award were rendered.

The Board determined the expiry dates for grants of RSUs and PSUs, provided that unless otherwise determined on the date of

grant by the Board, the expiry date ("RSU Expiry Date") is December 15th of the third year following the year in which the RSUs and PSUs, respectively, were granted. Notwithstanding the forgoing, no RSUs or PSUs will vest beyond the Expiry Date.

Other Security Based Awards

Each other security based award shall consist of a right (a) which is other than an Option, RSU or PSU; and (b) which is denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, Common Shares (including, without limitation, securities convertible into Common Shares) as are deemed by the Board to be consistent with the purposes of the 2024 Omnibus Incentive Plan; provided, however, such right will comply with applicable law (including applicable securities laws) and be subject to TSX approval (which may include the TSX requiring shareholder approval). Subject to the terms of the 2024 Omnibus Incentive Plan and applicable award agreement, the Board will determine the terms and conditions of the other security based awards. No other security based awards were issued pursuant to the 2021 Omnibus Incentive Plan in 2023.

Dividend Equivalents

Unless otherwise determined by the Board and set forth in the particular award agreement, RSUs and PSUs shall be credited with dividend equivalents in the form of additional RSUs and PSUs, respectively, as of each dividend payment date in respect of which normal cash dividends are paid on Common Shares. Such dividend equivalents shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Common Shares by the number of RSUs and PSUs, as applicable, held by the participant on the record date for the payment of such dividend, by (b) the Fair Market Value of a Common Shares at the close of the first business day immediately following the dividend record date, with fractions computed to three decimal places. Dividend equivalents credited to a participant's accounts shall be subject to the same vesting and other terms as the RSUs and PSUs to which they relate.

Adjustments

In the event of any subdivision or consolidation of Common Shares or any similar capital reorganization or a payment of a stock dividend (other than a stock dividend that is in lieu of a cash dividend), or any merger, arrangement or amalgamation or other transaction or reorganization involving the Corporation and occurring by exchange of Common Shares, by sale or lease of assets or otherwise, that does not constitute a change of control, the Board will, subject to the required approval of any stock exchange, determine and authorize the appropriate amendments or replacements of any existing awards and/or the terms of any award to be made in such circumstances in order to maintain proportionately the rights, value and obligations of the participants in respect of awards under the 2024 Omnibus Incentive Plan, including, without limitation, permitting the immediate vesting of any unvested awards.

Retirement Policy

The 2024 Omnibus Incentive Plan provides that unless otherwise specified by the Board, where a participant's employment terminates by reason of retirement of the participant, then (a) each Option held by the participant that has vested as of the termination date continues to be exercisable by the participant until its expiry date in accordance with its terms; (b) each award (being RSUs, PSUs or other share-based awards granted under the 2024 Omnibus Incentive Plan) other than an Option held by the participant that has vested as of the termination date will be settled in accordance with its terms; and (c) any Option or other award (being RSUs, PSUs or other share-based awards granted under the 2024 Omnibus Incentive Plan) held by the participant that has not vested as of the termination date will continue to vest and thereafter be exercisable or settled, as applicable, in accordance with its terms.

Termination Events; Change of Control Generally

The 2024 Omnibus Incentive Plan provides that certain events, including termination for cause, resignation, termination other than for cause, death or periods of absence, may trigger forfeiture or reduce the vesting period, where applicable, of the award, subject to the terms of the participant's award agreement.

Except as may be set forth in an employment agreement, or other written agreement between the Corporation or an affiliate of the Corporation and the participant, the Board may, without the consent of any participant, take such steps as it deems necessary or desirable, including to cause (i) the conversion or exchange of any outstanding awards into or for, rights or other securities of substantially equivalent value, as determined by the Board in its discretion, in any entity participating in or resulting from a change in control; (ii) outstanding awards to vest and become exercisable, realizable, or payable in whole or in part

prior to or upon consummation of such change in control, and, to the extent the Board determines, terminate upon or immediately prior to the effectiveness of such change in control; (iii) the termination of an award in exchange for an amount of cash and/or property, if any, equal in value to the amount that would have been attained upon the exercise of such award or realization of the participant's rights as of the date of the occurrence of such change in control (and, for the avoidance of doubt, if as of the date of the occurrence of such change in control the Board determines in good faith that no amount would have been attained upon the exercise of such award or realization of the participant's rights, then such award may be terminated by the Corporation without payment); (iv) the replacement of such award with other rights or property selected by the board in its sole discretion; or (v) any combination of the foregoing. In taking any of the foregoing actions, the Board is not required to treat all awards similarly.

If, within 12 months of a change of control, a participant's employment is terminated without cause, then all unvested awards will be vested immediately to the date of termination. If a participant's employment is terminated without cause, each option that has vested as of the termination date continues to be exercisable until the earlier of the expiration date of the option and 90 days after the termination date, each award other than an option held by the participant that has vested as of the termination date, will be settled in accordance with its terms and any option or other award that has not vested as of the termination date will be forfeited and cancelled as of the termination date. If an employee is terminated for cause, then unless otherwise specified in an award agreement, any option or other award held by the participant, whether or not it has vested, will be forfeited and cancelled as of the termination date.

Notwithstanding the foregoing, with respect to RSUs and PSUs, if a participant continues to be employed by or provide services to the Corporation or its successor following a change of control, then the vesting of the RSUs and PSUs will not be accelerated as a result of the change of control and the award value of the RSUs and PSUs shall be determined and fixed as of the date of the change of control. With respect to RSUs, such RSUs will continue to vest in accordance with the terms of the applicable award agreement. With respect to PSUs, the right of the participant to receive the award value of the PSUs, fixed as of the date of the change of control, is contingent upon such participant remaining continuously employed by or providing services to the Corporation or its successor until the end of the vesting period. If such participant's employment or service ceases prior to the end of the vesting period, the right to receive such award value continues if the participant was not terminated for cause or by reason of resignation or retirement. If a participant is provided notice in writing that the participant's employment or service to the Corporation will be terminated within thirty days of the date of a change of control, then such RSUs and PSUs will vest

immediately. The number of PSUs that vest in this circumstance shall be adjusted as set out below at “*PSU Change of Control*”.

PSU Change of Control

With respect to the PSUs, if a participant is provided notice in writing that the participant’s employment or service to the Corporation will be terminated within thirty days of the date of a change of control, then the following provisions will apply:

- (a) the PSUs shall vest immediately prior to the change of control, or on such earlier date as may be established by the Board in its absolute discretion, prior to the change of control (the “**Change of Control Vesting Date**”); and
- (b) the number of PSUs which vest shall be subject to the following adjustments: (A) if the Change of Control Date occurs on or before the first anniversary date, then the First Tranche awards shall be deemed to be 100% of the PSUs and the Second Tranche awards, Third Tranche awards and Fourth Tranche awards shall be deemed to be nil% of the PSUs; (B) if the Change of Control Date occurs after the first anniversary date and be on or before the second anniversary date, then the First Tranche awards shall be deemed to be 50% of the PSUs, the Second Tranche awards shall be deemed to be 50% of the PSUs, and the Third Tranche Awards and Fourth Tranche Awards shall be deemed to be nil% of the PSUs; and (C) if the Change of Control Date occurs after the second anniversary date and on or before the third anniversary date, then the First Tranche awards shall be deemed to be 33 1/3% of the PSUs, the Second Tranche awards shall be deemed to be 33 1/3% of the PSUs, the Third Tranche awards shall be deemed to be 33 1/3% of the PSUs, and the Fourth Tranche awards shall be deemed to be nil% of the PSUs; and
- (c) for purposes of calculating the TSR for the Corporation for any performance period that has not been completed as at the date of the change of control the trading price of the Common Shares at the end of such period shall be deemed to be equal to the price received per Common Share pursuant to the change of control (being in the case of consideration other than cash, the fair market value thereof as determined by the Board); and
- (d) the award value of the PSUs that so vest (the “**Change of Control Award Value**”) shall be determined as at the Change of Control Vesting Date.

If a participant is not provided notice in writing that the participant’s employment or service to the Corporation will be terminated within thirty days of the date of a change of control, the participant shall be contingently entitled to the Change of Control Award Value (the “**Contingent Change of Control Award Value**”) subject to the following:

- (a) provided the participant has retired or remained in the continuous employ or service of one or more members of

the Athabasca Group from the Change of Control Date until the date of vesting of the applicable PSUs, the Contingent Change of Control Award Value, less any required withholdings, shall be paid to the participant within five business days of the vesting date;

- (b) if the participant ceases to be an officer, employee or service provider to, any of the entities comprising the Athabasca Group prior to prior to the vesting date of the applicable PSUs, by reason of termination of the participant’s employment or service for cause or by reason of the resignation of the participant, the participant’s right to receive the Contingent Change of Control Award Value shall terminate and become null and void on the date of the cessation of the participant’s employment or service and the participant shall not be entitled to any further payment thereunder; and
- (c) if the participant ceases to be an officer, employee or service provider to, any of the entities comprising the Athabasca Group prior to the vesting date of the applicable PSUs, by reason of termination of the participant’s employment for any reason other than as described above including, without limitation, by reason of the death of the participant or the termination of the participant’s employment other than for cause, the Contingent Change of Control Award Value, less any required withholdings, shall be paid to the grantee within five business days of the cessation of employment or service.

Amendments and Termination

Subject to the rules of the TSX, the Board may at any time or from time to time without shareholder approval amend, modify, change, suspend or terminate the 2024 Omnibus Incentive Plan or any awards granted pursuant to the 2024 Omnibus Incentive Plan as the Board, in its discretion determines appropriate, provided that no such amendment, modification, change, suspension or termination of the 2024 Omnibus Incentive Plan or any awards granted thereunder materially impairs any rights of a participant or materially increases any obligations of a participant under the 2024 Omnibus Incentive Plan without the consent of the participant or subjects a U.S. taxpayer to additional penalty taxes, each as specified in the 2024 Omnibus Incentive Plan. Such permissible changes include, without limitation:

- any amendments to the general vesting provisions of each award;
- any amendments regarding the effect of termination of a participant’s employment or engagement;
- any amendments to add covenants of the Corporation for the protection of participants, provided that the Board shall be of the good faith opinion that such additions will not be materially prejudicial to the rights or interests of the participants;

- any amendments not inconsistent with the 2024 Omnibus Incentive Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the Board, having in mind the best interests of the participants it may be expedient to make, including amendments that are desirable as a result of changes in law in any jurisdiction where a participant resides, provided that the Board shall be of the opinion that such amendments and modifications will not be materially prejudicial to the interests of the participants; and
- any such changes or corrections which, on the advice of counsel to the Corporation, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error.

Nonetheless, and subject to any additional requirements of the rules of the TSX, the following changes to the 2024 Omnibus Incentive Plan or the awards granted thereunder require the approval of the shareholders as well as the approval of the TSX:

- any amendment to increase the number of Common Shares reserved for issuance under 2024 Omnibus Incentive Plan, except pursuant to provisions in the 2024 Omnibus Incentive Plan which permit the Board to make equitable adjustments in the event of transactions affecting the Corporation or its capital;
- any amendment to increase the number of Common Shares issuable to any one participant;
- any amendment to remove or increase the insider participation limits;
- any amendment to reduce the exercise price of an award (for this purpose, a cancellation or termination of an award of a participant prior to its expiry date for the purpose of reissuing an award to the same participant with a lower exercise price shall be treated as an amendment to reduce the exercise price of an award) except pursuant to the provisions of the 2024 Omnibus Incentive Plan which permit the Board to make equitable adjustments in the event of transactions affecting the Corporation or its capital;
- any amendment that extends the term of an award beyond the original expiry date (except where an expiry date would have fallen within a blackout period applicable to the participant or within five business days following the expiry of such a blackout period);
- any amendment that permits awards to be transferred to a person other than a permitted assign or for normal estate settlement purposes;
- permits the introduction or reintroduction of non-employee directors as participants; and
- amendments to any of the amendment provisions contained in Article 12 (Amendment, Suspension or Termination of the Plan) of the 2024 Omnibus Incentive Plan.

Notwithstanding any other provision in the 2024 Omnibus Incentive Plan, the Board may, in its sole discretion, but subject to prior approval of the TSX, if applicable, waive any condition set out in the 2024 Omnibus Incentive Plan if it determines that specific individual circumstances warrant such waiver.

Except for permitted assigns or as otherwise permitted by the Board, awards granted under the 2024 Omnibus Incentive Plan generally are not transferable other than by will or the laws of descent and distribution.

We currently do not provide any financial assistance to participants under the 2024 Omnibus Incentive Plan.

2015 RSU PLAN

On March 11, 2015, upon the recommendation of the Compensation and Governance Committee, the Board approved the RSU Plan. All grants of RSUs granted prior to March 29, 2021, the date on which the Corporation adopted the 2021 Omnibus Incentive Plan, are RSUs issued pursuant to the RSU Plan. Since the adoption of the 2021 Omnibus Incentive Plan, the Corporation no longer grants RSUs pursuant to the RSU Plan. Each RSU is a unit that is equivalent in value to a Common Share and that upon vesting will be automatically settled by the Corporation in accordance with the RSU Plan.

Purpose of the RSU Plan and Eligibility

The purposes of the RSU Plan was to: (i) attract, retain and motivate the officers, employees and other eligible service providers of the Athabasca Group towards the growth and development of the Athabasca Group by providing them with the opportunity to acquire an increased proprietary interest in the Corporation; (ii) more closely align their interests with those of the Corporation's shareholders; (iii) focus service providers on operating and financial performance and long-term shareholder value; and (iv) motivate and reward them for their performance and contributions to the Corporation's long-term success.

The RSU Plan is administered by the Board. To the extent permitted by applicable law, the Board may, from time to time, delegate to a committee of the Board, all or any of the powers conferred on the Board under the RSU Plan. The Board has the authority to determine the individuals to whom RSUs may be awarded. However, since the adoption of the 2021 Omnibus Incentive Plan on March 29, 2021, the Corporation no longer awards RSUs pursuant to the RSU Plan.

Limitations on Issuances under the RSU Plan

See "General Limitations Applicable to All LTI Plans" above.

As at December 31, 2023, there were 4,019,659 Common Shares reserved for issuance upon vesting of RSUs outstanding under the RSU Plan, representing approximately 0.70% of the number

of current issued and outstanding Common Shares as at that date. During the financial year ended December 31, 2023, 5,571,030 Common Shares were issued upon settlement of RSUs, representing 0.97% of the number of issued and outstanding Common Shares as at December 31, 2023.

Vesting, Assignability and Expiry

The Board determined the vesting of the RSUs at the time of grant, and in the absence of any determination by the Board (or the committee) to the contrary, RSUs vest and are payable as to one-third of the total number of RSUs granted on each of the first, second and third anniversaries of the grant date (if settled in Common Shares, computed in each case to the nearest whole Common Share), provided that no RSU, or portion thereof, may vest after the RSU Expiry Date (as defined below). Notwithstanding the foregoing, the Board may, at any time or in the RSU agreement in respect of any RSUs granted, accelerate or provide for the acceleration of vesting in whole or in part of RSUs previously granted.

RSUs are not transferable or assignable.

The Board determined the expiry dates for grants of RSUs, provided that unless otherwise determined on the date of grant by the Board, the expiry date (“**RSU Expiry Date**”) is December 15th of the third year following the year in which the RSUs were granted. Notwithstanding the foregoing, no RSU will vest beyond the Expiry Date.

Settlement of RSUs

RSUs may be settled by any one or combination of the following methods: (i) payment in cash; (ii) payment in Common Shares acquired by the Corporation on the TSX; or (iii) payment in Common Shares issued from the treasury of the Corporation. A holder of RSUs has no right to demand or receive Common Shares as settlement for the RSUs or any portion thereof, in Common Shares.

Black-Out Periods

If the vesting date of a RSU occurs during a Black-Out Period, then the RSU Vesting Date shall be extended to a date which is within seven business days following the end of such Black-Out Period. If any such extension would cause the RSU Vesting Date to extend beyond the Expiry Date and while a Black-Out Period is still in effect, then the Corporation must settle the applicable RSUs in cash and the Corporation will not have any right to settle the RSUs in whole or in part in Common Shares.

Dividends

The RSU Plan provides for an adjustment to the number of Common Shares to be issued pursuant to RSUs for any dividends

that are paid on the Common Shares during the term of the RSUs. Upon vesting of any RSUs, the Common Shares issuable pursuant to such RSUs will reflect any adjustments for dividends.

Change of Control

If there is a Change of Control then, subject to any provision to the contrary contained in a RSU agreement, all Common Shares awarded pursuant to any RSUs that have not yet vested and been issued will vest on the date that is immediately prior to the time such Change of Control takes place, or at such earlier time as may be established by the Board or the Compensation and Governance Committee, in its absolute discretion, prior to the time such Change of Control takes place.

Notwithstanding the foregoing, in order to assist the Corporation with the retention of employees if there is a Change of Control, the form of RSU agreement entered into by the Corporation and its service providers, including those entered during the year ended December 31, 2020 (the “**RSU Agreements**”), contain the following provisions:

- (a) If a participant is provided notice in writing (a “**Participant Termination Notice**”) that the participant’s employment or service to the Corporation will be terminated within thirty days of the date of a Change of Control, then the RSUs granted pursuant to an applicable RSU Agreement will vest immediately and will be terminated on the 90th day after the occurrence of the Change of Control or such earlier time as may be established by the Board prior to the Change of Control.
- (b) However, if a participant is not provided with a Participant Termination Notice and the participant will continue to be employed by the Corporation or its successor following the Change of Control, then the vesting of the RSUs granted pursuant to an applicable RSU Agreement will not be accelerated as a result of a Change of Control, but shall continue to vest in accordance with the terms of the applicable RSU Agreement, provided that: (i) the award value of the RSUs shall be determined and fixed as of the date of the Change of Control; and (ii) shall be payable upon vesting in cash only.

Additional RSU Plan Terms

The RSU Plan provides that unless otherwise determined by the Board or unless otherwise provided in a RSU Agreement pertaining to a particular grant or any other written agreement, including an employment agreement, if a holder of RSUs ceases to be service provider to the Athabasca Group for any reason other than death, before all of such holder’s RSUs have vested, then all such unvested RSUs shall be forfeited and any amount corresponding to any vested RSUs remaining unpaid will be paid to the former service provider in accordance with the RSU Plan.

Notwithstanding the preceding paragraph or anything else contained in the RSU Plan to the contrary, unless otherwise determined by the Board, or unless the Corporation and a participant agree otherwise in a RSU agreement or other written agreement (including an employment agreement), if a participant ceases to be a director, officer or be in the employ of, or a consultant or other service provider to the Athabasca Group due to the death of the participant, any unvested RSUs shall be deemed to have vested immediately prior to the date of death of the participant with the result that the deceased participant shall not forfeit any unvested RSUs.

Anti-Dilution

The RSU Plan contains anti-dilution provisions which allow the Board to make such adjustments to the RSU Plan, to any RSUs and to any RSU agreements outstanding under the RSU Plan as the Board may consider appropriate in the circumstances to prevent substantial dilution or enlargement of amounts to be paid to participants under the RSU Plan.

Amendments

The Board has the right to amend or discontinue the RSU Plan or amend any RSUs granted under the RSU Plan without shareholder approval or the consent of a holder of RSUs, provided that such amendment does not adversely alter or impair any RSUs previously granted under the RSU Plan or any related RSU Agreement, except as otherwise permitted under the RSU Plan; however, while the Common Shares are listed for trading on the TSX, the Board will not be entitled to amend the RSU Plan or any RSUs granted under it without shareholder and, if applicable, TSX approval: (i) to increase the maximum number of Common Shares issuable pursuant to the RSU Plan; (ii) to cancel RSUs and subsequently issue the holder of such RSUs a new grant of RSUs in replacement thereof; (iii) to extend the term of RSUs; (iv) to permit the assignment or transfer of RSUs, other than as provided for in the RSU Plan; (v) to add to the categories of persons eligible to participate in the RSU Plan; (vi) to remove or amend the limitations contained in the RSU Plan; or (vii) to remove or amend the amendment provisions of the RSU Plan.

OPTION PLAN

Purpose of the Option Plan and Eligibility

The Option Plan first came into effect on September 1, 2009. The Corporation's Option Plan permits the granting of Options to purchase Common Shares to directors, officers, employees, consultants and other service providers ("**Optionees**") of the Athabasca Group. The purpose of the Option Plan was to aid in attracting, retaining, and motivating eligible service providers in the growth and development of the Athabasca Group by providing them with an opportunity to acquire an increased proprietary interest in the Corporation. The Option Plan is

administered by the Board or a committee of the Board appointed by the Board to administer the Option Plan. Since the adoption of the 2021 Omnibus Incentive Plan on March 29, 2021, the Corporation no longer grants Options pursuant to the Option Plan.

Limitations under the Option Plan

See "*General Limitations Applicable to All LTI Plans*" above.

As at December 31, 2023, there were 953,800 Common Shares issuable upon exercise of Options outstanding under the Option Plan, representing approximately 0.17% of the number of current issued and outstanding Common Shares. During the financial year ended December 31, 2023, a total number of 1,524,800 Common Shares were issued upon exercise of Options, representing 0.27% of the number of issued and outstanding Common Shares as at December 31, 2023.

Grants of Options and Assignability

At the time of grant, the Board determined the exercise price of an Option granted pursuant to the Option Plan, which exercise price was not less than the five-day volume weighted average trading price of the Common Shares on the TSX immediately preceding the date of grant.

Options granted under the Option Plan are not assignable.

Term, Vesting and Exercise of Options

Options granted pursuant to the Option Plan prior to May 8, 2014 had a term not exceeding five years and Options granted after May 8, 2014 have a term not exceeding seven years. Options vest and are exercisable as to one-third on each of the first, second and third anniversaries of the grant date, unless otherwise determined by the Board.

If Options cannot be exercised due to a Black-Out Period at any time within the three business day period prior to the normal expiry date of the Options, the expiry date of those Options will be extended by seven business days following the end of the Black-Out Period (or such longer period as is permitted by the TSX or such stock exchange on which the Common Shares may be listed).

Termination

Unless the Corporation and Optionee agree otherwise in an option agreement or other written agreement (such as an employment agreement), each Option will terminate:

- (a) if an Optionee dies, on the date that is determined by the Board, which cannot be more than twelve months from the date of death and, in the absence of a determination to the contrary, on the date that is twelve months from the date of death;

- (b) if the Optionee ceases to be a service provider to the Athabasca Group (other than by reason of death or termination for cause), on the expiry of the period not in excess of six months or as prescribed by the Option Committee at the time of the grant, following the date that the Optionee ceases to be a service provider to the Athabasca Group and, in the absence of any determination to the contrary, ninety days following the date that the Optionee ceases to be a service provider to any of the entities comprising the Athabasca Group; and
- (c) if the Optionee is terminated for cause, immediately on the date of such termination (whether notice of such termination occurs verbally or in writing).

The number of Common Shares that an Optionee (or his or her heirs or successors) will be entitled to purchase until such date of termination is: (i) in the case of the death of an Optionee, all of the Common Shares that may be acquired on exercise of the Options held by such Optionee (or his or her heirs or successors) whether or not previously vested, and the vesting of all such Options shall be accelerated on the date of death for such purpose; and (ii) in any case other than death or termination for cause, the number of Common Shares which the Optionee was entitled to purchase on the date the Optionee ceased to be a service provider.

Surrender Offer

The Option Plan provides that an Optionee may make an offer at any time for the disposition and surrender by the Optionee to Athabasca of any Option (a “**Surrender Offer**”), for an amount not to exceed the five-day volume weighted average trading price of the Common Shares on the TSX (or such other stock exchange on which the Common Shares may be listed) on the date of the Surrender Offer less the exercise price of the Options that are specified in the Surrender Offer. The Corporation may accept or reject a Surrender Offer, in its sole discretion.

Change of Control

The Option Plan provides that, subject to any provision to the contrary contained in an option agreement or other written agreement (such as an employment agreement) between the Corporation and an Optionee, if there is a Change of Control, all issued and outstanding Options will be exercisable (whether or not then vested) immediately prior to the time such Change of Control takes place and will terminate on the 90th day after the Change of Control occurs, or at such earlier time as may be established by the Board, in its absolute discretion, prior to the Change of Control.

Revised Option Change of Control Terms

If an Optionee is provided with a notice in writing by the Corporation that the Optionee’s employment or service with the

Corporation will be terminated within thirty days of the date of a Change of Control (an “**Optionee Termination Notice**”), then the Options will vest immediately and will be terminated on the 90th day after the Change of Control or such earlier time as may be established by the Board prior to the time that the Change of Control takes place.

If an Optionee is not provided with an Optionee Termination Notice and will continue to be employed by the Corporation or its successor following the Change of Control, then the vesting of the Options will not be accelerated as a result of a Change of Control. Instead, such Optionee’s unvested, unexercised Options will terminate at the time that is the first to occur of: (i) the Change of Control; (ii) the expiration date of the Options; or (iii) the earlier termination of the Options in connection with the cessation of the Optionee’s service to the Athabasca Group. In this event, any applicable Option Cash Bonus Agreement (as defined below) between Athabasca and an Optionee will become effective, as described below (the revisions described in this paragraph are referred to herein as the “**Revised Change of Control Provisions**”).

Option Cash Bonus Agreements

Optionees (including NEOs) have also entered into cash bonus agreements (“**Option Cash Bonus Agreements**”) with the Corporation which provide the Optionees with the right to receive cash amounts (an “**Option Cash Bonus**”) if they are not provided with an Optionee Termination Notice and they continue to be a Service Provider to the Athabasca Group following a Change of Control. Pursuant to the Option Cash Bonus Agreements, if an Optionee remains in the continuous employ or service of the Athabasca Group from the date of a Change of Control until a vesting date that is set out in the applicable Option agreement (an “**Option Bonus Vesting Date**”), then an Option Cash Bonus (calculated in accordance with the formula that is set forth below) divided by the number of Option Bonus Vesting Dates described in the applicable Option agreement, shall be paid by the Corporation to the Optionee on each such Bonus Vesting Date:

(A x B) + C where:

- (i) “A” equals the number of Options that had not vested as at the date of the termination of the Options pursuant to the Revised Change of Control Provisions (“**Unvested Options**”);
- (ii) “B” equals the difference, if positive, between the consideration per Common Share received by the holders of Common Shares pursuant to the transaction that constitutes a Change of Control and the exercise price per Unvested Option that is provided in the applicable Option agreement;
- (iii) “C” equals [(Ax B)/2] x Marginal Tax Rate

1 – Marginal Tax Rate;

- (iv) “Marginal Tax Rate” means the ordinary rate of income tax charged on the Optionee’s last dollar of income.

Additionally, pursuant to the Option Cash Bonus Agreements, if an Optionee remains in the continuous employ or service of the Athabasca Group from the date of a Change of Control until either the second or third anniversary of the date of the Change of Control (depending on which period is specified in the applicable Option Cash Bonus Agreement), any remaining Option Cash Bonus which has not previously been paid to the Optionee in accordance with the above shall be accelerated and paid to such Optionee on the second or third anniversary of the date of the Change of Control (again, depending on which period is specified in the applicable Option Cash Bonus Agreement).

Anti-Dilution

The Option Plan contains anti-dilution provisions which allow the Board to make adjustments to the Option Plan and to Options granted under the Option Plan that the Board deems appropriate to prevent substantial dilution or enlargement of rights granted to Optionees. The Board may make the aforementioned adjustments in the event of: (i) any change in the Common Shares of the Corporation through subdivision, consolidation, reclassification, amalgamation, merger or otherwise; (ii) a grant of rights to holders of Common Shares to purchase Common Shares at prices substantially below fair market value; or (iii) any recapitalization, merger, consolidation or otherwise, the Common Shares are converted into or exchangeable for any other securities or property, and an Optionee will be bound by such adjustments.

If the Corporation fixes a record date for a distribution to all or substantially all the holders of the Common Shares of cash or other assets (other than a dividend in the ordinary course of business), the Board may make adjustments to the exercise price of any Options outstanding on the record date for such distribution, and make such amendments to any option agreements outstanding under the Option Plan to give effect thereto as the Board considers to be appropriate in the circumstances.

Amendments

The Board may amend or discontinue the Option Plan at any time without shareholder approval or the consent of an Optionee, provided that such amendment does not adversely alter or impair any Option previously granted under the Option Plan or any related option agreement, except as otherwise permitted by the Option Plan; however, the Board may not amend the Option Plan or any Option granted under it without shareholder and, if applicable, TSX approval: (i) to increase the maximum number of Common Shares issuable pursuant to the Option Plan; (ii) to reduce the exercise price of an Option or cancel an Option and subsequently issue the holder of such

Option a new Option in replacement thereof; (iii) to extend the term of an Option; (iv) to permit the assignment or transfer of an Option other than as provided for in the Option Plan; (v) to add to the categories of persons eligible to participate in the Option Plan; (vi) to make any amendment to increase the maximum limits on the number of securities that may be issued to insiders (as defined by the TSX for this purpose); (vii) to make any amendment to increase the maximum number of Common Shares issuable on exercise of Options to directors who are not officers or employees of the Corporation; or (viii) to remove or amend the restrictions on amendments that are provided in the Option Plan.

DEFERRED SHARE UNIT PLAN

General

Effective March 11, 2015, upon the recommendation of the Compensation and Governance Committee, the Board approved the adoption of a new DSU Plan for directors of the Corporation. Pursuant to the DSU Plan, members of the Board (“**Participants**”) may be granted and/or elect to receive, as applicable, DSUs of the Corporation, being a right to a cash payment on a deferred basis equivalent to the Fair Market Value (as defined below) of a Common Share on the terms contained in the DSU Plan summarized below.

Purpose of the DSU Plan

The purposes of the DSU Plan are to: (i) promote greater alignment of the interests between the directors of the Corporation and its shareholders by providing a means to accumulate a financial interest in the Corporation that corresponds to the risk, responsibility and commitment of directors; (ii) support compensation that is competitive and rewards long-term success of the Corporation as measured in TSR; and (iii) attract and retain qualified individuals with the experience and ability to serve as directors.

Administration of the DSU Plan

The DSU Plan is administered by the Compensation and Governance Committee, or such other committee of the Board as may be appointed by the Board. If a committee is not appointed by the Board to administer the DSU Plan, the references to the Compensation and Governance Committee in the following summary of the DSU Plan, are deemed to be references to the Board.

Grants of Deferred Share Units

Subject to the DSU Plan, the Compensation and Governance Committee will determine the number of DSUs to be granted to each Participant for each year, and the date that the grant becomes effective. In certain cases where a Participant becomes a member of the Board after DSUs have been granted to other

Board members for that year, DSUs may be granted as of the date of appointment as a member of the Board and in such amount as determined by the Compensation and Governance Committee. The Compensation and Governance Committee may also determine from time to time that special circumstances justify a grant to a Participant of DSUs in addition to other compensation to which the Participant is entitled and determine to approve a grant of DSUs to the Participant.

The DSU Plan also allows the Compensation and Governance Committee to grant DSUs to a director, who is not also a full time employee of the Corporation or a subsidiary of the Corporation (“**Athabasca Entity**”), who has elected to receive all or part of their annual remuneration (the “**Deferred Remuneration**”) in the form of DSUs. Such annual remuneration includes all cash amounts payable by the Corporation to a Participant in any year for service as a Board member including, without limitation, the annual base retainer fee for serving as a Board member, the annual retainer fee for the Chair of the Board, the annual retainer fee for serving as a member of a Board committee, the annual retainer fee for chairing a Board committee, and the fees, if any, for attending meetings of the Board or Board committees. Such annual remuneration does not include amounts received by a director as reimbursement for expenses incurred in attending meetings of the Board or a Board committee.

Upon a grant of DSUs, the Corporation will credit DSUs to the Participant’s account on the date determined by the Committee in respect of an annual grant of DSUs, on the date determined by the Board in respect of a discretionary grant, and/or on the date the Participant’s annual remuneration would otherwise be payable, as applicable. The number of DSUs (including fractional DSUs) to be credited to a Participant’s account will be determined by dividing the amount of the Participant’s Deferred Remuneration by the Fair Market Value per Common Share on the date the DSUs are credited to the Participant’s account.

For the purpose of the DSU Plan, “**Fair Market Value**” means the volume weighted average trading price of the Common Shares on the TSX for the 20 trading days immediately preceding the day on which the Fair Market Value is to be determined. For this purpose, the weighted average trading price shall be calculated by dividing the total value by the total volume of Common Shares traded for such period.

Dividends

If dividends are paid on the Common Shares before the maturity date of the DSUs, such dividends will be credited as DSUs to the Participant’s account as of the dividend payment date. The number of DSUs credited to the Participant’s account will be determined by dividing the aggregate dollar amount of the dividends notionally payable in respect of such number of Common Shares equal to the number of DSUs in the Participant’s account, divided by the Fair Market Value per Common Share as of the dividend payment date.

Vesting and Assignability

DSUs will vest immediately upon being credited to the Participant’s account and are not transferable or assignable other than by will or the laws of descent and distribution.

Redemption of DSUs

Following the date on which the Participant ceases to hold all positions with an Athabasca Entity (and where the Participant is a US taxpayer, the date on which a separation from service with the Corporation takes place) (the “**Termination Date**”), and except as a result of death, all DSUs credited to the Participant’s account will be redeemed as of the maturity date. The maturity date for directors who are US taxpayers will be the Termination Date. For directors who are not US taxpayers, the maturity date will be December 1st of the calendar year immediately following the year of the Termination Date, unless a director files with the Corporation an irrevocable maturity date acceleration election subsequent to the Termination Date electing an earlier maturity date. Such accelerated maturity date elected by a director may not: (i) be later than December 1st of the calendar year immediately following the year in which the Termination Date falls; (ii) precede the date of the election; or (iii) except in the case of a director who resigns pursuant to the Corporation’s “majority voting” or similar policy in force from time to time, who otherwise fails to be elected as a director at any meeting of shareholders after having been included as a nominee in the Corporation’s management information circular for such meeting or who is removed from office by a vote of shareholders, be earlier than the 180th day following the Termination Date.

Following the maturity date, the Corporation makes a lump sum cash payment, net of any applicable withholdings, to the Participant equal to the number of DSUs credited to the Participant’s account as of the Termination Date multiplied by the Fair Market Value per Common Share determined as at the maturity date.

Upon redemption of DSUs, Participants have no further rights respecting any DSUs that have been redeemed and the DSUs are deemed cancelled.

Death of Participant

If a Participant dies while in office, or after ceasing to hold any position with an Athabasca Entity but before the maturity date, the Corporation will make a lump sum cash payment to the Participant’s legal representative within 90 days of the Participant’s death. The lump sum cash payment will be equal to the number of DSUs in the Participant’s account as of the date of the Participant’s death, multiplied by the Fair Market Value of the Common Shares determined at the date of death, net of any applicable withholdings.

Amendments

The Compensation and Governance Committee may amend, suspend or terminate the DSU Plan or any portion thereof at any time in accordance with applicable legislation, and subject to any required regulatory or shareholder approval; provided that no amendment, suspension or termination may materially adversely affect any DSUs, or any rights pursuant thereto, granted previously to any Participant without the consent of that Participant. Notwithstanding the foregoing, any amendment of the DSU Plan must ensure that the DSU Plan is continuously excluded from the salary deferral arrangement rules under the *Income Tax Act* (Canada) or any successor rules, and comply with

any guidance issued under U.S. Internal Revenue Code of 1986, as amended, section 409A as applicable to Participants who are taxpayers of the United States of America.

With the consent of the Participant affected thereby, the Compensation and Governance Committee may amend or modify any outstanding DSU in any manner to the extent that the Compensation and Governance Committee would have had the authority to initially grant the award as so modified or amended, provided that any such amendment complies with any guidance issued under U.S. Internal Revenue Code of 1986, as amended, section 409A as applicable to Participants who are taxpayers of the United States of America.

Appendix C

ATHABASCA OIL CORPORATION BOARD OF DIRECTORS MANDATE

GENERAL

The board of directors (**Board**) of Athabasca Oil Corporation (**Company**) is responsible for managing or supervising the management of the business and affairs of the Company. In the discharge of this responsibility, the Board is responsible for appointing the executive officers (**Executive Officers**) who are responsible for the day-to-day management of the business and affairs of the Company within the strategic direction approved by the Board.

In discharging their duties, the directors shall: (a) act honestly and in good faith with a view to the best interests of the Company; (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances; and (c) comply with the *Business Corporations Act* (Alberta) and the Company's articles and bylaws.

The Board has the oversight responsibility and specific duties described below. In addition, individual directors have the responsibility and specific duties set out in the Individual Director Mandate and any other Mandate or Position Description that applies to them.

COMPOSITION

The Board will be comprised of between three (3) and eleven (11) directors, as determined by the shareholders.

A majority of the Company's directors will be "independent" within the meaning of National Instrument 58-101 (**NI 58-101**) issued by the Canadian Securities Administrators or its successor instrument.

All Board members will have the skills and abilities appropriate to their appointment as directors. It is recognized that the right mix of experiences and competencies will aid in ensuring that the Board will carry out its duties and responsibilities in the most effective manner.

Except as set out in the articles or bylaws, Board members will be elected at the annual meeting of the Company's shareholders each year and will serve until their successors are duly elected.

RESPONSIBILITY

The Board is responsible for the stewardship of the Company and the Company's strategy, providing independent, effective leadership to supervise the management of the Company's business and affairs.

SPECIFIC DUTIES

The Board will:

Leadership

1. Provide leadership and vision to supervise the management of the Company in managing the Company and its subsidiaries in the best interests of the Company's shareholders.
2. In conjunction with the Chief Executive Officer (**CEO**), provide leadership in the development of the Company's mission, vision, principles, values, Strategic Plan and Annual Operating and Capital Plan.

Strategy

3. Approve the development of the Company's strategic direction.
4. Adopt a strategic planning process and, at least annually, approve a Strategic Plan for the Company to maximize shareholder value that takes into account, among other things, the opportunities and risks of the Company's business.
5. Monitor the Company's performance in light of the approved Strategic Plan.

CEO

6. Select, appoint, evaluate and, if necessary, terminate the CEO.
7. Receive and approve recommendations on appropriate or required CEO competencies and skills from the Compensation and Governance Committee ("**CG Committee**").
8. Approve or develop the corporate objectives that the CEO is responsible for meeting and assess the CEO against those objectives.

Succession and Compensation

9. Review and approve the Company's succession plan, including appointing, training and monitoring the performance of senior management of the Company.
10. With the advice of the CG Committee, approve the compensation of senior management and approve appropriate compensation programs for the Company's employees.

Corporate Social Responsibility, Ethics and Integrity

11. Provide leadership to the Company in support of its commitment to corporate social responsibility.
12. Foster ethical and responsible decision-making by management.
13. Set the ethical tone for the Company and its management.
14. Take all reasonable steps to satisfy itself of the integrity of the CEO and management and satisfy itself that the CEO and management create a culture of integrity throughout the organization.
15. At the recommendation of the CG Committee, approve the Company's Code of Business Ethics and Conduct.
16. Monitor compliance with the Company's Code of Business Ethics and Conduct and grant and disclose, or decline, any waivers of the Code of Business Ethics and Conduct for officers and directors.
17. With the CG Committee and/or the Audit Committee and the Board Chair and/or Lead Director (if a Lead Director has been appointed), as appropriate, respond to potential conflict of interest situations.

Governance

18. With the CG Committee, develop the Company's approach to corporate governance, including adopting a Corporate Governance Policy that sets out the principles and guidelines applicable to the Company.
19. At least annually, as the CG Committee decides, receive for consideration each Board committee's (**Board Committee**) evaluation and any recommended changes, together with the evaluation and any further recommended changes of another Board Committee, if relevant, to the Company's governance and related policies including the Board and Board Committee mandates.
20. With the CG Committee, ensure that the Company's governance practices and policies are appropriately disclosed.
21. At the recommendation of the CG Committee, annually determine those directors to be designated as independent and ensure appropriate disclosures are made.
22. At the recommendation of the CG Committee, annually determine those directors on the Audit Committee possessing "financial literacy" under applicable law and ensure appropriate disclosures are made.

Communications, Disclosure and Compliance

23. Adopt an External Communications Policy for the Company that addresses disclosure matters and matters related to trading in the Company's securities.

24. At least annually, review the External Communications Policy and consider any recommended changes.
25. Ensure policies and procedures are in place to ensure the Company's compliance with applicable law, including timely disclosure of relevant corporate information and regulatory reporting.
26. Establish and disclose a process to permit stakeholders to directly contact the independent directors as a group.

Health, Safety and Environmental Leadership

27. Possess oversight responsibilities with respect to the development, monitoring, reporting and effective implementation of systems, programs and initiatives for the management of health, safety, security and environment matters that may affect the Company.
28. Encourage, assist and counsel management in maintaining and improving and dealing with current and emerging issues in health, safety, security and environment.
29. Lead discussions of current and emerging issues (including the establishment of appropriate plans) relevant to the Company's operations with respect to health, safety, security and environment.

Health, Safety and Environmental Performance

30. Review a report from management with respect to operational risks, health, safety, security and environment at each regularly scheduled meeting. This report will provide an update of current activities and an analysis of performance compared with annual plans and objectives. Review reports prepared by management with respect to any extraordinary event or condition involving significant environmental damage, significant risk to public health or safety, major public controversy, material liability, or potential therefore.
31. Consider the recommendations of management in its reports, assess proposed action plans.
32. Review any other reports the Board deems appropriate, including internal and external audit reports including the findings of any significant examination by regulatory agencies concerning the Company's physical assets, health, safety, security or environment matters.

Health, Safety and Environmental Compliance and Risk

33. Monitor compliance and risk with applicable law related to health, safety, security and environment.
34. Monitor compliance and risk with the Company's policies related to health, safety, security and environment.

35. Assess the impact of proposed or enacted laws and regulations related to health, safety, security and environment.

Health, Safety and Environmental Risk Management

36. Take reasonable steps to ensure that there are long range preventative programs in place to limit the potential for future liability. Review reports required to adequately monitor the long range preventative programs.
37. Take reasonable steps to oversee strategies for risk mitigation and to ensure all necessary corrective measures are taken by the Company when health, safety, security or environment issues are identified.
38. Review with management health, safety, security and environment emergency response planning procedures of the Company.
39. Periodically review the health, safety, security and environment policies of the Company.
40. Monitor current, pending or threatened legal actions by or against the Company related to matters of health, safety, security and environment.

Environment, Social and Governance (“ESG”)

41. Review and monitor the Company’s commitment, overall plans, policies and strategies in the areas of:
- (a) environmental considerations;
 - (b) social responsibility;
 - (c) ethics and corporate citizenship;
 - (d) the relationship of the Company with the communities it operates in; and
 - (e) corporate governance;
- to enhance the Corporation’s performance and image amongst all stakeholders.
42. Review the Company’s disclosure of ESG plans, policies and performance.

Board Chair

43. Annually appoint the Chair of the Board.

Lead Director

44. If the Chair of the Board is not “independent” within the meaning of NI 58-101 or its successor instrument, then the Board will appoint an independent Lead Director. In appropriate circumstances, at its discretion, the Board may also appoint a Lead Director to assist an independent Board Chair to ensure Board leadership and responsibilities are

conducted in a manner to further enhance the Board’s effectiveness and independence.

Committees

45. Appoint an Audit Committee with the responsibility to assist the Board in fulfilling its audit oversight responsibilities with respect to: (i) the integrity of annual and quarterly financial statements to be provided to shareholders and regulatory bodies; (ii) compliance with accounting and finance based legal and regulatory requirements; (iii) the external auditor’s qualifications, independence and compensation, and communicating with the external auditor; (iv) the system of internal accounting and financial reporting controls that management has established; and (v) performance of the external audit process and of the external auditor. The Audit Committee will also have the responsibility to assist the Board in fulfilling its financial oversight responsibilities with respect to: (i) financial policies; (ii) financial risk management practices; and (iii) transactions or circumstances which could materially affect the financial profile of the Company.
46. Appoint the CG Committee with the responsibility to assist the Board in fulfilling its governance oversight responsibilities with respect to: (i) the development and implementation of principles and systems for the management of corporate governance; (ii) identifying qualified candidates and recommending nominees for director and Board Committee appointments; (iii) evaluations of the Board, Board Committees, all individual directors, the Board Chair, the Lead Director (if a Lead Director has been appointed) and Board Committee Chairs; and (iv) implementation and effectiveness of, and the compliance programs under, the Code of Business Ethics and Conduct. The CG Committee will also have the responsibility to assist the Board in fulfilling its compensation oversight responsibilities with respect to: (i) key compensation and human resources policies; (ii) CEO objectives, performance reviews and compensation; (iii) executive management compensation; (iv) executive management succession and development; and (v) reviewing executive compensation disclosure before its release.
47. Appoint a Reserves Committee with the responsibility to assist the Board in fulfilling its reserves and resources oversight responsibilities with respect to the evaluation and reporting of the Company’s oil and gas reserves and resources and related matters including by reviewing and making recommendations to the Board with respect to: (i) the reserves data (oil and gas reserves and associated future net revenues) and resources data of the Company that will be made publicly available and filed with applicable regulatory authorities; and (ii) the Company’s procedures relating to the disclosure of information with respect to oil and gas activities.

48. In the Board's discretion, appoint any other Board Committees that the Board decides are needed or beneficial, and delegate to those Board Committees any appropriate powers of the Board.
49. In the Board's discretion, annually appoint the Chair of each Board Committee.

Delegations and Approval Authorities

50. Annually delegate approval authorities to the CEO and review and revise them as appropriate.
51. Consider and, in the Board's discretion, approve financial commitments in excess of delegated approval authorities.
52. Require the Audit Committee to recommend to the Board for consideration the annual and quarterly results, financial statements, MD&A and earnings related news releases prior to filing them with or furnishing them to the applicable securities regulators and prior to any public announcement of financial results for the periods covered.
53. Consider and, in the Board's discretion, approve any matters recommended by the Board Committees.
54. Consider and, in the Board's discretion, approve any matters proposed by management.

Annual Operating and Capital Plan

55. At least annually, approve an Annual Operating and Capital Plan for the Company including business plans, operational requirements, financing plans, organizational structure, staffing and budgets, which support the Strategic Plan.
56. Monitor the Company's performance in light of the approved Annual Operating and Capital Plan.
57. Review the Company's financial strategy considering current and future business needs, capital markets and the Company's credit rating (if any).
58. Review the Company's capital structure including debt and equity components, current and expected financial leverage, and interest rate and foreign currency exposures.

Risk Management

59. Ensure policies and procedures are in place to: identify the principal business risks and opportunities of the Company; address what risks are acceptable to the Company; and ensure that appropriate systems are in place to manage the risks.
60. Discuss with management major financial risk exposures, including those arising from the Company's exposure to changes in interest rates, foreign currency exchange rates and credit. Review the management of these risks including any proposed hedging of the exposures. Review a summary

report of the hedging activities including a summary of the hedge-related instruments.

61. Ensure policies and procedures designed to maintain the integrity of the Company's disclosure controls and procedures are in place.
62. As required by applicable law, ensure policies and procedures designed to maintain the integrity of the Company's internal controls over financial reporting and management information systems are in place.
63. Ensure policies and procedures designed to maintain appropriate auditing and accounting principles and practices are in place.
64. Ensure policies and procedures designed to maintain appropriate safety, environment and social responsibility principles and practices are in place.
65. Periodically review and consider changes to the Company's dividend policy.
66. Review proposed dividends to be declared.

Transactions

67. Review any proposed issues of securities of the Company or proposed issues of securities of the subsidiaries of the Company to parties not affiliated with the Company. When applicable, review the related securities filings.
68. Review any proposed material issues of debt including public and private debt, credit facilities with banks and others, and other credit arrangements such as capital and operating leases. When applicable, review the related securities filings.
69. Receive reports from management on significant, non-material issues of or changes to debt including public and private debt, credit facilities with banks and others, and other credit arrangements such as capital and operating leases.
70. Review any proposed repurchases of shares, public and private debt or other securities.

Orientation / Education

71. With the CG Committee, oversee the development and implementation of a director orientation program covering the role of the Board and the Board Committees, the contribution individual directors are expected to make and the nature and operation of the Company's business.
72. With the CG Committee, oversee the development and implementation of an ongoing director education program designed to maintain and enhance skills and abilities of the directors and to ensure their knowledge and understanding of the Company's business remains current.

Board Performance

73. Oversee the process of the CG Committee's annual evaluation of the performance and effectiveness of the Board, Board Committees, all individual directors, the Board Chair, the Lead Director (if a Lead Director has been appointed) and the Board Committee Chairs, in light of the applicable Mandates and Position Descriptions.
74. Participate in an annual evaluation of Board performance by the CG Committee.
75. Receive and consider a report and recommendations from the CG Committee on the results of the annual evaluation of the performance and effectiveness of the Board, Board Committees, all individual directors, the Board Chair, the Lead Director (if a Lead Director has been appointed) and the Board Committee Chairs.

Board Meetings

76. Meet at least four times annually and as many additional times as needed to carry out its duties effectively. The Board may in appropriate circumstances hold meetings by telephone conference call.
77. Meet in separate non-management and independent director only "in camera" sessions at each regularly scheduled meeting.
78. Meet in separate, non-management and/or independent director only closed sessions with any internal personnel or outside advisors, as needed or appropriate.

Advisors/Resources

79. Retain, oversee, compensate and terminate independent advisors to assist the Board in its activities.
80. Receive adequate funding for independent advisors and ordinary administrative expenses that are needed or appropriate for the Board to carry out its duties.

Other

81. To honour the spirit and intent of applicable law as it evolves, authority to make minor technical amendments to this Mandate is delegated to the Corporate Secretary, who will report any amendments to the CG Committee at its next meeting.
82. Once or more annually, as the CG Committee decides, this Mandate will be evaluated and updates recommended to the Board for consideration.

Standards of Liability

Nothing contained in this Mandate is intended to expand applicable standards of liability under statutory, regulatory or other legal requirements for the Board or members of any Board Committee. The purposes and responsibilities outlined in this Mandate are meant to serve as guidelines rather than inflexible rules and, subject to applicable law and the articles and bylaws of the Company, the Board may adopt such additional procedures and standards, as it deems necessary from time to time to fulfill its responsibilities.

| | |
|------------------------------|-------------------|
| Adopted: | December 11, 2009 |
| Revised and Approved: | March 6, 2020 |
| | December 6, 2017 |
| | July 6, 2017 |
| | May 11, 2015 |
| | March 11, 2015 |
| | March 20, 2013 |

Appendix D

ATHABASCA OIL CORPORATION EQUITY OWNERSHIP AND RETENTION GUIDELINES FOR NON-EXECUTIVE DIRECTORS AND EXECUTIVE OFFICERS

1. **Directors and Executives Subject to these Guidelines:** The Non-Executive Directors, Chief Executive Officer, and all Vice Presidents are subject to these guidelines.

2. **Purpose:** These guidelines are intended to align the interests of Athabasca's non-executive directors and executive officers with the interests of its shareholders, to promote an "ownership culture" amongst the executive officers and demonstrate their financial commitment to Athabasca, and to encourage the executive officers to focus on long-term value creation.

The Compensation and Corporate Governance Committee is responsible for monitoring compliance with these guidelines on an annual basis.

3. **Equity Ownership Guidelines:** Each non-executive director and executive officer is expected to accumulate equity in Athabasca equal to a multiple of their base annual salary as follows:

| Title | Multiple of Base Annual Salary |
|--------------------------|---|
| Non-Executive Directors | 3x annual cash retainer and equity retainer |
| Chief Executive Officer | 3x base annual salary |
| Other Executive Officers | 2x base annual salary |

Existing non-executive directors and executive officers have five years from March 18, 2014 to meet their applicable minimum required levels of equity ownership. Non-executive directors and executive officers appointed after March 18, 2014 have five years from the date of their appointment to meet their applicable equity ownership requirements.

4. **Compliance Calculation:** The determination of whether a non-executive director or executive meets the applicable guideline will be made on December 31 of each year by using the greater of: (a) the average closing price of

Athabasca shares on the TSX for the prior 60 day period and (b) the acquisition cost of the applicable form of equity.

Subject to the paragraph immediately below, if an executive officer fails to meet the applicable guideline, the executive officer will be required to use up to one-third of any net annual cash bonus to purchase Athabasca shares.

If a non-executive director or executive officer falls below the applicable guideline due solely to a decline in the value of the Athabasca shares, the non-executive director or executive officer will not be required to acquire additional shares to meet the guideline, but he or she will be required to retain all shares then held (except for shares withheld to pay withholding taxes or the exercise price of options) until such time as the non-executive director or executive officer again attains the target multiple.

Equity that counts toward meeting the stock ownership guidelines:

- (a) shares owned directly or indirectly;
- (b) shares over which the non-executive director or executive officer exercises control or direction;
- (c) unvested restricted share units;
- (d) unearned PSUs calculated using a 1x multiplier;
- (e) deferred share units; and
- (f) units in the company's Employee Profit Sharing Plan.

Unexercised stock options will not count toward meeting the stock ownership guidelines.

APPROVED: March 18, 2014

AMENDED: May 9, 2018

AMENDED: March 16, 2022

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