Premier Oil Assets Driving Free Cash Flow and Shareholder Returns

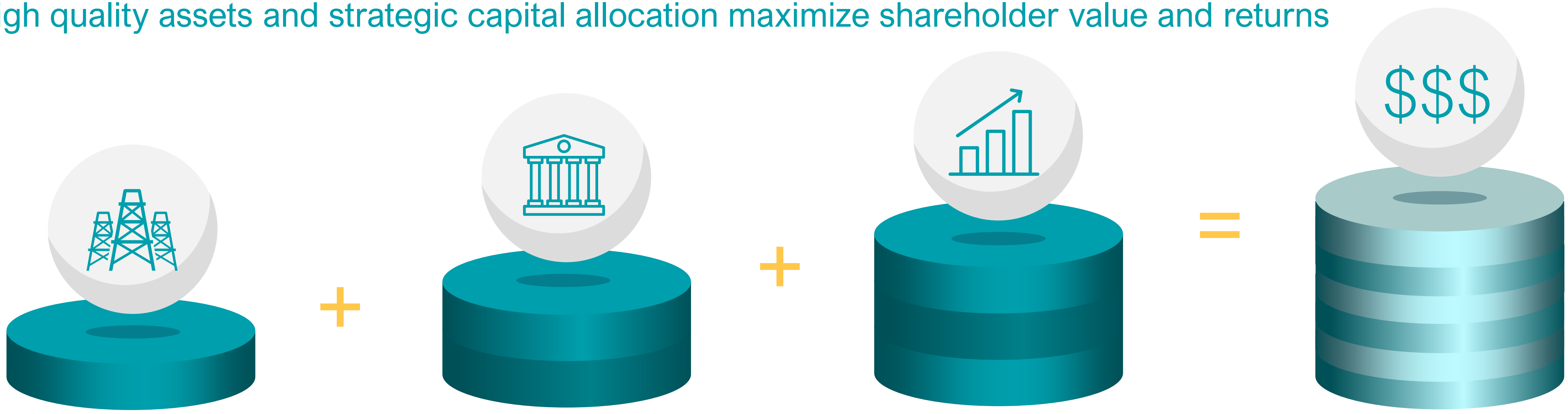
CORPORATE PRESENTATION

SPRING 2024

SURGE ENERGY INC

The Surge Value Proposition

High quality assets and strategic capital allocation maximize shareholder value and returns



High Quality Conventional Assets

- Dominant positions in conventional Sparky and SE Saskatchewan oil plays
- Light/medium oil asset base with large OOIP, high netbacks, and low recoveries
- Multi-year development drilling inventory

Disciplined Capital Allocation

- Targeting low net debt and leverage metrics
- Low declines underpinned by current and future waterflood operations
- High porosity and permeability low-cost conventional reservoirs provide better PEs, IRRs, and PIRs

Proven Track Record of Execution

- Seasoned management team with a proven track record of execution
- Strong governance with significant insider ownership = shareholder alignment and commitment to long-term sustainability and success

Maximize Free Cash Flow and Shareholder Returns

- Focus on operational execution drives enhanced free cash flow and financial flexibility
- A shareholder returns-based model with an increasing, compounding dividend
- Significant tax pools allow for maximum distribution of free cash flow on a tax-efficient basis

[1] *Surge has $1.2 billion in tax pools, representing a 4-year tax horizon at US$75 WTI pricing.*

Please see the Advisories section at the back of this presentation for further details regarding forward-looking statements, oil and gas information, and non-GAAP and other financial measures.

Proven Business Strategy

Focused on sustainable returns and enhancing free cash flow

Surge executes on a simple, repeatable business strategy:

- Develop high quality conventional oil reservoirs with proven technology, and further enhance recovery through waterflood;
- Strategically allocate capital to highest return opportunities to maximize free cash flow generation; and
- Positively impact the communities in which we operate through our commitment to strong environment, social, and governance (ESG) principles.

1 **DISCIPLINED CAPITAL ALLOCATION**

Undertake low cost, low risk projects that support sustainability

2 **FINANCIAL FLEXIBILITY**

Focus on high return strategic opportunities to maximize free cash flow and shareholder returns, and enhance liquidity

3 **RESPONSIBLE ESG PRINCIPLES**

Continued focus on minimizing environmental impact and investing in community engagement

SUSTAINABLE STRATEGY

Please see the Advisories section at the back of this presentation for further details regarding forward-looking statements, oil and gas information, and non-GAAP and other financial measures.

2023 Highlights

SURGE

In 2023, Surge:

- Achieved record annual production of 24,438 boepd (86% liquids), an increase of 15% over 2022;
- Delivered $94 million of free cash flow (before dividends), representing 35% of cash flow from operating activities;
- Reduced net debt by $62 million (18%) and net operating expenses by $2.36 per boe (11%) while distributing $46.8 million in dividends to shareholders;
- Executed a successful drilling program of 70 gross (64.5 net) wells in its Sparky and SE Saskatchewan core areas;
- Repaid in full its $47.9 million first lien term loan facility; and
- Delivered a Total Proved Finding, Development & Acquisition (“FD&A”) cost of $21.59/boe, resulting in a 1.8x Recycle Ratio on a 2023 operating netback of $39.07/boe (before realized losses on financial contracts).

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Corporate Guidance for 2024

Key Guidance & Assumptions[1]	US$75 WTI
2024 Annualized cash flow from operating activities[2]	**$295 MM**
2024 Annualized free cash flow before dividends	**$105 MM**
2024 All-in payout ratio (including $0.48/share annual dividend)	**81%**
2024 Exit net debt to exit cash flow from operating activities	**0.7x**

Market Snapshot

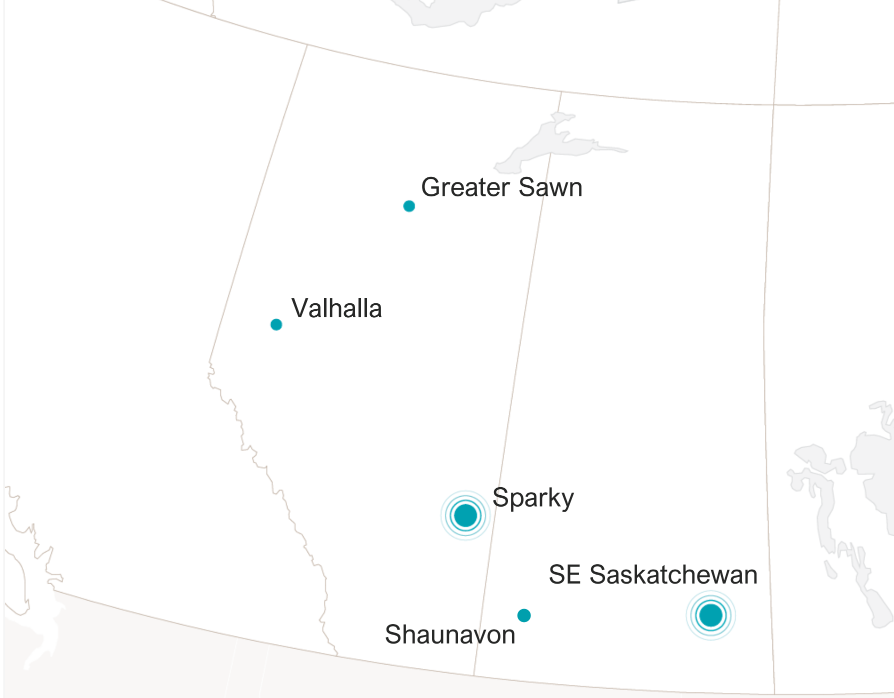
Basic Shares Outstanding[3]	100.3 MM
Average Daily Volume	0.5 MM Shares
Market Capitalization / Debt / Enterprise Value[4]	$700MM / $290MM / $990 MM

25,000 BOEPD
2024 Production Forecast (est.)

$190 MILLION
Sustainably-Oriented 2024 Capital Budget (est.)

$0.48
Annual per share dividend[5]

Focused on returns and enhancing free cash flow while managing risk



[1] Based on the following pricing assumptions: US$75 WTI/bbl (WCS: US$16.00, EDM US$3.50 differentials), CAD/USD FX of $0.725 and AECO of $2.95 per mcf
[2] Assumes nil change in non-cash working capital.
[3] As at December 31, 2023
[4] Market Capitalization and Enterprise Value at $7.00 per share SGY and based on net debt of $290MM as at December 31, 2023.
[5] Please see the Advisories section at the back of this presentation for further details regarding forward-looking statements, oil & gas information, and non-GAAP and other financial measures.

2023 Reserves and Net Asset Value

Dec. 31, 2023 Sproule Reserves

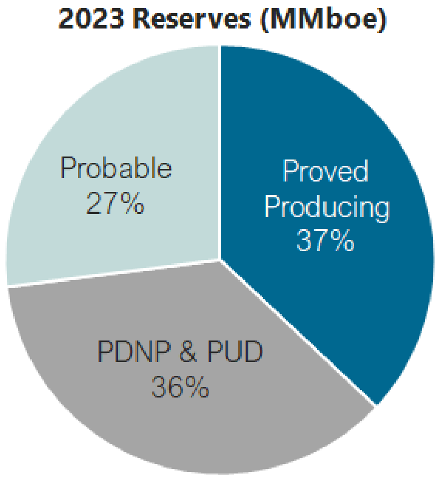
Gross Reserves[1]	Oil Equivalent Total Reserves (Mboe)	Oil & Liquids (%)	BTax NPV10 ($MM)[2,3]
Proved Developed Producing (PDP)	42,814	88%	$858
Total Proved (1P) *(397 net locations)*	84,924	87%	$1,421
Total Proved Plus Probable (2P) *(489 net locations)*	116,683	86%	$2,059

Dec. 31, 2023 Net Asset Value on YE2023 Sproule Reserves

	Proved Producing	Total Proved (1P)	Proved + Probable (2P)
BTax NPV10 ($MM)	$858	$1,421	$2,059
Net Debt ($MM)	($290)	($290)	($290)
Total Net Assets ($MM)	$568	$1,131	$1,769
Basic Shares Outstanding (MM)	100.3	100.3	100.3
Estimated NAV per Basic Share	$5.66/share	$11.27/share	$17.63/share

Surge provides an excellent value proposition, trading at just 39% of its 2P NAV per share, which includes only half of SGY's total drilling locations.

Surge's peer group leading Free Cash Flow yield (~15%) and $17.63 2P NAV per share provide a significant runway for continued shareholder value creation.



[1] Amounts might not add due to rounding
[2] Before Tax Net Present Value of Future net Revenue discounted at 10%
[3] Total ADR (Abandonment, Decommissioning, Reclamation) is included in the reserves report, as it is best practice stated in the COGE Handbook.

Return of Capital Framework

Surge is well positioned to deliver returns to shareholders through its base dividend and excess Free Cash Flow

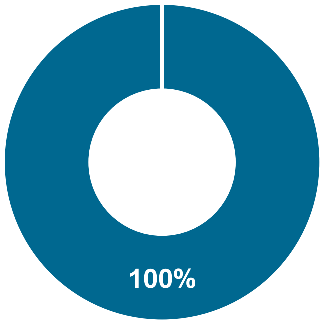
2024 Guidance Cashflow @ US$75 WTI:
$295 million

Excess FCF After Dividends:
$57 million

Base Dividend:
$48 million

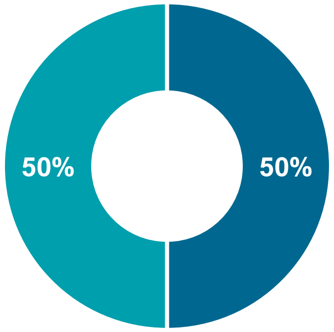
2024e Capital:
$190 million

Allocation of Excess Free Cash Flow (after Base Dividend)



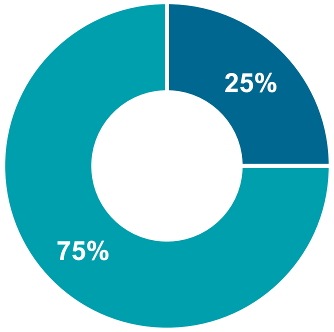
Phase 1 Net Debt Target:
>$250MM

- Debt Repayment (100%)



Phase 2 Net Debt Target:
$250MM - $175 MM

- Debt Repayment (50%)
- Share Buybacks & Special Dividends (50%)



Phase 3 Net Debt Target:
<$175MM

- Debt Repayment (25%)
- Share Buybacks, Special Dividends, Production Growth (75%)

Surge will deliver enhanced shareholder returns above the current base dividend through share buybacks and/or special dividends as the above phased Net Debt Target levels are achieved.

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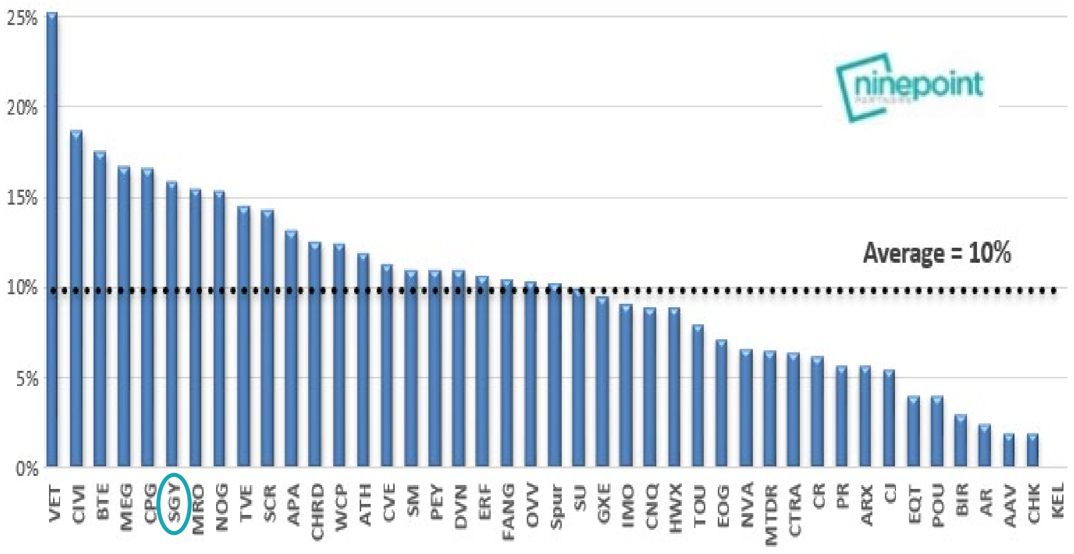
Positioned To Be A Top Performer

SURGE

Surge has been independently recognized as having one of the best FCF yields in its intermediate peer group while trading at a very attractive NAV valuation.

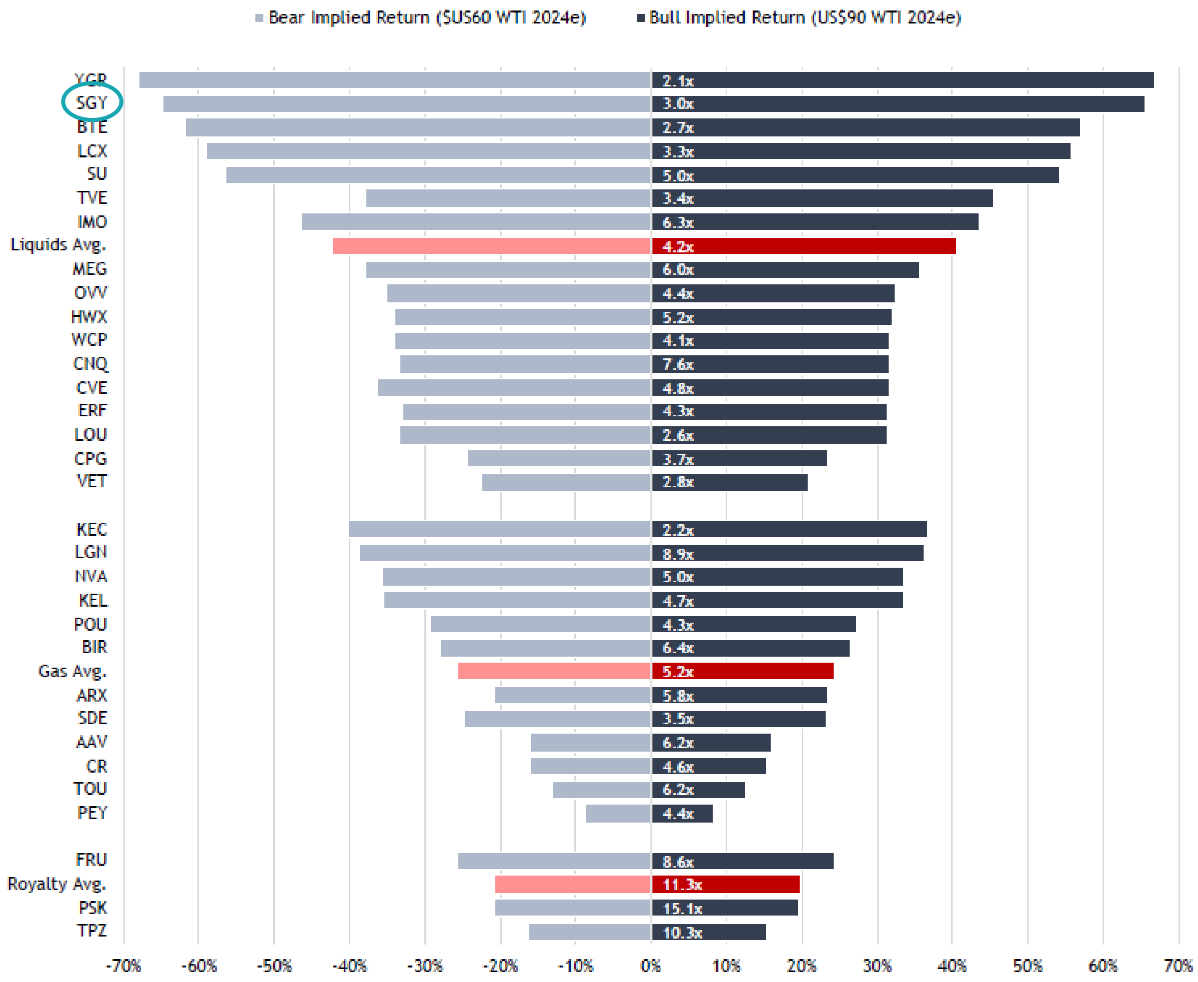
Surge's top tier FCF yield takes into account its high netbacks (>$40/boe), low annual corporate production decline (25%), and quick well payouts (<10 months) at Sparky and SE Saskatchewan.

2024 Free Cash Flow Yield at $75 WTI



Source: Ninepoint Partners, February 8, 2024; Natural Gas strip, forex strip, and $15.00 WCS Differential

2024e Implied Share Price (US$90 WTI & US$60 WTI)



Note: Residuals ran on strip pricing as of 2024-02-28; Targets calculated using 2024e EV/DACF multiple at strip as of 2024-02-29 (shown as data labels)

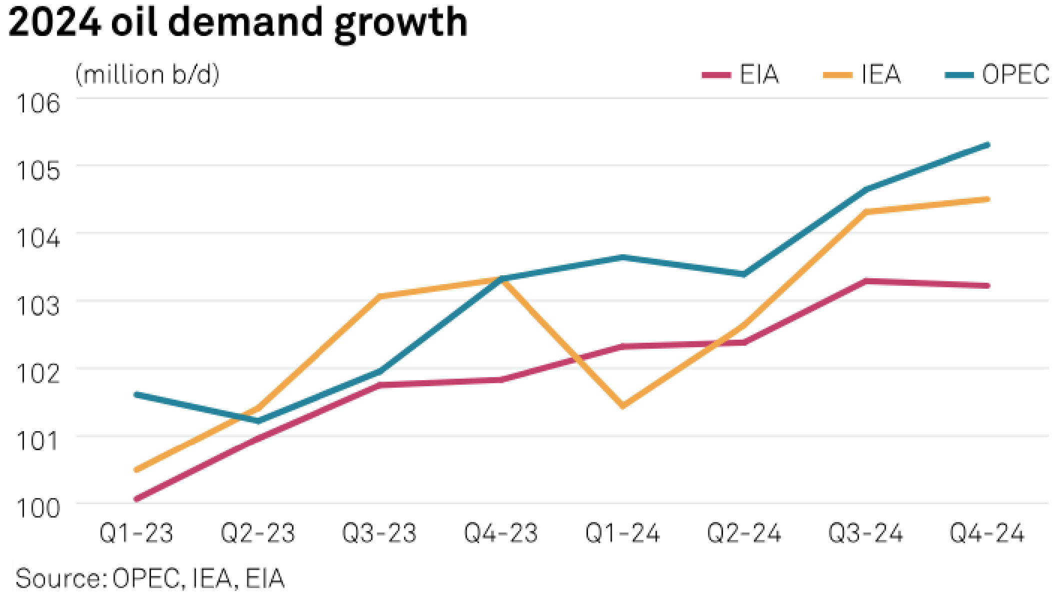
Source: NBF, Company Reports, LSEG, Bloomberg

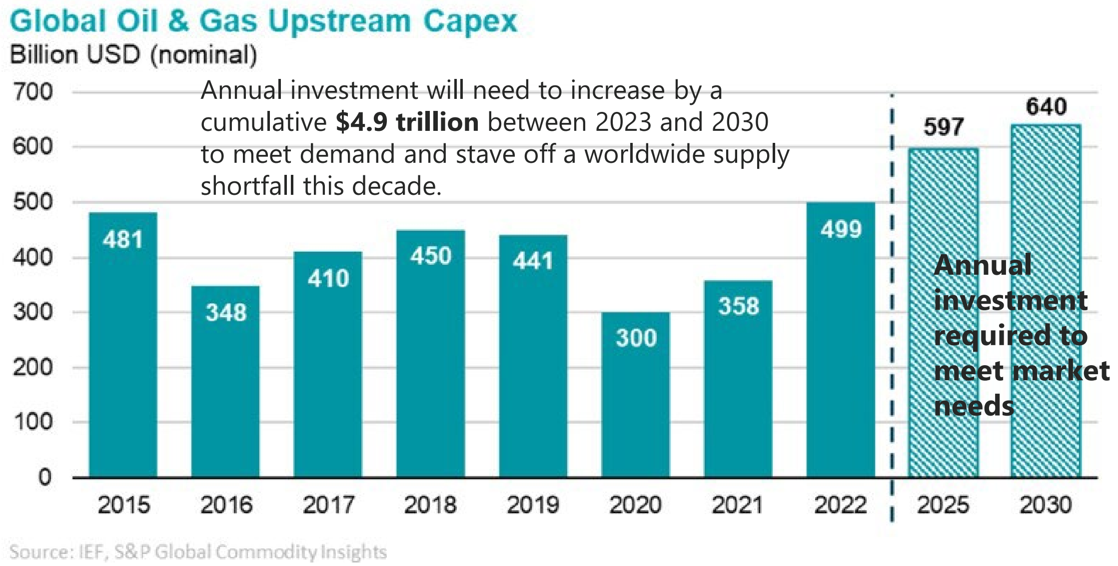
Compelling opportunity for energy investors

While upstream investment is recovering from the 2020-2021 downturn, annual investment will need to increase by a cumulative $4.9 trillion between 2023 and 2030 to meet demand and stave off a worldwide supply shortfall this decade.

This investment imbalance will continue to have serious implications for the global economy and energy security.

Energy will continue to offer investors a highly attractive value proposition in 2024 and beyond

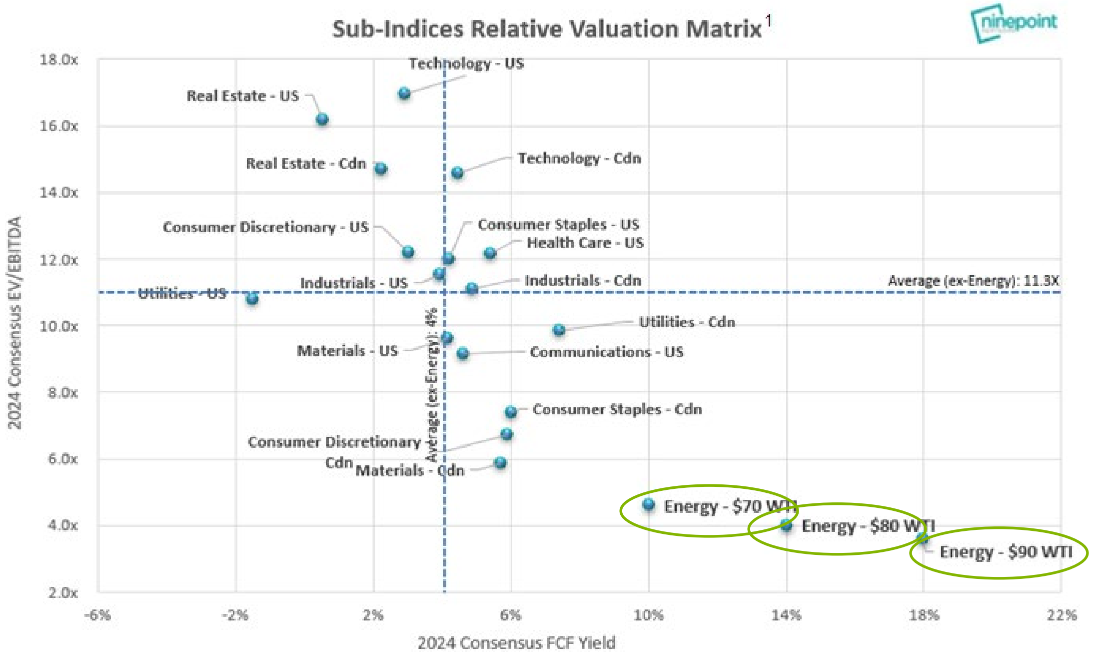


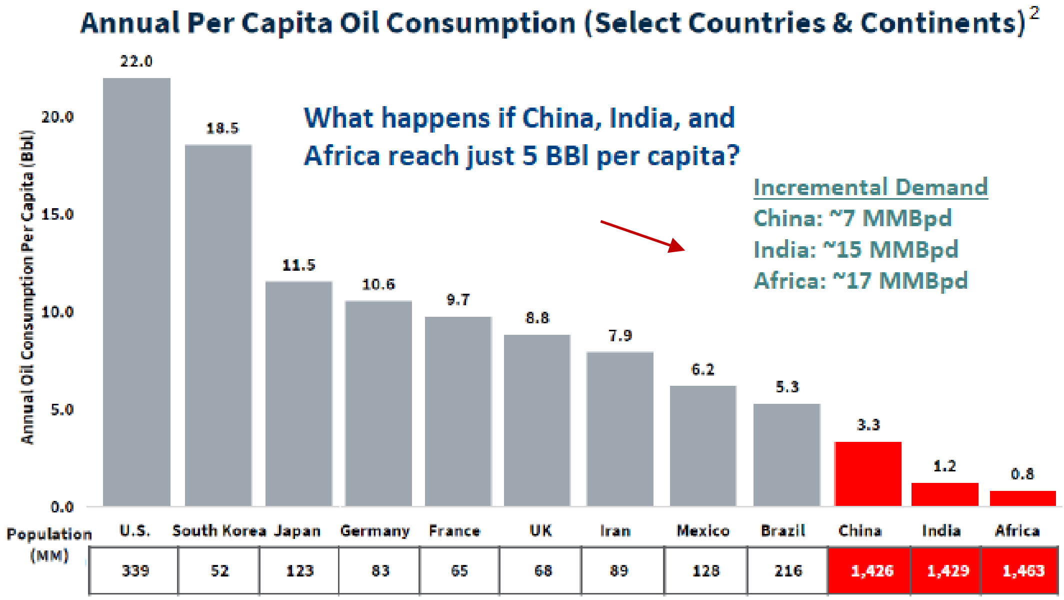


Compelling opportunity for energy investors

With historically low debt levels, excellent free cash flow yields, and low trading multiples, top oil companies offer more attractive returns to investors than any other industry sector today.

The forecast for oil prices in 2024 remains bullish, driven by chronic sector underinvestment and ever-increasing demand spurred by the industrialization of the world's fastest-growing major economies, China and India. This is expected to be the single biggest driver of global oil demand growth over the next two decades.





[1] *Source: Bloomberg, Ninepoint Partners*
Energy sub-index uses Ninepoint estimates and EV/CF vs. EV/EBITDA for other sub-indices.
[2] *Source: EIA, BP Statistical Review of World Energy.*

Sparky and SE Saskatchewan

*Surge offers exposure to **two of the top three** conventional oil growth plays in Canada*

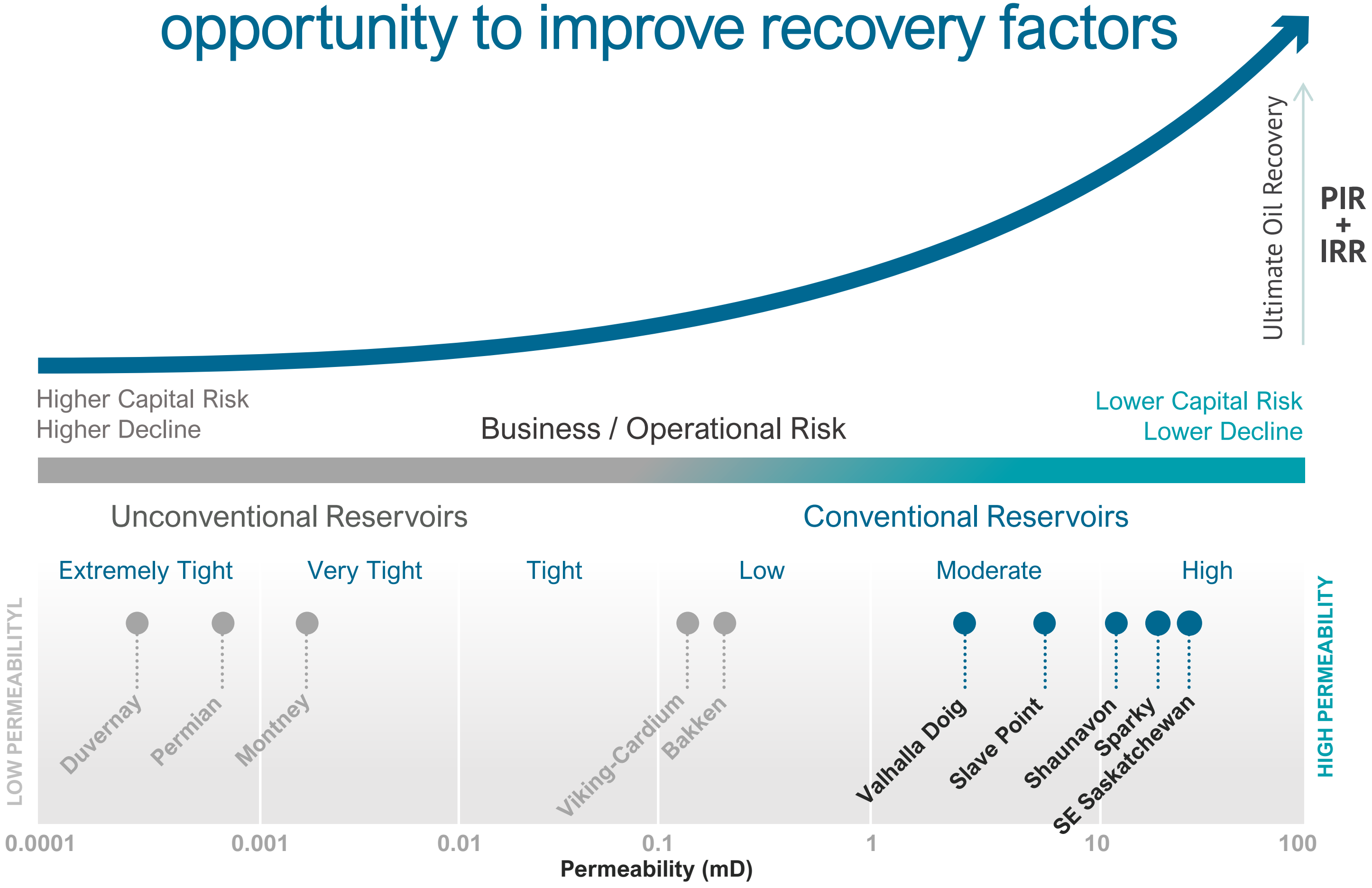
SURGE ENERGY INC

Advantages of Conventional Reservoirs

Surge proactively targets low risk conventional reservoirs. The Company currently has >3.0 billion barrels of net OOIP with a 7.7% recovery factor (cum to date).

- High permeability and conventional reservoirs lower capital risk and decline profiles.
- Potential for greatly improved ultimate oil recovery and greater IRR and PIR.
- Enhanced oil recovery from waterflood potential lowers decline rates and adds incremental barrels at a low cost.

Conventional reservoirs offer lower risk, predictable, repeatable development with opportunity to improve recovery factors



Increasing permeability = higher quality reservoir

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Sparky and SE Saskatchewan provide exceptional economics and a depth of drilling inventory

Sparky

Light/medium crude oil production with compelling returns. Low on-stream costs with extensive drilling and waterflood inventory provides excellent long term sustainable growth potential.

SE Saskatchewan

Highly focused, operated asset base with excellent light oil operating netbacks. Low-cost wells with short payouts. Potential for continued area consolidation.

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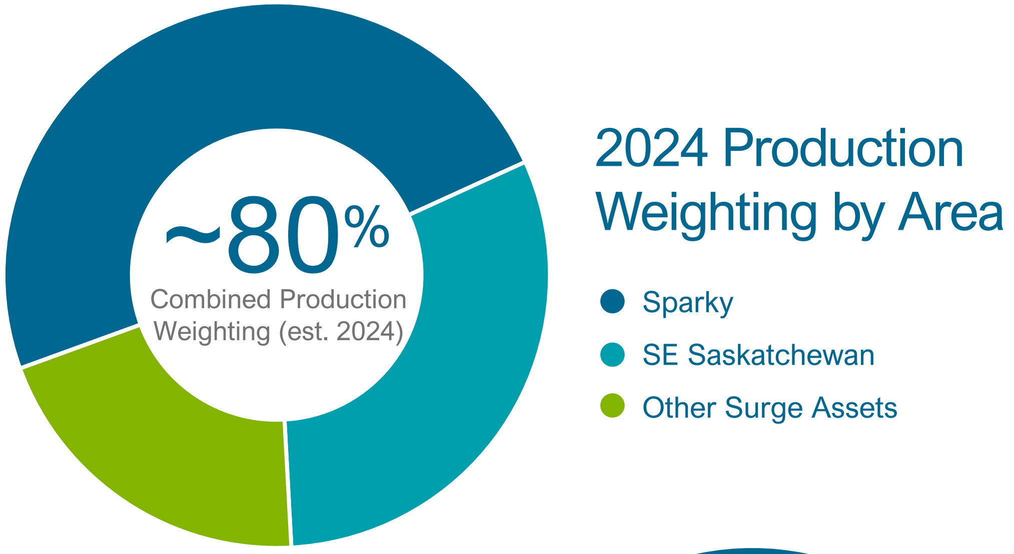


Sparky

A One-of-a-Kind Position

Surge holds a dominant land position and is drilling a mix of horizontal multi-frac and horizontal multi-lateral wells in the Sparky

Sparky Formation Facts

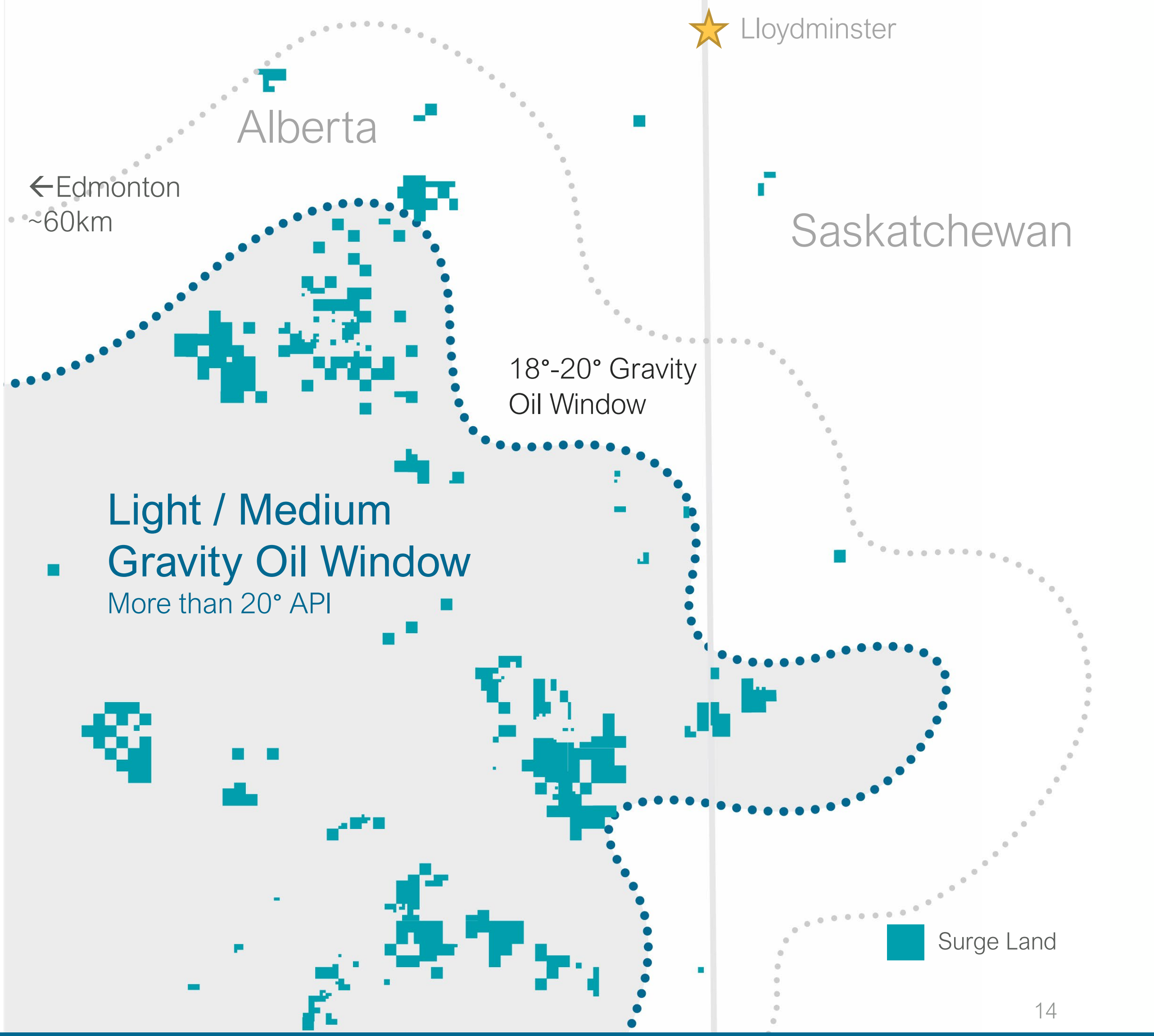
First Production	May 1922
Original Oil in Place	>11 Bbbls
Cum Production	~1.32 Bbbls
Recovery Factor to date	~12%
Producing Wells	~23,000
Hz Wells	~1,300
Multi-Frac Hz Wells	~420
Surge Drilled Multi-Frac Hz	>225
Multi-Leg Hz Wells	~475
Surge Drilled Multi-Leg Hz	18

Data sourced from Canadian Discovery and Geoscout

- Large, well established oil producing fairway in Western Canada
- Increased market focus with operators implementing multi-lateral horizontals in areas of higher oil viscosity; being compared to the Clearwater
- Per well economics with quick payouts and excellent rates
- Conventional sandstone reservoirs support top-tier capital efficiencies
- Shallow depth (700-900m)
- Low geological risk due to 3D seismic and thousands of vertical penetrations

Over 11 Billion Barrel Trend

One of Canada's Largest Accumulations of Oil

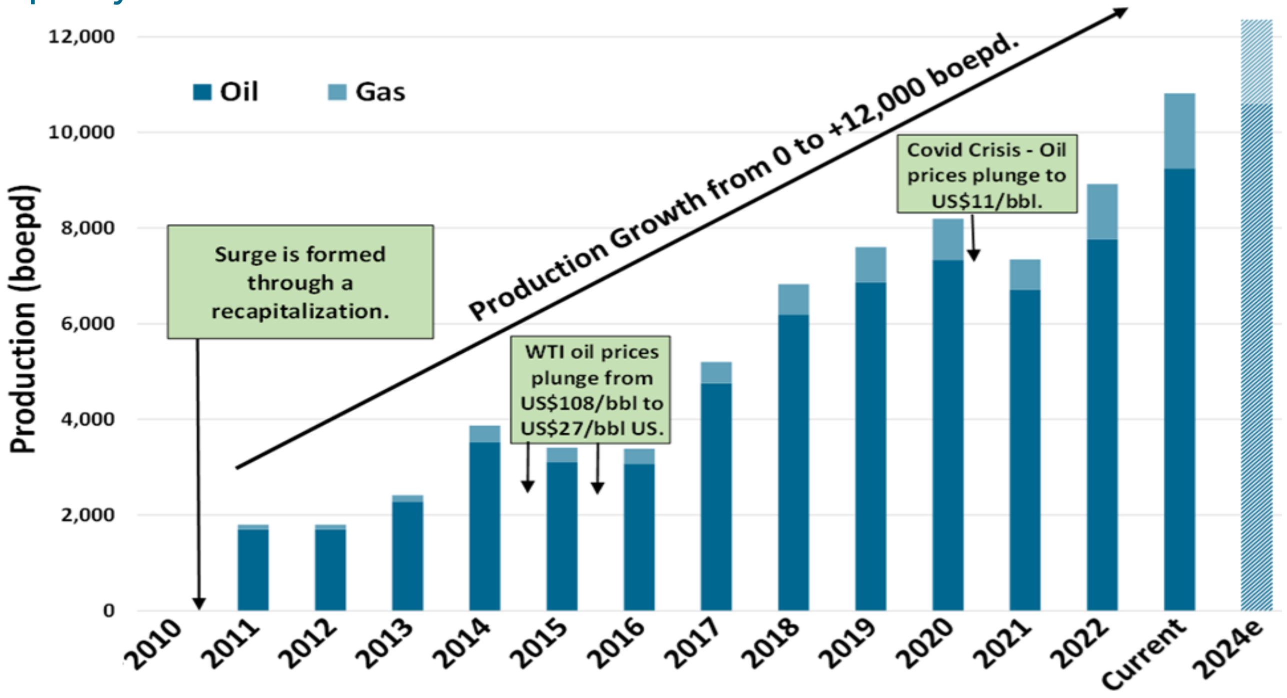


Sparky Core Area

Long-Term Growth Potential

Pad drilling, advanced horizontal multi-stage fracturing technology, and multi-lateral horizontal success has unlocked the potential of the Sparky play

Sparky Core Area Production Growth



- Production has grown by >500% from 1,800 boepd in 2011 to ~11,500 boepd today
- Low-cost drilling (DCET of ~$1.6MM per well)
- Focus on lighter WCS oil gravity (18-31° API) = higher operating netbacks
- Proven waterflood potential (Wainwright pool at >30% recovery factor)

>1 billion bbls
OOIP net to SGY (internally estimated)

>470 net
>85 Multi-Lateral Locations
** As of Jan. 1, 2024*

>11,500 boepd
Production (>85% liquids)

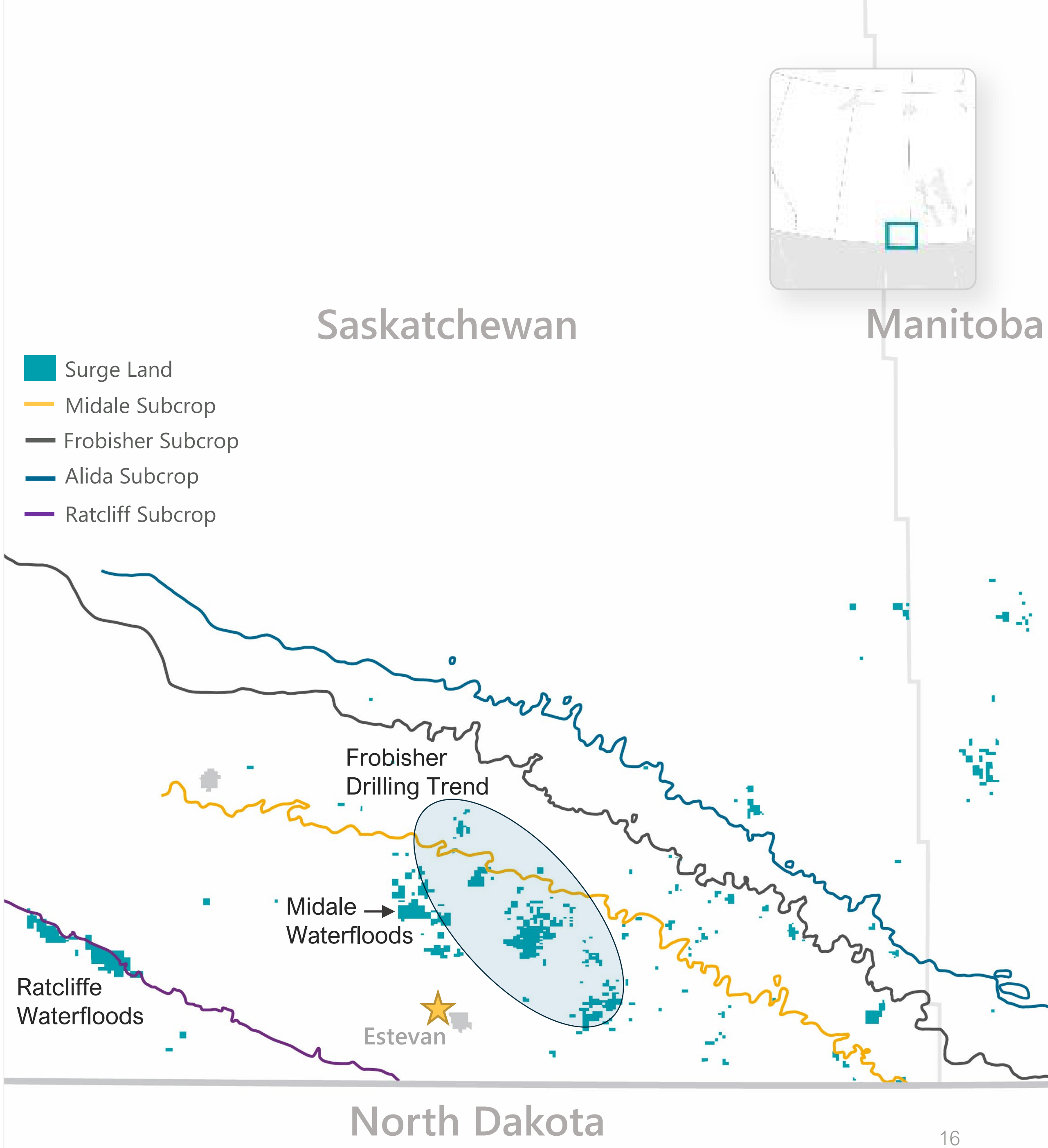
>$190 million
Field level cash flow (at US$80/bbl WTI)

A Light Oil Balance

Surge's operational track record of success in SE Saskatchewan make this an exciting growth area

Area Benefits

- Organic growth opportunities
- Strategic acquisitions or tuck-in consolidation opportunities
- Cost-efficient drilling (DCET of $1.45MM per well)
- Extremely quick turnaround from spud to on production (under two weeks)
- High operating netback light oil production and reserves
- Mix of low decline waterfloods & highly economic drilling
- Assets have low liabilities; minimal inactive ARO
- Year-round access



Data sourced from Canadian Discovery and Geoscout

Key Growth Driver

High operating netback light oil production and reserves from low risk, proven conventional reservoirs

Key Operational Areas

SE Saskatchewan	~7,600 boepd (>90% light oil)
Manitoba	~400 boepd (~99% light oil)

>400 million bbls

OOIP net to SGY *(internally estimated)*

>290 net

SE Saskatchewan drilling locations

** Internally estimated as of Jan 1, 2024*

~8,000 boepd

Production (90% liquids)

>$150 million

Of field level cash flow (at US$80/bbl WTI)

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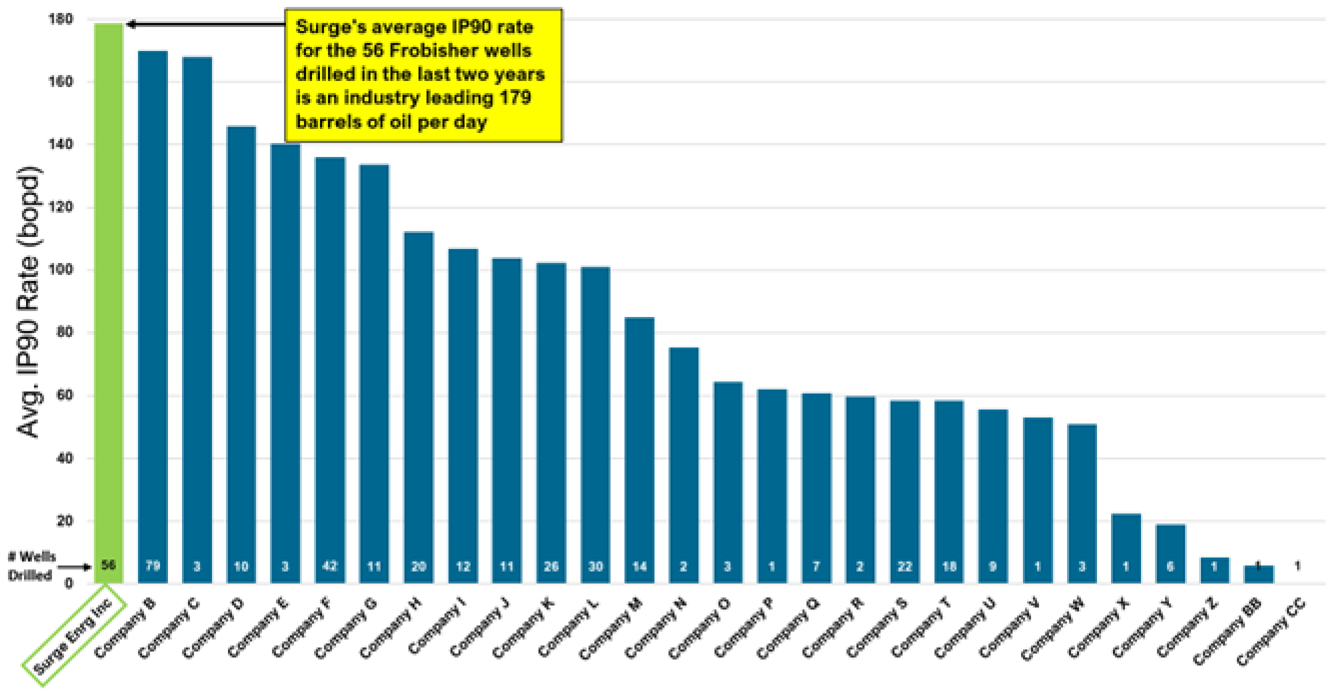
Key Growth Driver

High operating netback light oil production and reserves from low risk, proven conventional reservoirs

Key Operational Areas

SE Saskatchewan	~7,600 boepd (>90% light oil)
Manitoba	~400 boepd (~99% light oil)

SE Saskatchewan Frobisher Average IP90 By Operator *(January 2022 - December 2023)*



>400 million bbls

OOIP net to SGY *(internally estimated)*

>290 net

SE Saskatchewan drilling locations

** Internally estimated as of Jan. 1, 2024*

~8,000 boepd

Production (90% liquids)

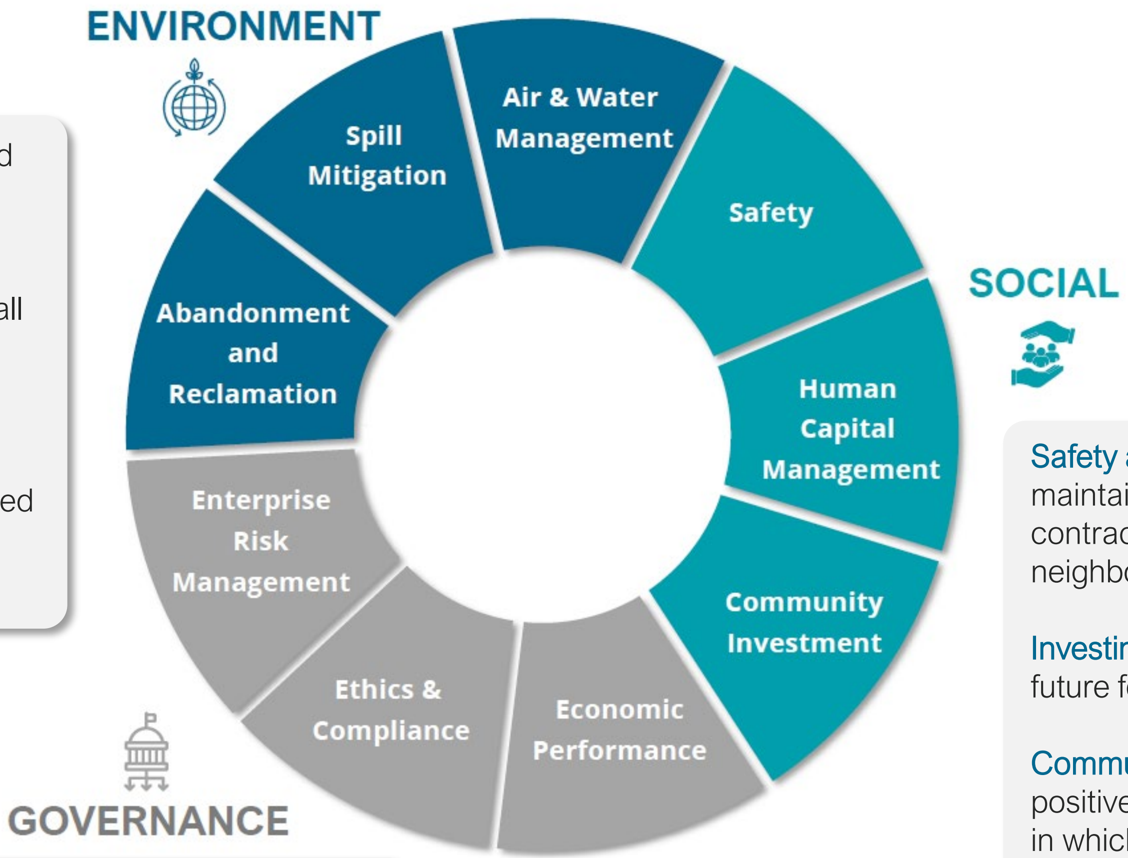
>$150 million

Of field level cash flow (at US$80/bbl WTI)

Please see the Advisories section at the back of this presentation for further details regarding forward-looking statements, oil and gas information, non-GAAP and other financial measures, and additional metrics.

Committed to Sustainability

Surge is dedicated to responsible asset development and creating value for current and future generations



Climate focus: integrate climate risks and opportunities within both Board and Executive management mandates

Minimize environmental impact: ensure all operating areas are returned to their natural state at the end of the operating lifecycle

Well and pipeline abandonment: continued focus on reducing our abandonment liability

Safety above all else: protect and maintain the well-being of employees, contractors, and community neighbours

Investing in people to ensure a strong future for Surge

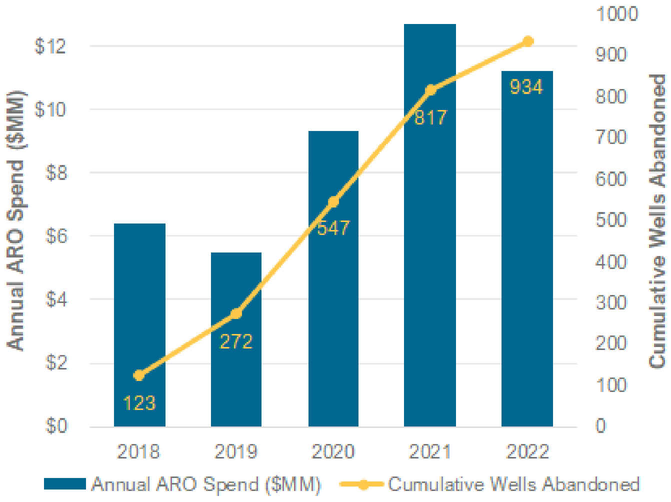
Community engagement: investing in positively impacting the communities in which Surge operates

Board and workplace diversity: committed to the objective of having a skilled workforce with diverse representation

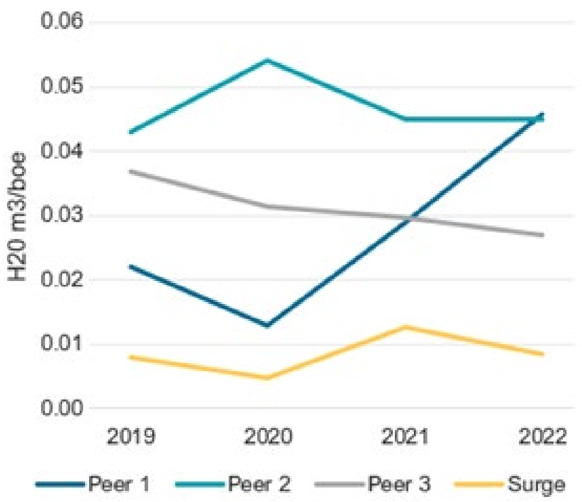
Sustainability in Action

Surge continues to execute on its sustainability priorities

ARO Spending and Well Abandonment



Fresh Water Use Intensity



- Active sustainability advisory committee focused on supporting emission reduction targets, water management, spill mitigation, and environmentally-focused projects
- Invested $11.2 million in abandoning 117 wells and 249 pipeline segments in 2022
- Reduced Scope 1 emissions intensity by 12% y/y in 2022
- Conducted a pilot project to convert flared gas into sales gas through the installation of two Vapour Recovery Units

- 2024 Sustainability Report will be released in May 2024
- Outstanding safety track record, consistently outperforming peer group on safety performance indicators
- Continuously investing in comprehensive leadership training and building a healthy organizational culture
- Won the United Way Community Impact Award of Excellence for outstanding commitment to the Calgary community
- Community investment initiatives focus on supporting local projects and charitable organizations focused on improving education, mental health, athletics, and the arts

Leadership

Paul Colborne

President & CEO

Paul Colborne has over 25 years of experience in the oil and gas industry and has been involved in a leadership, executive, or director capacity with over 30 oil and gas and energy services companies.

Jared Ducs

CFO

Jared Ducs is a Chartered Accountant with more than 17 years of accounting and finance experience in the oil and gas industry. Mr. Ducs is a founding member of Surge, having held several progressively senior positions with the Company.

Murray Bye

COO

Murray Bye is a Professional Engineer with more than 24 years of engineering experience including development, production, and reservoir management in Western Canada.

Derek Christie

Senior VP, Exploration

Derek Christie is a Senior Energy Executive and Professional Geologist with over 28 years of wide-ranging experience across North American Basins in both Conventional and Unconventional Reservoir Exploration and Development.

Margaret Elekes

Senior VP, Land & BD

Margaret Elekes has more than 25 years of experience in the oil and gas industry focusing on negotiations, acquisitions, and divestitures in Canada and the United States.

Board of Directors

Paul Colborne
President & CEO

Jim Pasieka[1]
Chairman

Marion Burnyeat[2,3]
Independent Director

Daryl H. Gilbert[2,4]
Independent Director

Michelle Gramatke[5]
Independent Director

Robert Leach[2,5,6]
Independent Director

Allison Maher[4,5]
Independent Director

Dan O'Neil[3,4]
Independent Director

Murray Smith[2,3]
Independent Director

Board Committees

1. Chair of the Board
2. Member of the Compensation, Nominating and Corporate Governance Committee. Mr. Smith serves as Chair.
3. Member of the Environment, Health and Safety Committee. Mr. O'Neil serves as Chair.
4. Member of the Reserves Committee. Mr. Gilbert serves as Chair.
5. Member of the Audit Committee. Ms. Maher serves as Chair.
6. Lead independent director of the Board.

Corporate Information

TSX

SGY.TO

Headquarters

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First Lien Lending Syndicate

National Bank of Canada

ATB Financial

BDC Capital

Canadian Western Bank

Auditor

KPMG LLP

Legal Counsel

McCarthy Tétrault LLP

Evaluation Engineers

Sproule

Registrar & Transfer Agent

Odyssey Trust

Investor Contacts

Paul Colborne, President & CEO
Jared Ducs, CFO
invest@surgeenergy.ca

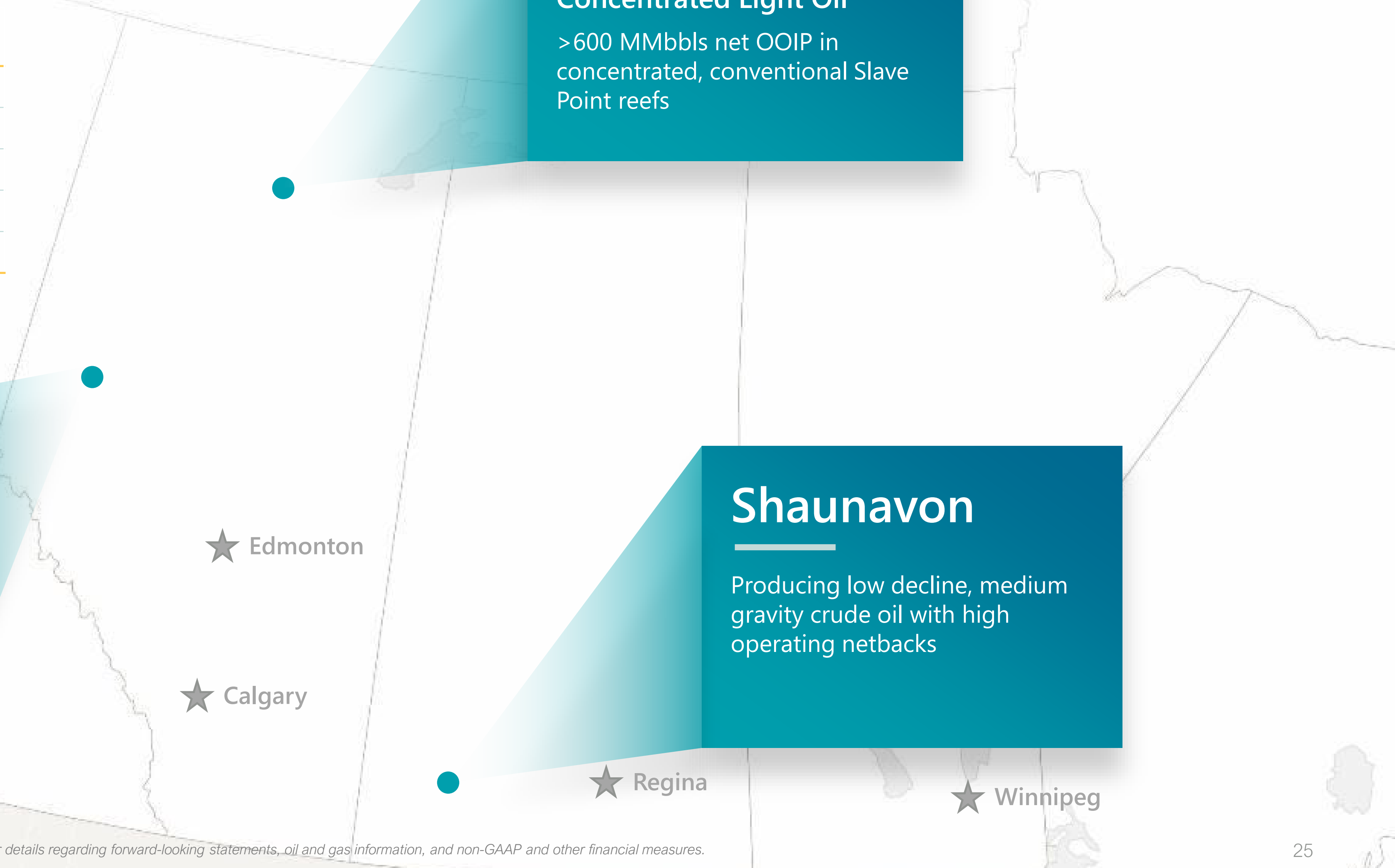
Appendix

SURGE
ENERGY INC

Supporting Assets

Production

Greater Sawn / Carbonates	~2,900 boepd
Valhalla	~2,000 boepd
Shaunavon	~1,150 boepd
Minors	~300 boepd
TOTAL	~6,350 boepd



Greater Sawn

Concentrated Light Oil

>600 MMbbls net OOIP in concentrated, conventional Slave Point reefs

Valhalla

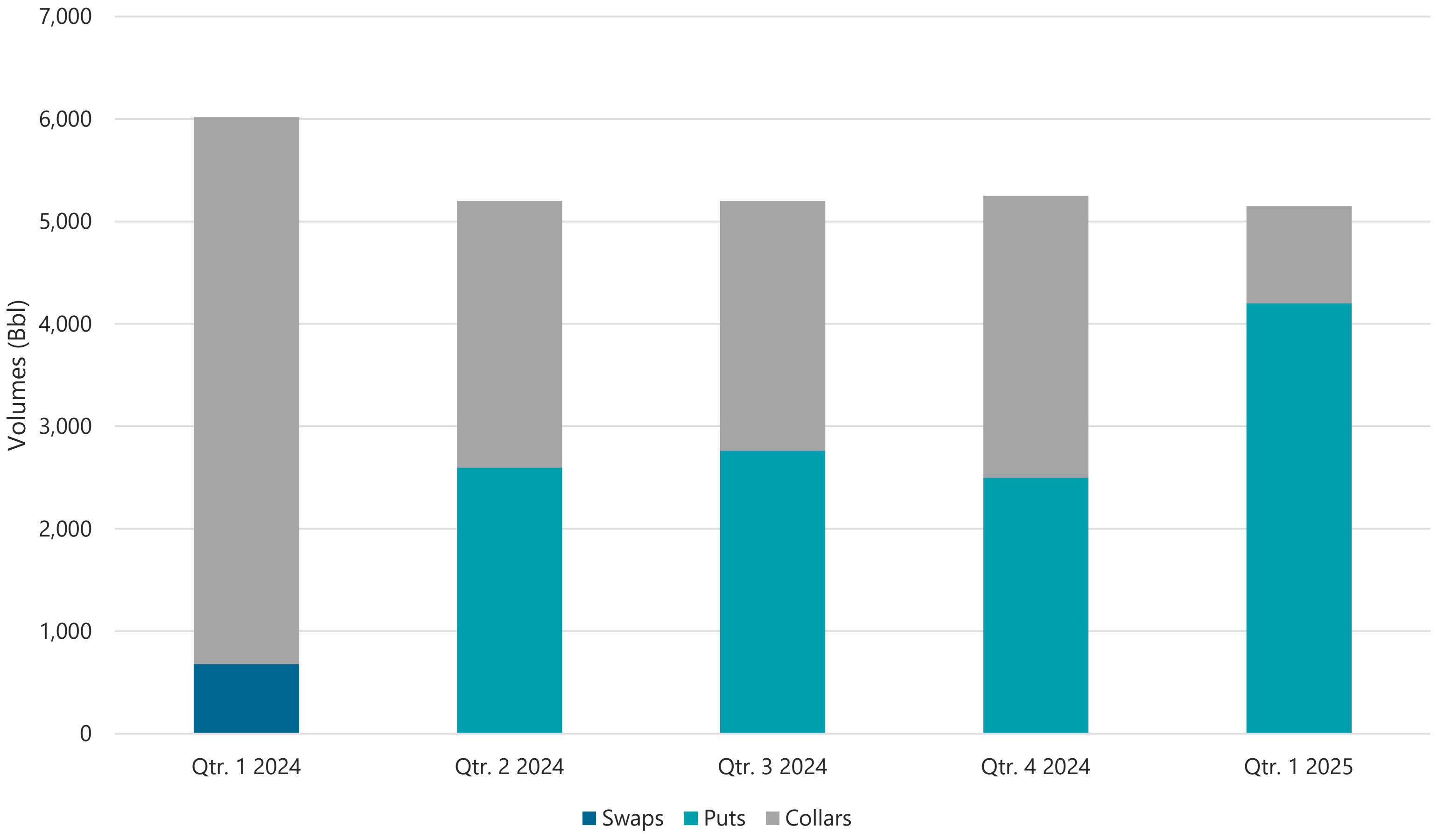
Stacked pay multi-zone potential

Light oil (~40° API) with extensive area infrastructure and access to multiple egress options = attractive operating netbacks

Shaunavon

Producing low decline, medium gravity crude oil with high operating netbacks

WTI Hedging Summary



Hedging Detail

WTI Crude Oil Derivative Contracts

Period	Swaps: Volumes	Swaps: Avg. Price	Puts: Volumes	Puts: Average Bought Put	Collars: Volumes	Collars: Average Bought Put	Collars: Average Sold Call
Qtr. 1 2024	681	$85.03	-	$-	5,336	$63.91	$92.66
Qtr. 2 2024	-	$ -	2,600	$62.71	2,600	$62.71	$87.50
Qtr. 3 2024	-	$ -	2,766	$61.69	2,433	$61.71	$91.71
Qtr. 4 2024	-	$ -	2,500	$65.00	2,750	$65.00	$100.00
Qtr. 1 2025	-	$ -	4,204	$65.00	947	$65.00	$82.73

WCS and MSW Derivative Contracts

Period	WCS: Swaps Volumes	WCS: Swaps Avg. Price	WCS: Collars Volumes	WCS: Collars Average Bought Put	WCS: Collars Average Sold Call	MSW: Swaps Volumes	MSW: Swaps Avg. Price
Qtr. 1 2024	1,000	-$ 13.85	1,000	-$ 11.00	-$ 17.80	-	$ -
Qtr. 2 2024	3,400	-$ 14.35	1,000	-$ 11.00	-$ 17.80	4,000	-$ 4.07
Qtr. 3 2024	2,400	-$ 14.16	1,000	-$ 11.00	-$ 17.80	4,000	-$ 4.07
Qtr. 4 2024	1,000	-$ 13.85	1,000	-$ 11.00	-$ 17.80	4,000	-$ 4.07

Natural Gas Derivative Contracts

Period	Swaps: Vol.	Swaps: Avg. Price	Collars: Vol	Collars: Average Bought Put	Collars: Average Sold Call
Q1 2024	-	$ -	4,500	$ 3.34	$ 11.01
Q2 2024	-	$ -	5,000	$ 2.47	$ 5.13
Q3 2024	-	$ -	5,000	$ 2.47	$ 5.13
Q4 2024	1,326	$ 4.01	3,674	$ 2.87	$ 5.63
Q1 2025	2,000	$ 4.01	3,000	$ 3.19	$ 6.04
Q1 2025	1,700	$ 2.97	-	$ -	$ -
Q2 2025	1,700	$ 2.97	-	$ -	$ -
Q3 2025	573	$ 2.97	-	$ -	$ -

All WTI and WCS prices are displayed in USD. Gas hedges shown in CAD

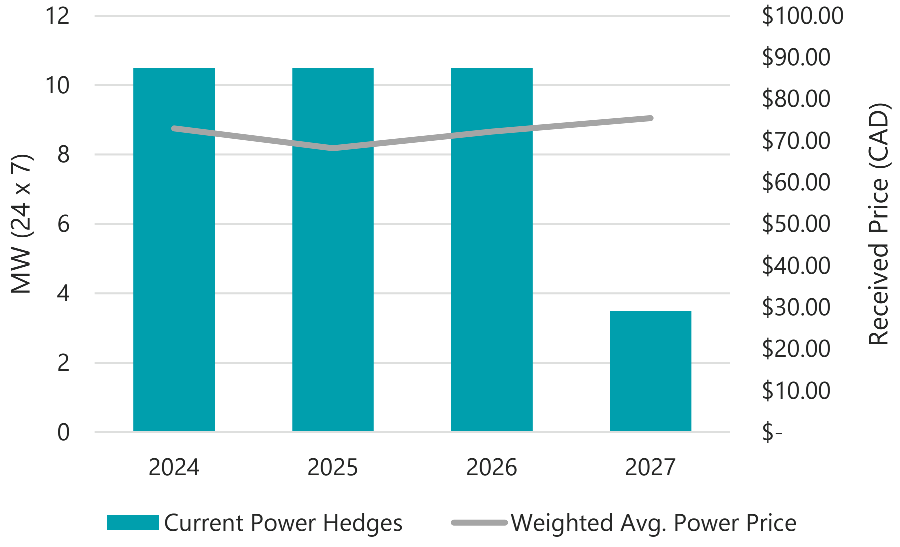
Hedging Detail

Interest Rate & Power

Interest Rate Hedges

Type	Term	Notional Amount (CAD)	Surge Receives	Surge Pays	Fixed Rate Surge Pays
Fixed-to-Floating Rate Swap	July 2019 – June 2024	$50,000,000	Floating Rate	Fixed Rate	1.785%

Surge Power Hedges



As power prices fluctuate significantly in winter months, power hedges protect against extreme price volatility.

Advisories - Forward-Looking Statements

This presentation contains forward-looking statements. The use of any of the words “anticipate”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “should”, “believe” and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements.

More particularly, this presentation contains statements concerning: Surge’s declared focus and primary goals; Surge’s reserve life index, drilling inventory and locations, decline rates and reserves; Surge’s ongoing waterflood program; the timing of bringing recently drilled wells onto production; the Company’s commitment to abandonment and reclamation work; the Company’s dedication to creating value for current and future generations; Surge’s belief that it is poised to deliver strong results operationally and financially; the Company’s expectation that it will be positioned to deliver to its stakeholders a combination of: continued net debt repayment (increasing Surge’s NAV per share), a sustainable, base monthly dividend; share buybacks; a modest production growth wedge; and potential for variable or special dividends.

The forward-looking statements are based on certain key expectations and assumptions made by Surge, including expectations and assumptions the performance of existing wells and success obtained in drilling new wells; anticipated expenses, cash flow and capital expenditures; the application of regulatory and royalty regimes; prevailing commodity prices and economic conditions; development and completion activities; the performance of new wells; the successful implementation of waterflood programs; the availability of and performance of facilities and pipelines; the geological characteristics of Surge’s properties; the successful application of drilling, completion and seismic technology; the determination of decommissioning liabilities; prevailing weather conditions; exchange rates; licensing requirements; the impact of completed facilities on operating costs; the availability and costs of capital, labour and services; and the creditworthiness of industry partners.

Although Surge believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Surge can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks associated with the condition of the global economy, including trade, public health (including the impact of COVID-19) and other geopolitical risks; risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks); commodity price and exchange rate fluctuations and constraint in the availability of services, adverse weather or break-up conditions; uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures; and failure to obtain the continued support of the lenders under Surge’s bank line. Certain of these risks are set out in more detail in Surge’s AIF dated March 6, 2024 and in Surge’s MD&A for the period ended December 31, 2023, both of which have been filed on SEDAR+ and can be accessed at www.sedarplus.ca.

The forward-looking statements contained in this presentation are made as of the date hereof and Surge undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Advisories - Oil and Gas Advisories

The term "boe" means barrel of oil equivalent on the basis of 1 boe to 6,000 cubic feet of natural gas. Boe may be misleading, particularly if used in isolation. A boe conversion ratio of 1 boe for 6,000 cubic feet of natural gas is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. "Boe/d" and "boepd" mean barrel of oil equivalent per day. Bbl means barrel of oil and "bopd" means barrels of oil per day. NGLs means natural gas liquids.

This presentation contains certain oil and gas metrics and defined terms which do not have standardized meanings or standard methods of calculation and therefore such measures may not be comparable to similar metrics/terms presented by other issuers and may differ by definition and application. All oil and gas metrics/terms used in this document are defined below:

Original Oil in Place ("OOIP") means Discovered Petroleum Initially In Place ("DPIIP"). DPIIP is derived by Surge's internal Qualified Reserve Evaluators ("QRE") and prepared in accordance with National Instrument 51-101 and the Canadian Oil and Gas Evaluations Handbook ("COGEH"). DPIIP, as defined in COGEH, is that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations prior to production. The recoverable portion of DPIIP includes production, reserves and Resources Other Than Reserves (ROTR). OOIP/DPIIP and potential recovery rate estimates are based on current recovery technologies. There is significant uncertainty as to the ultimate recoverability and commercial viability of any of the resource associated with OOIP/DPIIP, and as such a recovery project cannot be defined for a volume of OOIP/DPIIP at this time. "Internally estimated" means an estimate that is derived by Surge's internal QRE's and prepared in accordance with National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities*. All internal estimates contained in this news release have been prepared effective as of January 1, 2024.

Net Asset Value is calculated as reserve value discounted at 10% on a BTax basis, less Surge's net debt at December 31, 2023 of $290.1 million and is divided by 100.3 million basic shares.

PDP F&D (Finding & Development) is calculated on the Capital spent for 2023 development of all properties (other than those Acquired or Disposed of in 2023), divided by the sum of all reserve additions other than those from Acquisitions & Dispositions.

Recycle Ratio is equal to F&D divided by netback.

Finding, Development and Acquisition (FD&A) is the sum of the Capital spent for 2023 development including Acquisition & Divestiture properties, plus 2023 total Acquisition & Disposition capital, plus the delta on Future Development Costs (from 2022YE vs 2023YE), divided by the sum of all reserve additions including those from Acquisitions & Dispositions.

Reserve Life Index is calculated as total Company share reserves divided by Surge's estimated 2024 production (25,000 boe/d).

Sproule's 2023YE reserves has a PDP decline of 29 percent and a P+PDP decline of 26 percent.

Drilling Inventory

This presentation discloses drilling locations in two categories: (i) booked locations; and (ii) unbooked locations. Booked locations are proved locations and probable locations derived from an internal evaluation using standard practices as prescribed in the Canadian Oil and Gas Evaluations Handbook and account for drilling locations that have associated proved and/or probable reserves, as applicable.

Unbooked locations are internal estimates based on prospective acreage and assumptions as to the number of wells that can be drilled per section based on industry practice and internal review. Unbooked locations do not have attributed reserves or resources. Unbooked locations have been identified by Surge's internal certified Engineers and Geologists (who are also Qualified Reserve Evaluators) as an estimation of our multi-year drilling activities based on evaluation of applicable geologic, seismic, engineering, production and reserves information. There is no certainty that the Company will drill all unbooked drilling locations and if drilled there is no certainty that such locations will result in additional oil and gas reserves, resources or production. The drilling locations on which the Company actually drills wells will ultimately depend upon the availability of capital, regulatory approvals, seasonal restrictions, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors. While certain of the unbooked drilling locations have been de-risked by drilling existing wells in relative close proximity to such unbooked drilling locations, the majority of other unbooked drilling locations are farther away from existing wells where management has less information about the characteristics of the reservoir and therefore there is more uncertainty whether wells will be drilled in such locations and if drilled there is more uncertainty that such wells will result in additional oil and gas reserves, resources or production.

Assuming a January 1, 2024 reference date, the Company will have over >1,150 gross (>1,050 net) drilling locations identified herein; of these >615 gross (>575 net) are unbooked locations. Of the 489 net booked locations identified herein, 397 net are Proved locations and 92 net are Probable locations based on Sproule's 2023YE reserves. Assuming an average number of wells drilled per year of 80, Surge's >1,050 net locations provide 13 years of drilling.

Assuming a January 1, 2024 reference date, the Company will have over >475 gross (>470 net) Sparky Core area drilling locations identified herein; of these >285 gross (>285 net) are unbooked locations. Of the 186 net booked locations identified herein, 140 net are Proved locations and 46 net are Probable locations based on Sproule's 2023YE reserves. Assuming an average number of wells drilled per year of 40, Surge's >470 net locations provide >11 years of drilling.

Assuming a January 1, 2024 reference date, the Company will have over >340 gross (>290 net) SE Sask drilling locations identified herein; of these >160 gross (>140 net) are unbooked locations. Of the 153 net booked locations identified herein, 122 net are Proved locations and 31 net are Probable locations based on Sproule's 2023YE reserves. Assuming an average number of wells drilled per year of 40, Surge's >290 net locations provide >7 years of drilling.

Surge's internally used type curves were constructed using a representative, factual and balanced analog data set, as of January 1, 2023. All locations were risked appropriately, and EUR's were measured against OOIP estimates to ensure a reasonable recovery factor was being achieved based on the respective spacing assumption. Other assumptions, such as capital, operating expenses, wellhead offsets, land encumbrances, working interests and NGL yields were all reviewed, updated and accounted for on a well by well basis by Surge's Qualifies Reserve Evaluators. All type curves fully comply with Part 5.8 of the Companion Policy 51 – 101CP.

Advisories - Non-GAAP & Other Financial Measures

This presentation includes references to non-GAAP and other financial measures used by the Company to evaluate its financial performance, financial position or cash flow. These specified financial measures include non-GAAP financial measures and non-GAAP ratios, are not defined by IFRS and therefore are referred to as non-GAAP and other financial measures. Certain secondary financial measures in this presentation – namely, "adjusted funds flow", "adjusted funds flow per share", "adjusted funds flow per boe", "free cash flow", "net debt", "net operating expenses", "net operating expenses per boe", "operating netback", and "operating netback per boe" are not prescribed by GAAP. These non-GAAP and other financial measures are included because management uses the information to analyze business performance, cash flow generated from the business, leverage and liquidity, resulting from the Company's principal business activities and it may be useful to investors on the same basis. None of these measures are used to enhance the Company's reported financial performance or position. The non-GAAP and other financial measures do not have a standardized meaning prescribed by IFRS and therefore are unlikely to be comparable to similar measures presented by other issuers. They are common in the reports of other companies but may differ by definition and application. All non-GAAP and other financial measures used in this document are defined below, and as applicable, reconciliations to the most directly comparable GAAP measure for the year ended December 31, 2023, have been provided to demonstrate the calculation of these measures:

Adjusted Funds Flow and Adjusted Funds Flow Per Share

Adjusted funds flow is a non-GAAP financial measure. The Company adjusts cash flow from operating activities in calculating adjusted funds flow for changes in non-cash working capital, decommissioning expenditures, and cash settled transaction and other costs. Management believes the timing of collection, payment or incurrence of these items involves a high degree of discretion and as such may not be useful for evaluating Surge's cash flows.

Changes in non-cash working capital are a result of the timing of cash flows related to accounts receivable and accounts payable, which management believes reduces comparability between periods. Management views decommissioning expenditures predominately as a discretionary allocation of capital, with flexibility to determine the size and timing of decommissioning programs to achieve greater capital efficiencies and as such, costs may vary between periods. Transaction and other costs represent expenditures associated with property acquisitions and dispositions, debt restructuring and employee severance costs, which management believes do not reflect the ongoing cash flows of the business, and as such reduces comparability. Each of these expenditures, due to their nature, are not considered principal business activities and vary between periods, which management believes reduces comparability.

Adjusted funds flow per share is a non-GAAP ratio, calculated using the same weighted average basic and diluted shares used in calculating income per share.

The following table reconciles cash flow from operating activities to adjusted funds flow and adjusted funds flow per share:

	Three Months Ended Dec 31,		Years Ended Dec 31,	
($000s except per share amounts)	2023	2022	2023	2022
Cash flow from operating activities	79,712	78,975	266,141	276,125
Change in non-cash working capital	(11,261)	(14,152)	9,350	4,271
Decommissioning expenditures	8,255	2,367	15,560	7,895
Cash settled transaction and other costs	295	4,617	795	5,264
Adjusted funds flow	77,001	71,807	291,846	293,555
Per share - basic	$0.77	$0.82	$2.95	$3.47

Free Cash Flow, Free Cash Flow per Share, and Free Cash Flow Yield

Free cash flow is a non-GAAP financial measure, calculated as cash flow from operating activities, before changes in non-cash working capital, less expenditures on property, plant, equipment, and dividends paid. Management uses free cash flow to determine the amount of funds available to the Company for future capital allocation decisions.

Free cash flow per share is a non-GAAP ratio, calculated using the same weighted average basic and diluted shares used in calculating income per share.

Free cash flow yield is a non-GAAP ratio, calculated as free cash flow divided by the number of basic shares outstanding, divided by the Company's share price at the date indicated herein. Management uses this measure as an indication of the cash flow available for return to shareholders based on current share prices.

Net Debt and Net Debt to Cash Flow from Operating Activities

Net debt is a non-GAAP financial measure, calculated as bank debt, term debt, plus the liability component of the convertible debentures plus current assets, less current liabilities, however, excluding the fair value of financial contracts, decommissioning obligations, and lease and other obligations. There is no comparable measure in accordance with IFRS for net debt. This metric is used by management to analyze the level of debt in the Company including the impact of working capital, which varies with the timing of settlement of these balances.

($000s)	As at Dec 31, 2023	As at Sep 30, 2023	As at Dec 31, 2022
Accounts receivable	53,354	74,624	60,623
Prepaid expenses and deposits	5,355	3,050	3,032
Accounts payable and accrued liabilities	(85,390)	(83,978)	(93,373)
Dividends payable	(4,013)	(4,013)	(3,375)
Bank debt	(42,797)	(11,900)	(30,597)
Term debt	(178,731)	(230,624)	(256,032)
Convertible debentures	(37,848)	(33,454)	(32,491)
Net Debt	(290,070)	(286,295)	(352,213)

Net debt to cash flow from operating activities is a non-GAAP ratio, calculated as exit net debt divided by cash flow from operating activities. Management uses this ratio to measure the Company's overall debt position and to measure the strength of the Company's balance sheet. Surge monitors this ratio and uses this as a key measure in making decisions regarding financing, capital expenditures and dividend levels.

Advisories - Non-GAAP & Other Financial Measures

SURGE

All-in Payout Ratio

All-in payout ratio is a non-GAAP ratio, calculated as expenditures on property, plant, and equipment divided by cashflow from operating activities. Management uses this measure to determine the amount of cash form operating activities that is used to reinvest in the exploration and development of its asset base.

This measure is provided to allow readers to quantify the amount of cash from operating activities that is being used to deploy into the Company's exploration and development program. A ratio of less than 100% indicates that a portion of the cash is being retained by the Company and can be used to fund items such as asset abandonment, repayment of debt, fund acquisitions or the costs related thereto, withholding tax obligations on stock-based compensation or other items.

Net Operating Expenses and Net Operating Expenses per boe

Net operating expenses is a non-GAAP financial measure, determined by deducting processing income, primarily generated by processing third party volumes at processing facilities where the Company has an ownership interest. It is common in the industry to earn third party processing revenue on facilities where the entity has a working interest in the infrastructure asset. Under IFRS this source of funds is required to be reported as revenue. However, the Company's principal business is not that of a midstream entity whose activities are dedicated to earning processing and other infrastructure payments. Where the Company has excess capacity at one of its facilities, it will look to process third party volumes as a means to reduce the cost of operating/owning the facility. As such, third party processing revenue is netted against operating costs when analyzed by management.

Net operating expenses per boe is a non-GAAP ratio, calculated as net operating expenses divided by total barrels of oil equivalent produced during a specific period of time.

	Three Months Ended December 31,		Years Ended December 31,	
($000s)	2023	2022	2023	2022
Operating expenses	47,602	44,570	196,256	160,133
Less: processing income	(1,734)	(1,926)	(7,780)	(7,242)
Net operating expenses	45,868	42,644	188,476	152,891
Net operating expenses ($ per boe)	19.90	20.98	21.13	19.70

Operating Netback, Operating Netback per boe, and Adjusted Funds Flow per boe

Operating netback is a non-GAAP financial measure, calculated as petroleum and natural gas revenue and processing and other income, less royalties, realized gain (loss) on commodity and FX contracts, operating expenses, and transportation expenses. Operating netback per boe is a non-GAAP ratio, calculated as operating netback divided by total barrels of oil equivalent produced during a specific period of time. There is no comparable measure in accordance with IFRS. This metric is used by management to evaluate the Company's ability to generate cash margin on a unit of production basis.

Adjusted funds flow per boe is a non-GAAP ratio, calculated as adjusted funds flow divided by total barrels of oil equivalent produced during a specific period of time.

Operating netback & adjusted funds flow are calculated on a per unit basis as follows:

	Three Months Ended December 31,		Years Ended December 31,	
($000s)	2023	2022	2023	2022
Petroleum and natural gas revenue	168,453	165,808	670,375	727,228
Processing and other income	1,734	1,926	7,780	7,242
Royalties	(31,235)	(27,449)	(119,513)	(127,548)
Realized gain (loss) on commodity and FX contracts	2,351	(9,580)	(3,164)	(98,145)
Operating expenses	(47,602)	(44,570)	(196,256)	(160,133)
Transportation expenses	(3,411)	(2,846)	(13,755)	(11,272)
Operating netback	90,290	83,289	345,467	337,372
G&A expense	(5,041)	(4,190)	(19,158)	(16,626)
Interest expense	(8,248)	(7,292)	(34,463)	(27,191)
Adjusted funds flow	77,001	71,807	291,846	293,555
Barrels of oil equivalent (boe)	2,304,615	2,032,892	8,920,018	7,760,455
Operating netback ($ per boe)	$39.18	$40.97	$38.73	$43.47
Adjusted funds flow ($ per boe)	$33.41	$35.15	$32.72	$37.83