SURGE ENERGY INC

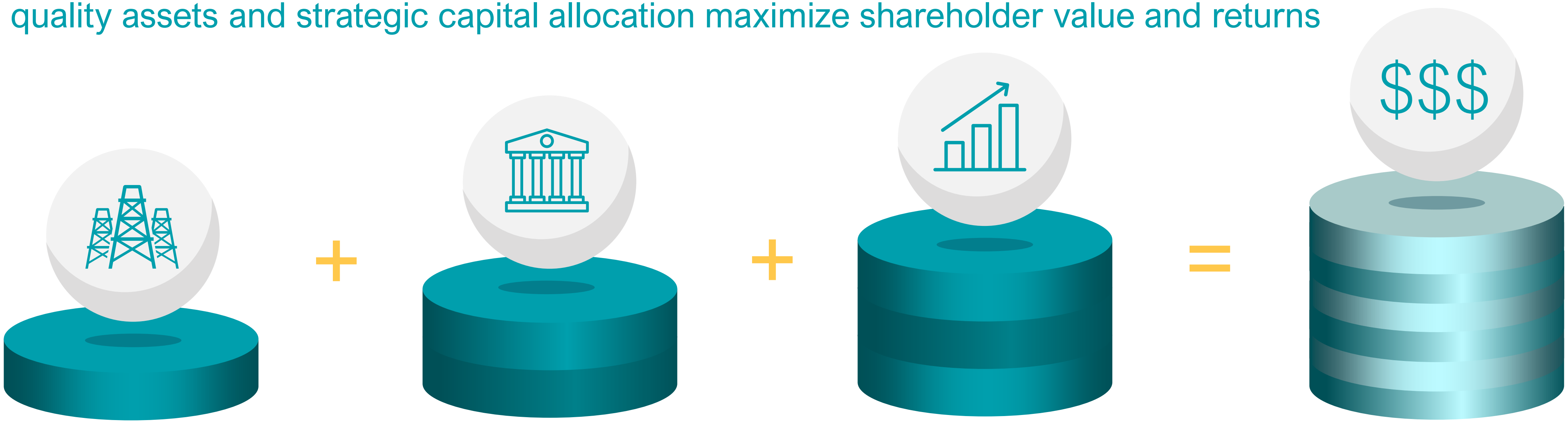
TSX: **SGY**

Premium Oil Assets Driving Free Cash Flow and Shareholder Returns

CORPORATE PRESENTATION
Summer 2025

The Surge Value Proposition

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



High Quality Conventional Assets

- Light/medium oil asset base
- Large OOIP (>2.7 billion barrels)
- High operating netbacks[1] ($39/boe)
- Low recoveries (6.7%)
- Low declines (25%)
- 12-year drilling inventory

Disciplined Capital Allocation

- Drilling capital is focused on two of the top crude oil plays in Canada (Sparky and SE Saskatchewan)[2]
- Returning free cash flow[1] to shareholders through a sustainable base dividend and NCIB share repurchases

Proven Management and Board

- Seasoned management team with a proven track record
- 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 enhanced free cash flow[1] and financial flexibility
- A shareholder returns-based model with an increasing, compounding dividend
- $1.2 billion in tax pools allows for maximum distribution of free cash flow[1] on a tax-efficient basis[3]

[1] Non-GAAP financial measure. See the Non-GAAP & Other Financial Measures Advisory at the back of this presentation for further details regarding Non-GAAP financial measures.
[2] Peters & Co. (January 8, 2025 North American Crude Oil and Natural Gas Plays).
[3] This represents a 4-year tax horizon at US$70 WTI pricing.

Proven Business Strategy

SURGE

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 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

RESPONSIBILITY PRINCIPLES

Continued focus on minimizing environmental impact and investing in community engagement

SUSTAINABLE STRATEGY

Recent Highlights

In Q2/25, Surge continued to outperform budgeted estimates, highlighted by:

- Delivering average production of 23,589 boepd (89% liquids), exceeding the budgeted average 2025 production level of 22,500 boepd;
- Generating adjusted funds flow ("AFF")[1] of $72.8 million;
- Revising its 2025 capital and operating budget guidance, notably:
  - Increasing average 2025 production guidance to 23,000 boepd (from 22,500 boepd), **while**
  - Reducing capital expenditure estimates to $155 million (from $170 million), **resulting in**
  - A $20 million increase to estimated 2025 free cash flow ("FCF")[1], now forecasted to be $105 million (from $85 million); **and**
- Returning $32 million to shareholders (44% of Q2/25 AFF) by way of:
  - An attractive (~6.8% yield[2]) annual cash dividend ($12.9 million returned to shareholders in Q2/25);
  - Normal Course Issuer Bid ("NCIB") share buybacks ($2.2 million returned to shareholders in Q2/25); **and**
  - Net debt[1] reduction of $16.9 million from Q1/25, with annualized AFF representing 0.79x Q2/25 net debt.

[1] Non-GAAP financial measure. See the Non-GAAP & Other Financial Measures Advisory at the back of this presentation for further details regarding Non-GAAP financial measures.
[2] Based on a $7.60 share price as at July 29, 2025.

Corporate Guidance for 2025

Key Guidance & Assumptions[1]	Dec. 2024 Guidance @ US$70 WTI[6]	New Guidance @ US$70 WTI[6]
2025 Adjusted Funds Flow[2]	**$275 MM**	**$280 MM**
2025 Cash Flow From Operating Activities[3]	**$255 MM**	**$260 MM**
2025 Free Cash Flow[2] Before Dividends	**$85 MM**	**$105 MM**
2025 Free Cash Flow Margin[2]	**31%**	**38%**
2025 Average Production (est.)	**22,500 boepd**	**23,000 boepd**
2H 2025 Average Production (est.)	**22,500 boepd**	**22,500 boepd**
2025 Capital Budget (est.)	**$170 MM**	**$155 MM**

Market Snapshot

Basic Shares Outstanding[4]	**99.1 MM**
Average Daily Volume	**0.6 MM Shares**
Market Capitalization / Net Debt / Enterprise Value[5]	**$753 MM / $229 MM / $982 MM**

23,000 BOEPD
2025 Average Production (est.) *(90% liquids)*

$155 MILLION
Sustainably-Oriented 2025 Capital Budget (est.)

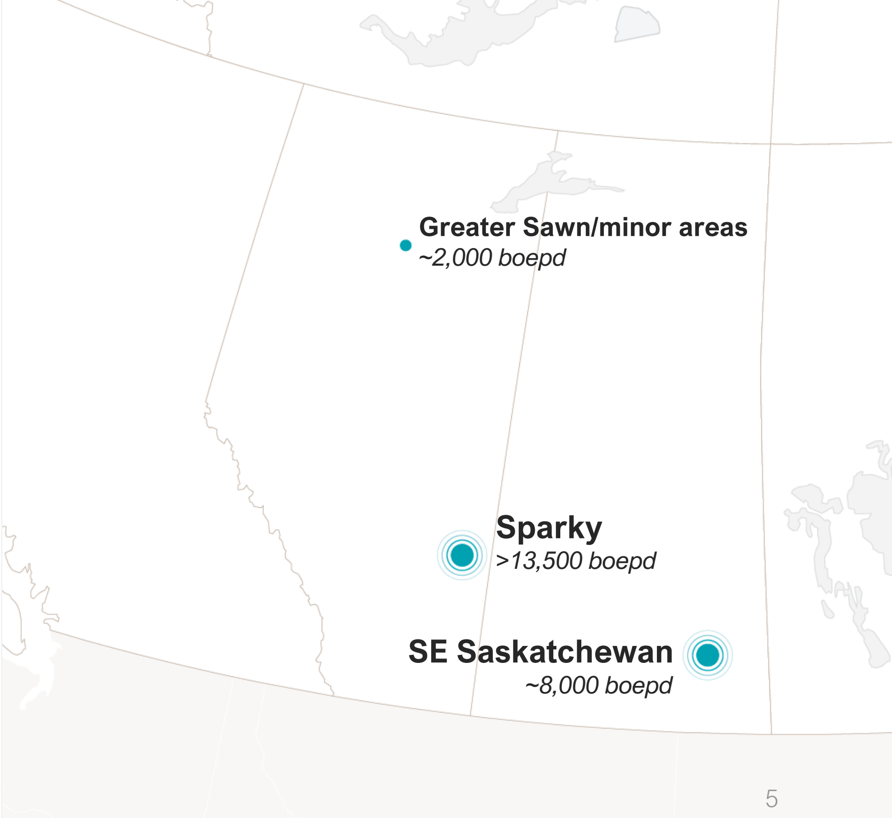
$0.52
Annual Per Share Dividend[3]

$1.2B
Tax Pools

[1] *Based on the following pricing assumptions: US$70 WTI, US$13.50 WCS differential, US$3.50 EDM differential, $0.725 CAD/USD FX and $2.50 AECO.*
[2] *Non-GAAP financial measure. See the Non-GAAP & Other Financial Measures Advisory at the back of this presentation for further details regarding Non-GAAP financial measures.*
[3] *Assumes nil change in non-cash working capital.*
[4] *As at June 30, 2025.*
[5] *Market Capitalization and Enterprise Value are based on a $7.60 share price as at July 29, 2025, and net debt of $229 MM.*
[6] *Every US$1 increase in WTI pricing adds $8 million to Surge's cash flow.*

SURGE

Focused on returns and enhancing free cash flow while managing risk

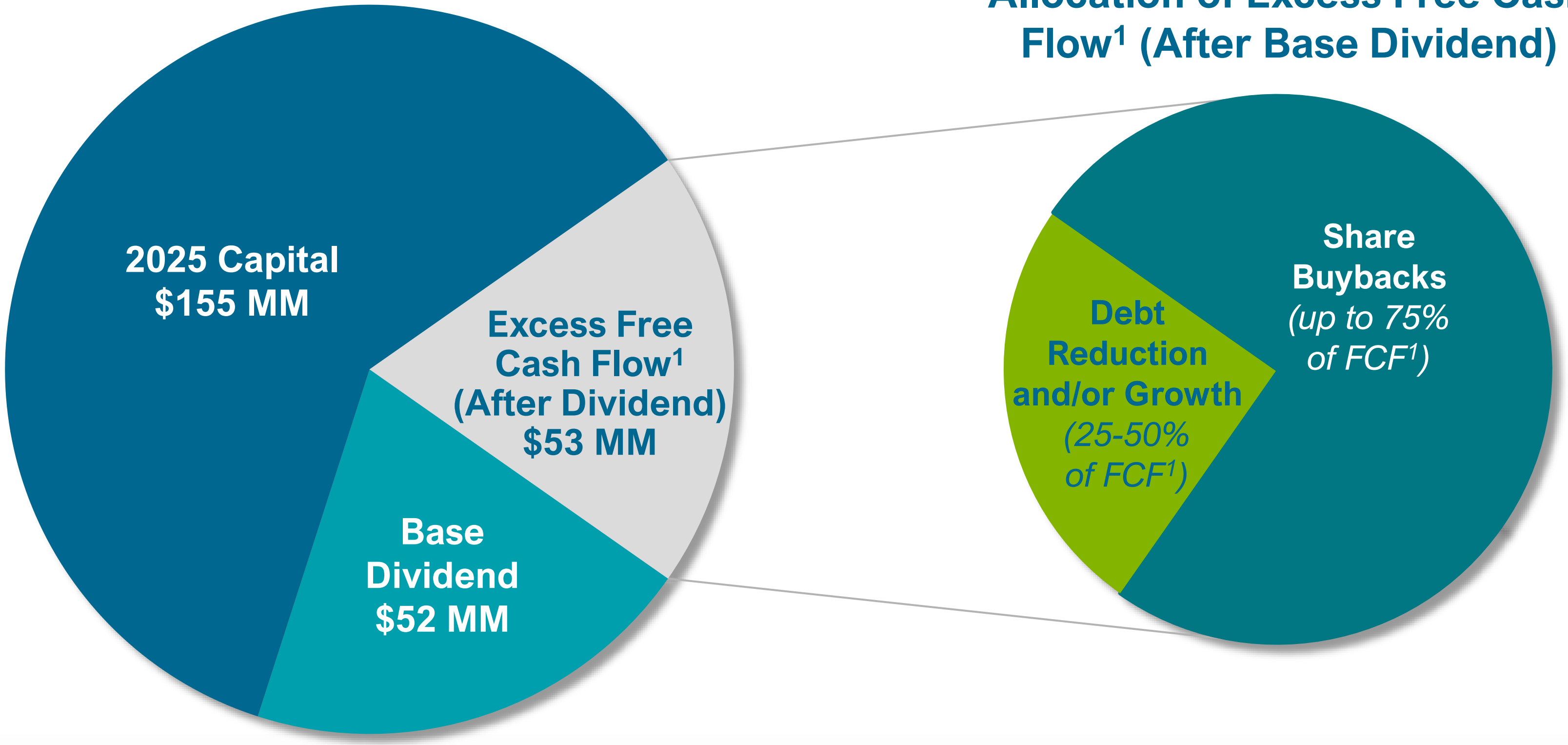


Return of Capital Framework

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

2025 Guidance Cash Flow @ US$70 WTI: **$260 MM**

Allocation of Excess Free Cash Flow[1] (After Base Dividend)



Surge returned $61.2 million to shareholders in 2024 by way of:

- Base cash dividend ($50 million)
- NCIB share buybacks ($11.2 million)

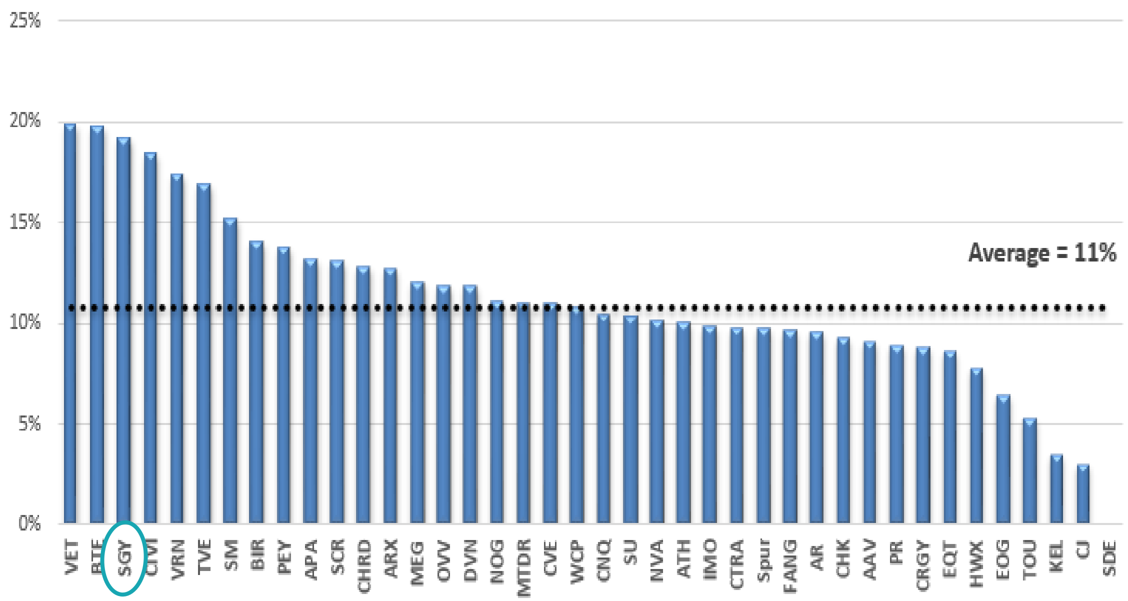
[1] *Non-GAAP financial measure. See the Non-GAAP & Other Financial Measures Advisory at the back of this presentation for further details regarding Non-GAAP financial measures.*

Net Asset Value + Free Cash Flow Margin

Surge has been independently recognized as having one of the best FCF margins (31%) in its intermediate peer group while trading at a very attractive NAV valuation.

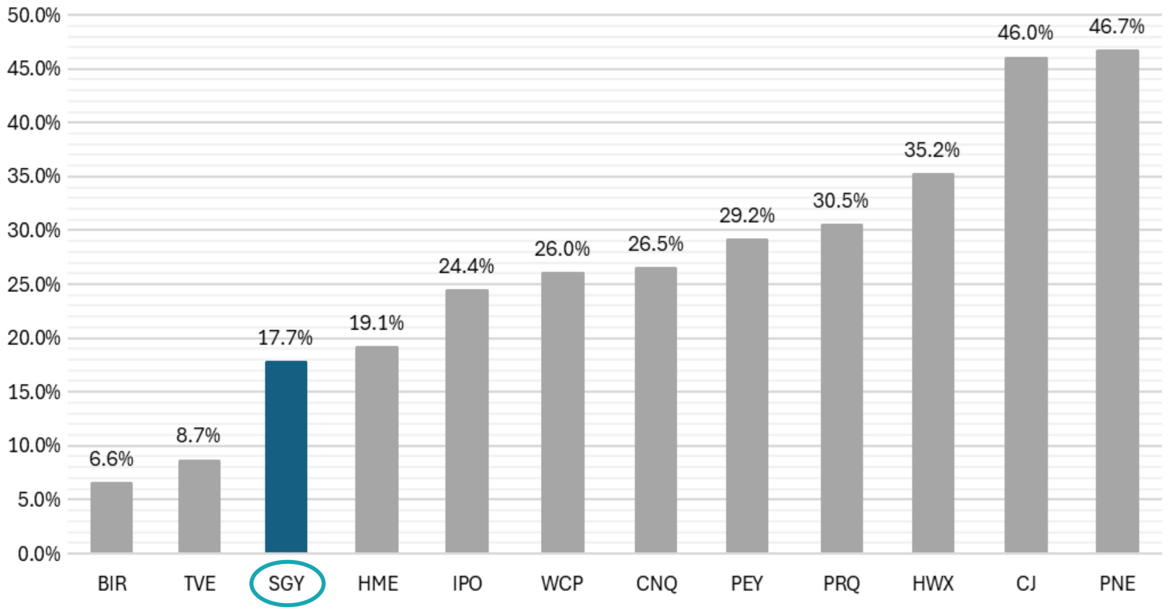
Surge's top tier FCF margin is driven by high crude oil operating netbacks, low declines, and quick well payouts in the Sparky and SE Saskatchewan core areas.

2025 Free Cash Flow Yield[1] @ $70 WTI



Source: Ninepoint Partners. $4.00 NYMEX Gas, forex strip, and $12.50 WCS differential.

2025 Dividend Payout



Source: Company reports. BIR, TVE, HME, IPO, CNQ, PEY, PRQ, CJ, PNE with Q1/25 data.

[1] *Non-GAAP financial measure. See the Non-GAAP & Other Financial Measures Advisory at the back of this presentation for further details regarding Non-GAAP financial measures.*

Compelling opportunity for energy investors

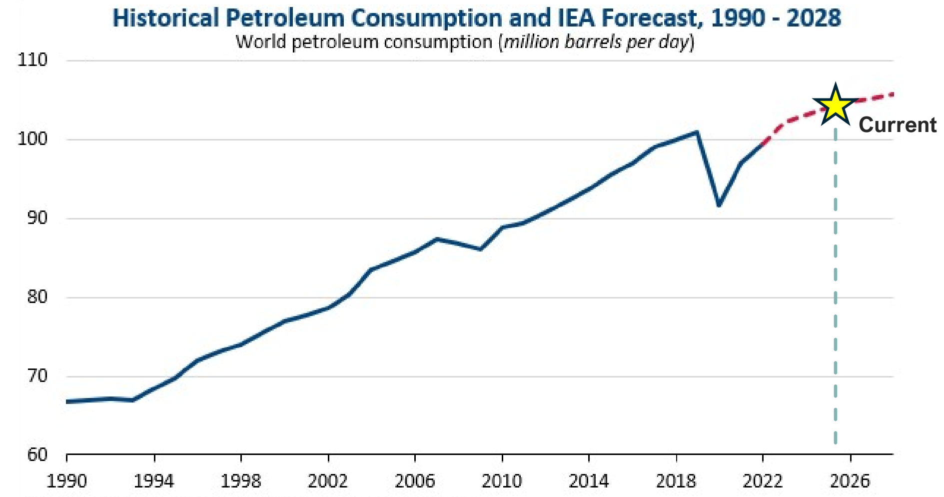
While global oil demand is at a record high, global crude inventories remain near the lowest levels on record since at least 2017.

With growing geopolitical tensions increasing the possibility of supply disruptions and price volatility, this uncertainty (and compelling oil market fundamentals) supports higher crude prices over the coming months.

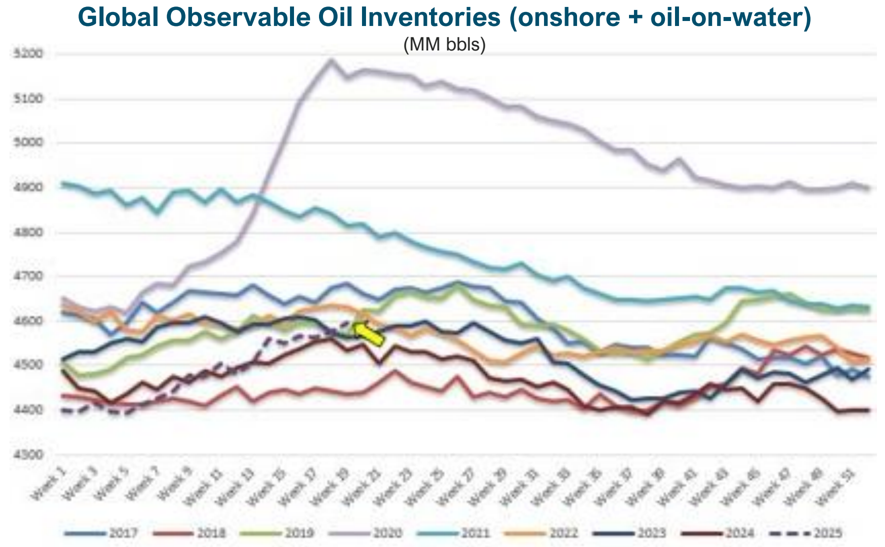
With low debt levels, excellent free cash flow margins, and a low historic trading multiple, Surge offers attractive returns to investors.

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

Energy will continue to offer investors an attractive value proposition in 2025 and beyond



Source: International Energy Agency; Energy Information Administration



Source: Ninepoint Partners, Kpler (inventory data only available back to 2017
NOTE: This is after the global oil market absorbed ~206MM BBls net from the US Strategic Political Reserve (SPR) since Jan. 7, 2022.

Spotlight:

Sparky and SE Saskatchewan

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

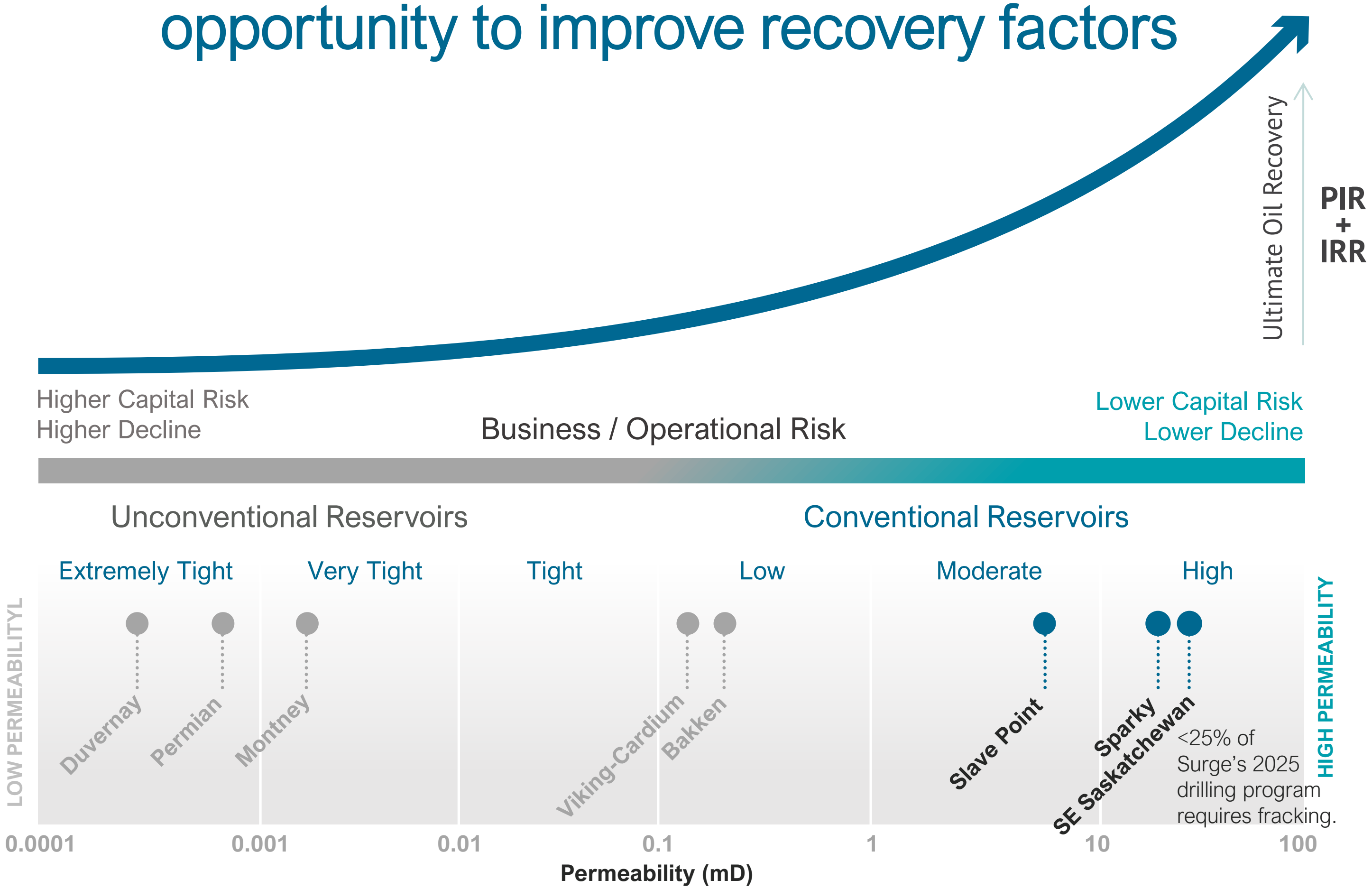
SURGE ENERGY INC

Advantages of Conventional Reservoirs

Surge proactively targets low risk conventional reservoirs. The Company currently has >2.7 billion barrels of net OOIP with a 6.7% recovery factor (cumulative to date).

- High permeability 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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Core Area Focused

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 area

Sparky Formation Facts

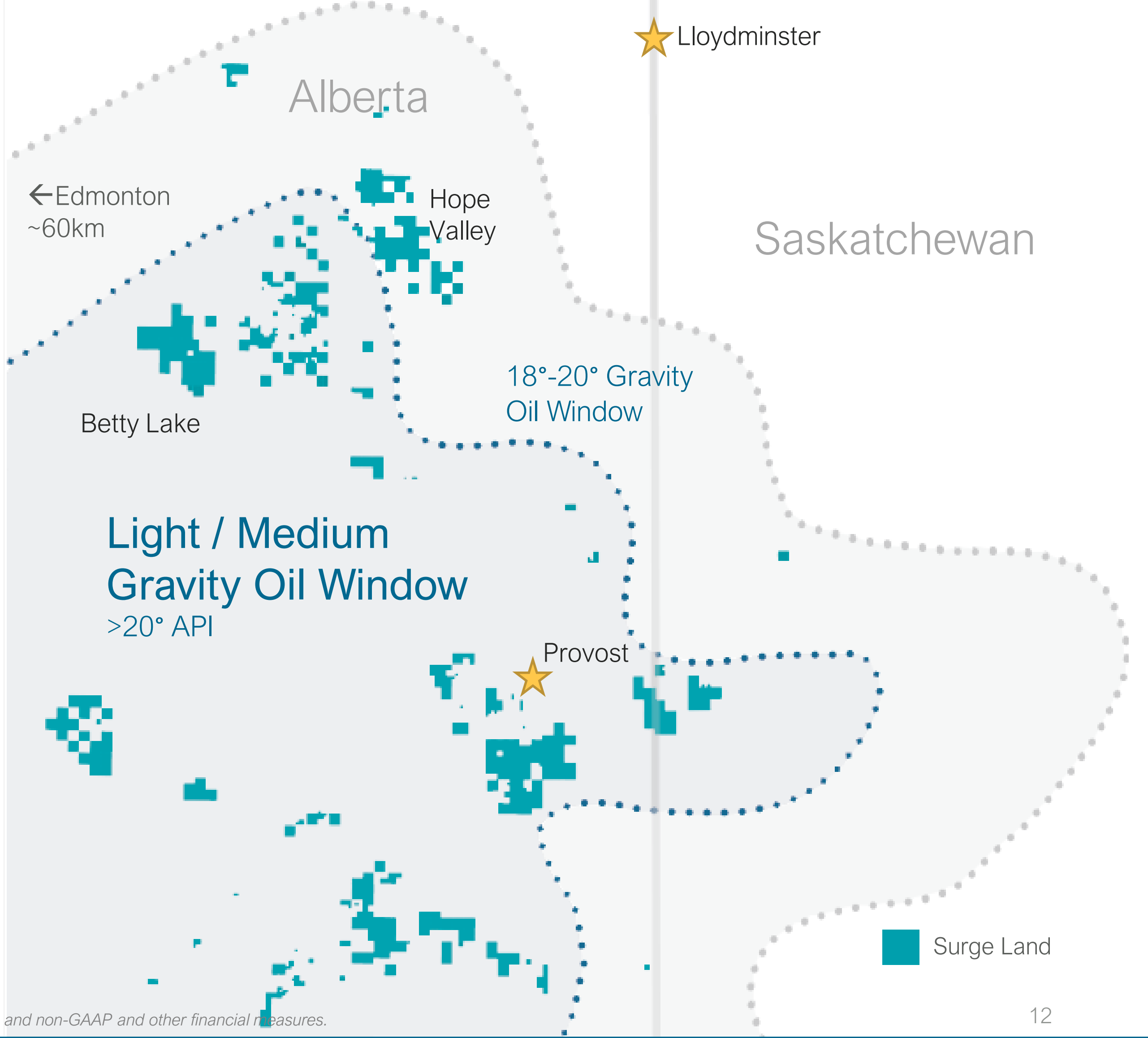
First Production	May 1922
Original Oil in Place	>11 Bbbls
Cumulative Production	~1.35 Bbbls
Recovery Factor to date	~12%
Producing Wells	~23,600
Hz Wells	~1,600
Multi-Frac Hz Wells	~475
Surge Drilled Multi-Frac Hz	>260
Multi-Leg Hz Wells	~550
Surge Drilled Multi-Leg Hz	35

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

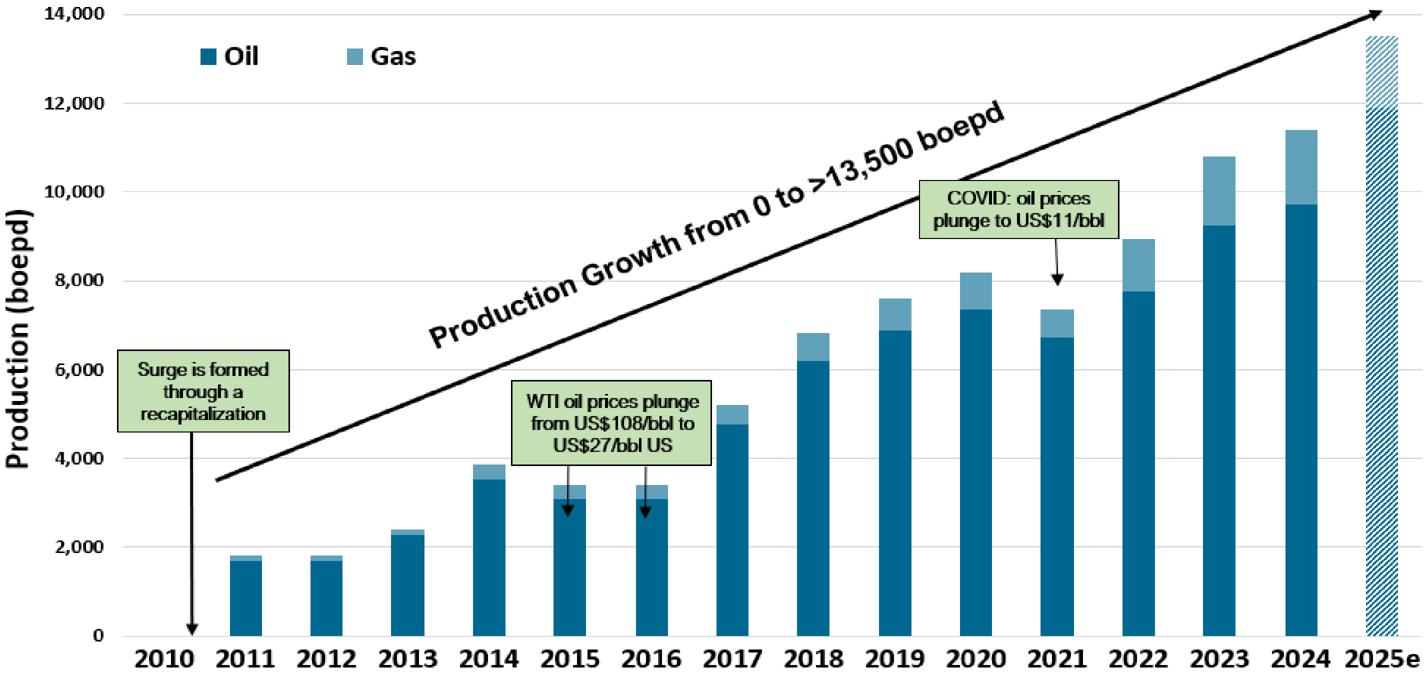
One of Canada's Largest Accumulations of Oil



Long-Term Growth Potential

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

Sparky Core Area Production Growth



- Production has grown by 650% from 1,800 boepd in 2011 to >13,500 boepd today
- Low-cost drilling (DCET[1] of ~$1.6MM per well)
- Focus on lighter WCS oil gravity (18-31° API) = higher operating netbacks[2]
- Proven waterflood potential (Wainwright pool at >30% recovery factor)

~1.4 billion bbls
OOIP net to SGY (internally estimated)

>510 net
>160 Multi-Lateral Locations
** Internally estimated as of July 1, 2025*

>13,500 boepd
Production (88% liquids)

~15 year
Drilling Inventory (based on 34 wells per year)

28 net wells
To be drilled in 2025
16 multi-lateral and 12 single-leg wells

[1] *Drill case equipment tie-in.*
[2] *Non-GAAP financial measure. See the Non-GAAP & Other Financial Measures Advisory at the back of this presentation for further details regarding Non-GAAP financial measures.*

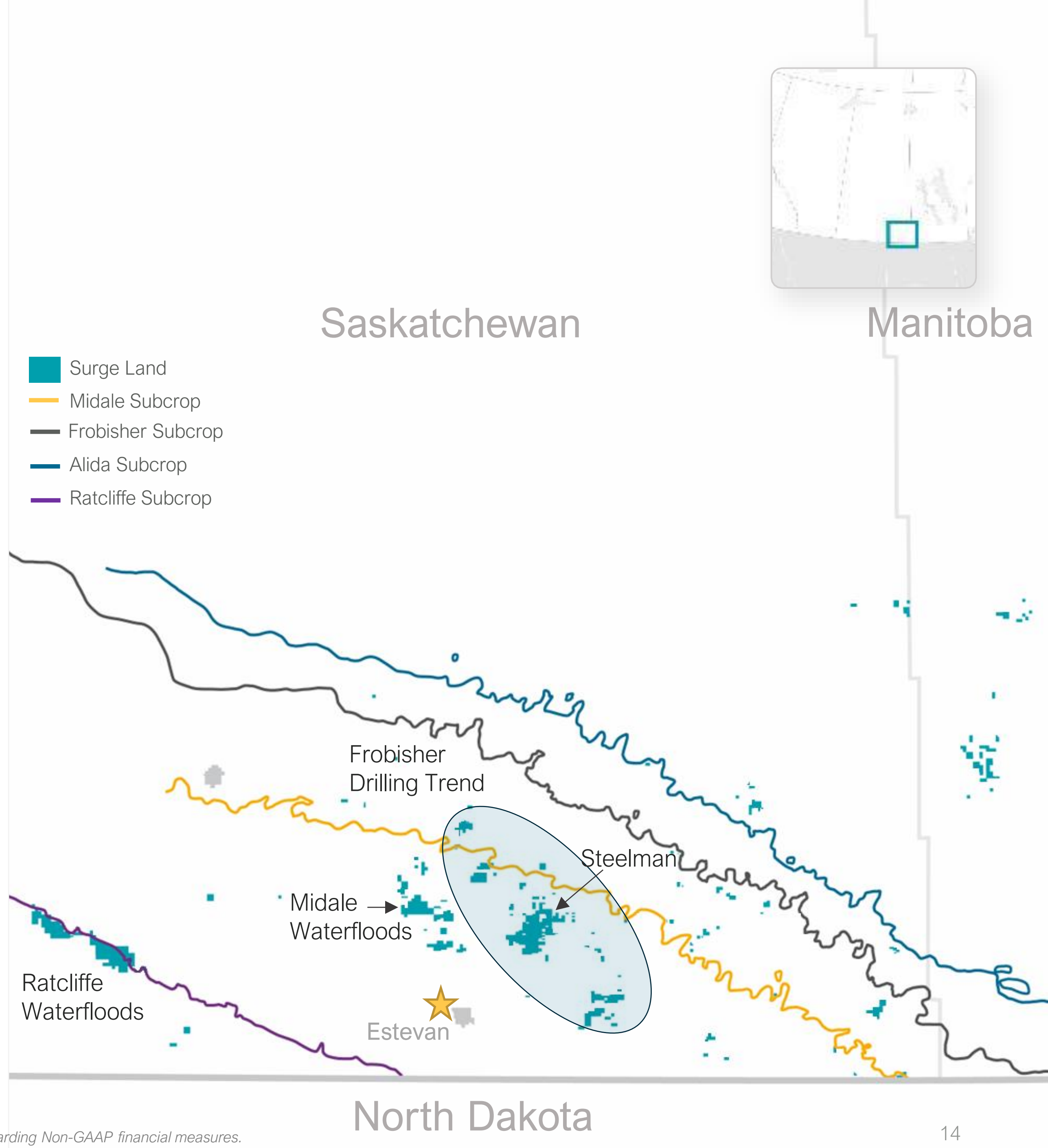
SE Saskatchewan

A Light Oil Balance

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

Area Benefits

- Organic growth opportunities
- Strategic acquisitions or tuck-in consolidation opportunities
- Cost-efficient drilling
- Extremely quick turnaround from spud to on production (under two weeks)
- High operating netback[1] ($47.50 at $70 WTI)
- 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

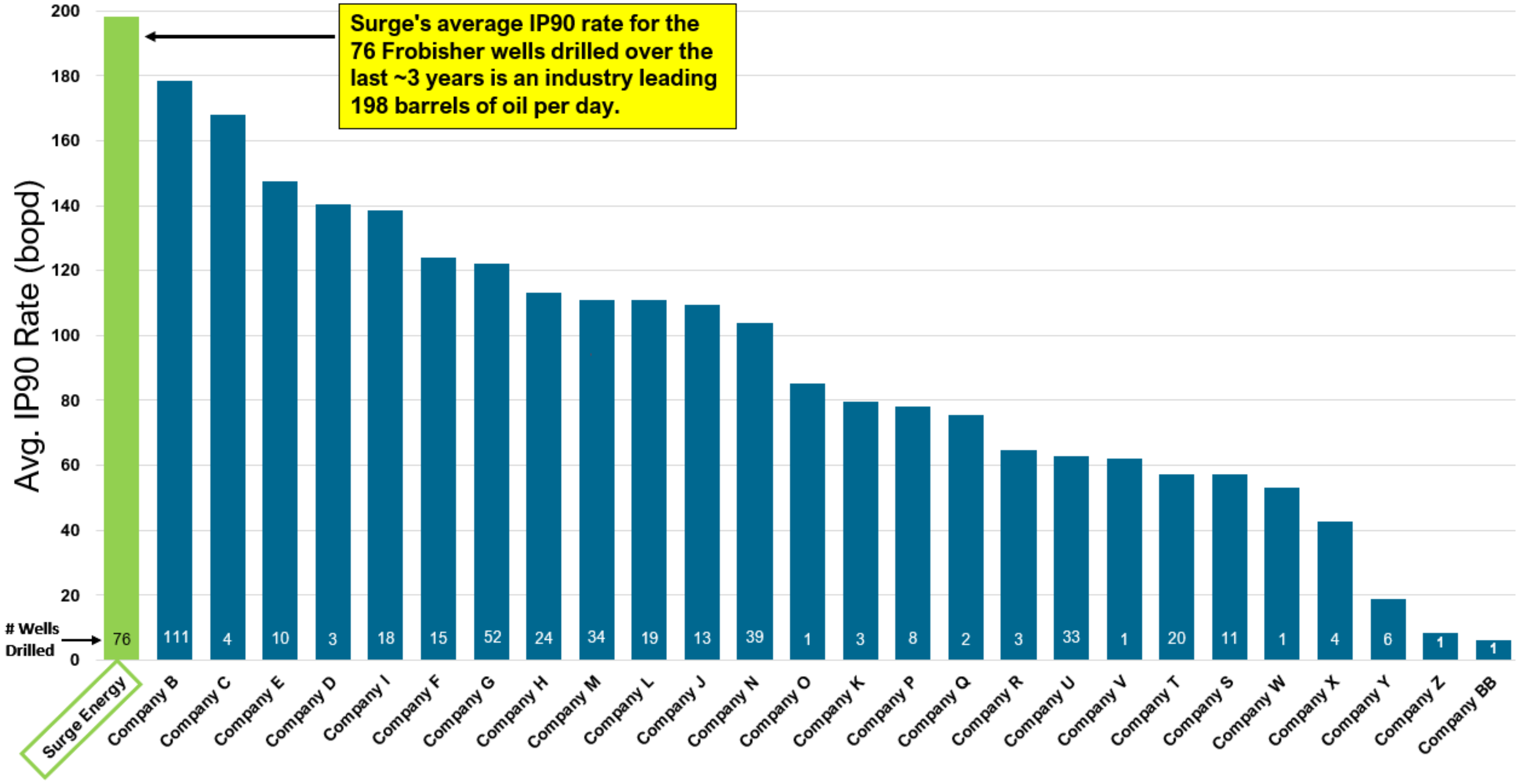
[1] Non-GAAP financial measure. See the Non-GAAP & Other Financial Measures Advisory at the back of this presentation for further details regarding Non-GAAP financial measures.

SE Saskatchewan

Key Growth Driver

High operating netback[1] light oil production and reserves from low risk, proven conventional reservoirs

SE Saskatchewan Frobisher Average IP90 By Operator *(January 2022 - December 2024)*



>500 million bbls
OOIP net to SGY *(internally estimated)*

>315 net
SE Saskatchewan drilling locations
** Internally estimated as of July 1, 2025*

~8,000 boepd
Production (90% liquids)

~10 year
Drilling Inventory (based on ~30 wells per year)

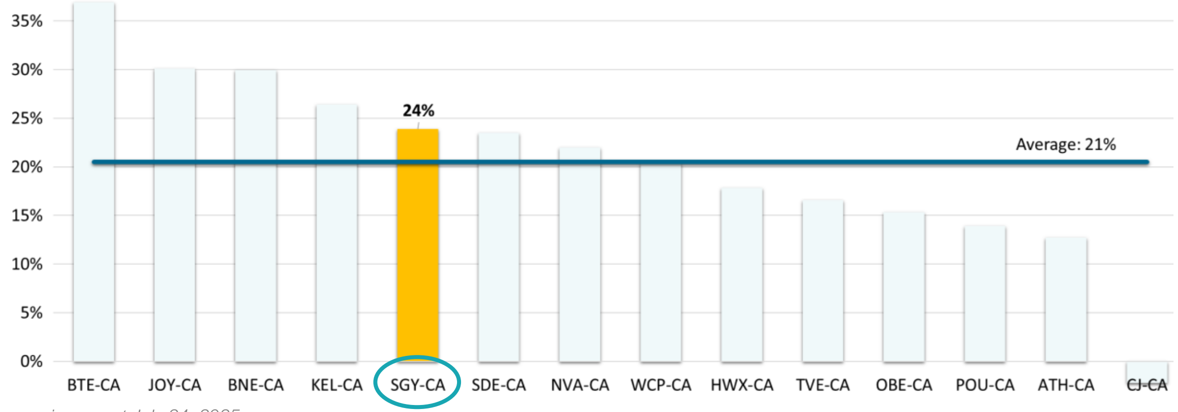
24.5 net wells
To be drilled in 2025
15 multi-lateral and 9.5 single-leg wells

[1] *Non-GAAP financial measure. See the Non-GAAP & Other Financial Measures Advisory at the back of this presentation for further details regarding Non-GAAP financial measures.*

Analyst Coverage

Financial Institution	Analyst	Email Address	SGY 12-Month Target Price
Acumen Capital Partners	Trevor Reynolds	treynolds@acumencapital.com	$10.50
ATB Capital Markets	Amir Arif	aarif@atb.com	$8.25
BMO Capital Markets	Jeremy McCrea	jeremy.mccrea@bmo.com	$10.00
Canaccord Genuity	Mike Mueller	mmueller@cgf.com	$9.00
Cormark Securities	Brent Watson	bwatson@cormark.com	$12.00
National Bank Financial	Dan Payne	dan.payne@nbc.ca	$9.50
Peters & Co.	Christian Comeau	ccomeau@petersco.com	$8.50
Raymond James	Luke Davis	luke.davis@raymondjames.ca	$9.00
Roth Canada	Jamie Somerville	jsomerville@rothcanada.ca	$9.00
Schachter Energy Report	Josef Schachter	josef@schachterenergyreport.ca	$14.00
Velocity Trade Capital	Mark Heim	mark.heim@velocitytradecapital.com	$10.50
		Average:	$10.02

Upside Above Current Share Price to Consensus Factset Analyst Target Price[1]



[1] *Based on share prices as at July 24, 2025.*

Leadership

SURGE

Paul Colborne

President & CEO

Jared Ducs

CFO

Murray Bye

COO

Derek Christie

Senior VP, Exploration

Margaret Elekes

Senior VP, Land & BD

Dan Kelly

VP, Finance

Grant Cutforth

VP, Business Development

Board of Directors

Paul Colborne

President & CEO

Jim Pasieka[1]

Chairman

Marion Burnyeat[2,3]

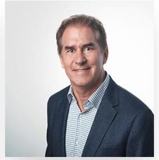
Independent Director

Daryl H. Gilbert[3,4]

Independent Director

Michelle Gramatke[2,4,5]

Independent Director



Robert Leach[2,5,6]

Independent Director

Allison Maher[2,4,5]

Independent Director

Board Committees

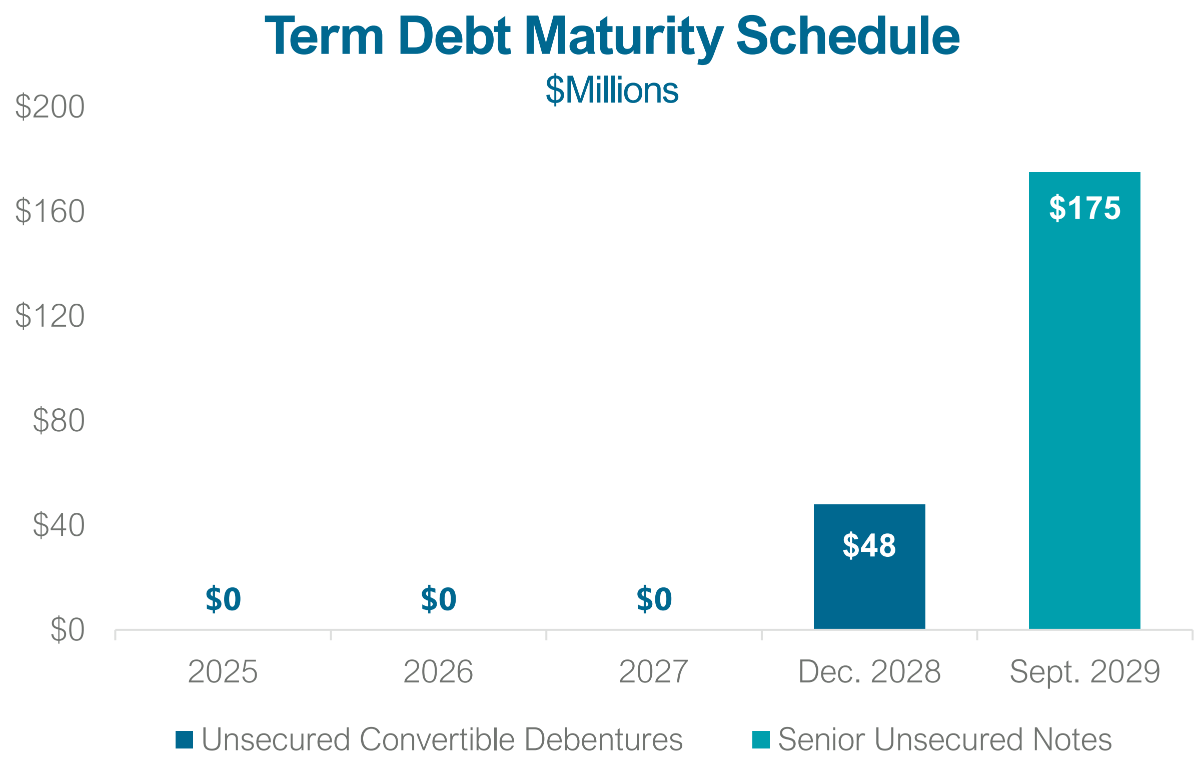
1. Chair of the Board
2. Member of the Compensation, Nominating and Corporate Governance Committee. Ms. Burnyeat serves as Chair.
3. Member of the Environment, Health and Safety Committee. Mr. Gilbert serves as Chair.
4. Member of the Reserves Committee.
5. Member of the Audit Committee. Ms. Maher serves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

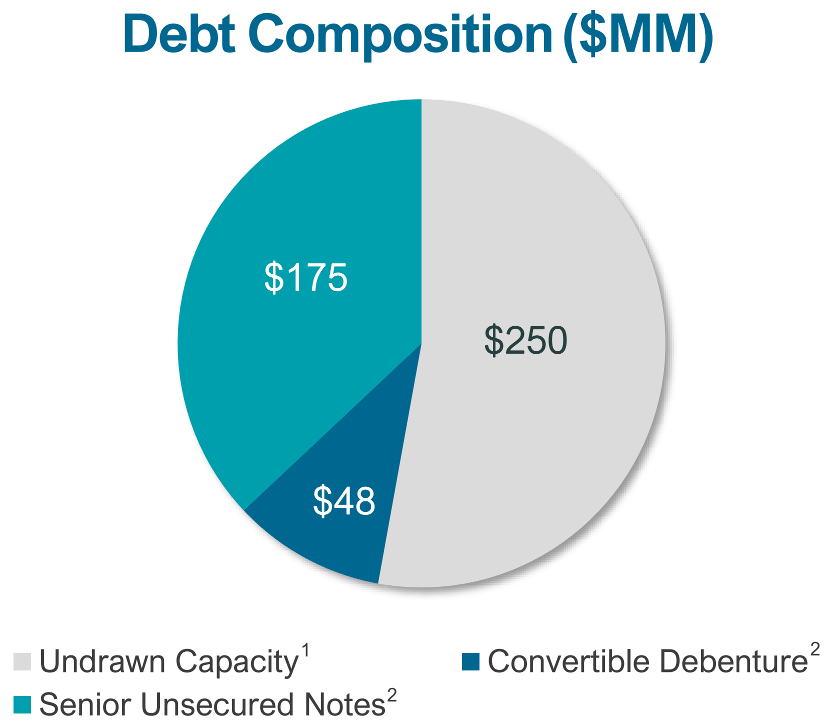
Appendix

Significant Liquidity

Debt structure supports return of capital framework

Surge's current drawn debt has long-dated maturities, termed out through late 2028 and 2029, with attractive interest rates.





$250 million of undrawn capacity provides significant financial flexibility

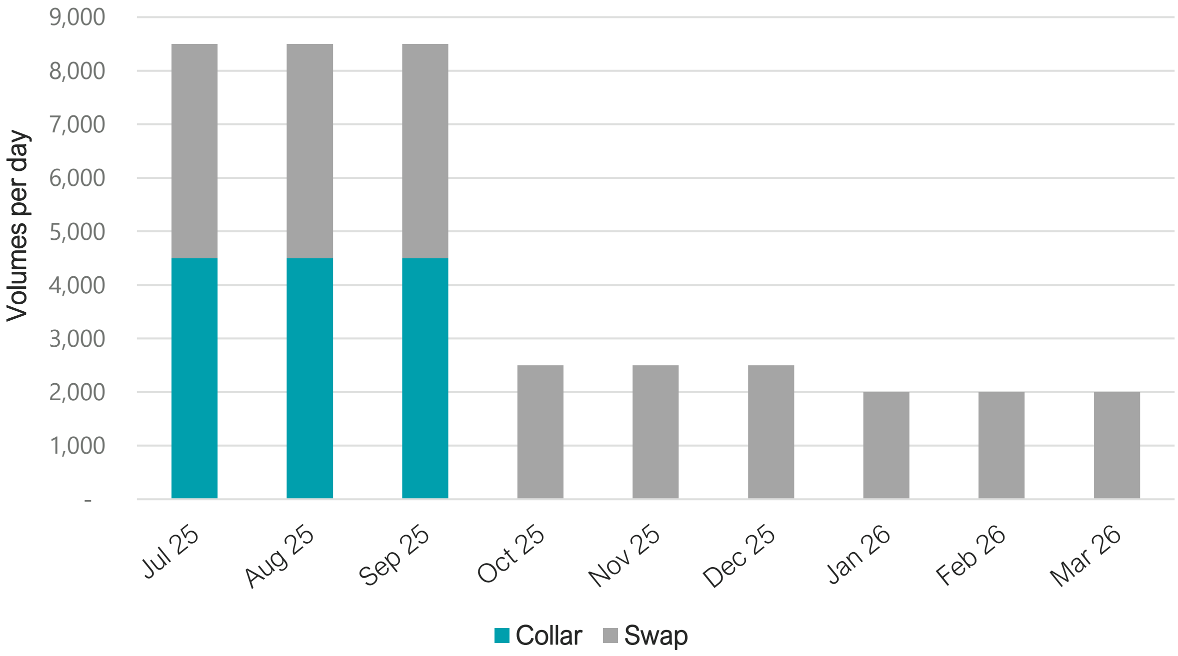
Please see the Advisories section at the back of this presentation for further detail regarding forward-looking statements, oil and gas information, and non-GAAP and other financial measures.

[1] Historical Working Capital Deficit of $25-30MM
[2] Represents the estimated balance sheet liability as at December 31, 2024

WTI Hedging Program

Minimizing the impact of volatility in global markets and crude oil pricing

Surge has hedged 8,750 bbl/d of its forecasted Q3/25 oil production with an average floor price of ~US$71/bbl, representing ~50% of forecasted net after-royalty production.



WTI Crude Oil Derivative Contracts

	Swaps		Collars		
Period	Volumes	Avg. Price	Volumes	Avg. Bought Put	Avg. Sold Call
Q3 2025	4,000	$72.85	4,500	$70.00	$80.00
Q4 2025	2,500	$69.09	-	$ -	$ -
Q1 2026	2,000	$68.42	-	$ -	$ -

25% swapped on net volumes/liquids for 2025.
All WTI prices are displayed in USD.

Further Hedging Detail

WCS and MSW Derivative Contracts

	WCS: Swaps		MSW: Swaps	
Period	Volumes	Avg. Price	Volumes	Avg. Price
Q3 2025	5,000	-$13.59	3,000	-$3.65
Q4 2025	5,000	-$13.59	2,000	-$3.93
Q1 2026	4,000	-$13.20	-	$ -
Q2 2026	1,500	-$13.05	-	$ -
Q3 2026	1,500	-$13.05	-	$ -

Natural Gas Derivative Contracts

	Swaps		Collars		
Period	Vol.	Avg. Price	Vol.	Average Bought Put	Average Sold Call
Q3 2025	1,700	$4.41	3,300	$4.09	$4.77
Q4 2025	3,888	$3.36	1,112	$4.09	$4.77
Q1 2026	5,000	$3.18	-	$ -	$ -

Foreign Currency Exchange Derivative Contracts

Type	Term	Notional Amount (USD)	Floor	Ceiling	Forward Rate
Average Rate Collar	Jan 2025 – Dec 2025	$5,000,000	$1.3300	$1.4050	-
Average Rate Collar	Jan 2025 – Jun 2026	$5,000,000	$1.3850	$1.4610	-
Average Rate Collar	Jul 2025 – Dec 2025	$5,000,000	$1.3900	$1.4650	-
Average Rate Collar	Jan 2026 – Dec 2026	$5,000,000	$1.3800	$1.4450	-

Power Hedges

	Swaps	
Period	MW (24 x7)	Avg. Price
2025	5.5	$56.91
2026	5.5	$64.60
2027	3.5	$75.39

All WCS, MSW prices and FX hedges are displayed in USD. Gas and Power hedges shown in CAD.

2024 Reserves and Net Asset Value

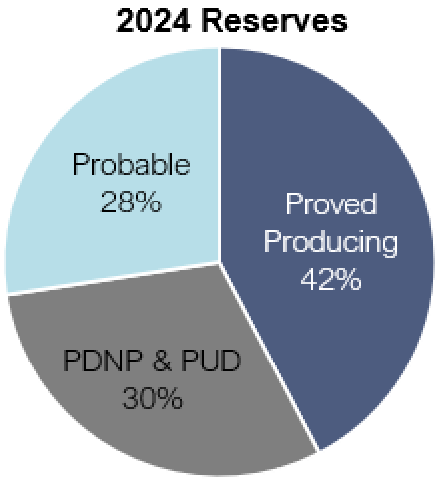
Dec. 31, 2024 Sproule Reserves

Gross Reserves[1]	Oil Equivalent Total Reserves (Mboe)	Oil & Liquids (%)	BTax NPV10 ($MM)[2,3]
Proved Developed Producing (PDP)	38,186	91%	$791
Total Proved (1P) *(284 net locations)*	65,445	92%	$1,184
Total Proved Plus Probable (2P) *(367 net locations)*	90,174	91%	$1,692

Dec. 31, 2024 Net Asset Value on YE2024 Sproule Reserves

	Proved Producing	Total Proved (1P)	Proved + Probable (2P)
BTax NPV10 ($MM)	$791	$1,184	$1,692
Net Debt ($MM)	($247)	($247)	($247)
Total Net Assets ($MM)	$544	$936	$1,444
Basic Shares Outstanding (MM)	100.4	100.4	100.4
Estimated NAV per Basic Share	$5.42/share	$9.33/share	$14.39/share

Currently trading at just 45% of its 2P NAV per share (which includes less than half of the company's total drilling locations), Surge provides an excellent value proposition and 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 as stated in the COGE Handbook.
Please see the Advisories section at the back of this presentation for further detail regarding forward-looking statements, oil and gas information, and non-GAAP and other financial measures.

Sparky Core Area

Reserves

Surge Dec 31, 2024 Sproule Sparky Core Area Reserves

Gross Reserves	Net Booked Locations	Oil (Mbbl)	Gas (Mmcf)	NGL's (Mbbl)	Oil Equivalent Total Reserves (Mboe)	Oil & Liquids (%)	BTax NPV10 ($MM)
Proved Developed Producing (PDP)	n/a	18,535	15,810	271	21,441	88%	$494
Total Proved (1P)	142.8	31,639	22,620	388	35,797	89%	$716
Total Proved Plus Probable (2P)	195.8	43,954	36,549	578	50,624	88%	$978

Sparky Core Statistics

Net OOIP	1.1 Bln bbl
Current Production	12,000 boepd
Decline	24%
Net Locations	501.0*
Water Injectors	181
Production Under Waterflood	~4,700 boepd

** As of January 1, 2025*

- The Sparky core area represents ~52% of Surge's total corporate 2P NPV10 value as independently evaluated by Sproule.
- Only ~39% of the internally estimated and identified drilling locations have been booked in the reserves indicating significant value potential above the 2P booked value.
- ~39% of the Sparky core area production is receiving waterflood support, increasing the sustainability of the assets and lowering the production decline.

SURGE

Reserves

Surge Dec 31, 2024 Sproule SE Sask/MB Area Reserves

Gross Reserves	Net Booked Locations	Oil (Mbbl)	Gas (Mmcf)	NGL's (Mbbl)	Oil Equivalent Total Reserves (Mboe)	Oil & Liquids (%)	BTax NPV10 ($MM)
Proved Developed Producing (PDP)	n/a	10,711	2,772	453	11,626	96%	$403
Total Proved (1P)	115.1	16,955	5,846	920	18,849	95%	$524
Total Proved Plus Probable (2P)	145.0	23,290	8,463	1,329	26,030	95%	$720

SE Sask/MB Statistics

Net OOIP	~400 MMbbl
Current Production	8,000 boepd
Decline	34%
Net Locations	309.3*

** As of January 1, 2025*

- SE Saskatchewan accounts for only 29% of Surge's booked 2P reserves but makes up ~38% of Surge's total corporate 2P NPV10 value, highlighting the intrinsic value of the high netback[1] light oil barrels.
- ~47% of the internally estimated and identified drilling locations have been booked in the reserves, indicating significant value potential above the 2P booked value.

Advisories - Forward-Looking Statements

This presentation contains forward-looking statements. The use of any of the words “anticipate”, “continue”, “could”, “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; Management’s 2025 operating and capital budget guidance, average and annual production guidance, capital expenditure budget guidance and FCF forecast; expectations with respect to the Company’s spend on property, plant and equipment in 2025; projections with respect to the Company’s capital efficiencies; crude oil fixed price hedges protecting the Company’s 2025 free cash flow profile; share repurchases under the Company’s NCIB; the repeatability and consistency of drilling results at Hope Valley and moving this asset the full development phase; estimated Sparky drilling locations remaining on the Company’s Hope Valley land and the future development of such land; Surge’s planned 2025 drilling program and focus, including expectations regarding the number of wells to be drilled and the types thereof; Surge’s 2025 capital program and focus; the resumption of drilling in SE Saskatchewan to mid-July; estimates with respect to its drilling inventory of more than 12 years; expectations with respect to Surge’s shareholder returns in 2025 and beyond and the key corporate fundamentals underlining such expectations; and management’s expectations regarding Surge’s 2025 average production, AFF, cash flow from operating activities, dividends, drilling inventory and locations, annual corporate decline rates, tax pools and tax horizon.

The forward-looking statements are based on certain key expectations and assumptions made by Surge, including expectations and assumptions concerning the performance of existing wells and success obtained in drilling new wells; anticipated expenses; cash flow and capital expenditures; compliance with and application of regulatory and royalty regimes; prevailing commodity prices and economic conditions; the Company’s expectations regarding well production rates, production decline of existing wells and performance and geographic location of new wells drilled; the ability of the Company to achieve its objectives and goals; the application of regulatory and royalty regimes; the financial assumptions used by Surge’s reserve evaluators in assessing potential impairment of Surge assets; Surge's belief that the majority of cash flow's associated with its proved and probable reserves will be realized prior to the elimination of carbon based energy; the Company’s belief in the uncertainty regarding the ultimate period in which global energy markets can transition from carbon based sources to alternative energy; management’s expectations as to the cause of fluctuation in corporate royalty rates; management's beliefs regarding the estimates of the future values for certain assets and liabilities of the Company; underlying causes of the fluctuations in Surge’s revenue and net income (loss) from quarter to quarter; the Company's estimates with respect to incremental borrowing rates and lease terms; development and completion activities and the costs relating thereto; the performance of new wells and the ability of the Company to bring new wells on stream; the successful implementation of waterflood programs; the availability of and performance of facilities and pipelines; the geological characteristics of Surge’s properties; and any acquired assets; the successful application of drilling, completion and seismic technology; the determination of decommissioning obligations; the ability to obtain approval from the syndicate to increase or maintain its credit facilities; the ability to continue borrowing under the Company's credit facilities and the syndicate's interpretation of the Company's obligations thereunder; ability of the Company to obtain alternative form of debt and equity financing on terms acceptable to the Company to meet its capital requirements; prevailing weather conditions; exchange rates; licensing requirements; the impact of completed facilities on operating costs; that prevailing regulatory, tax and environmental laws and regulations apply or are introduced as expected, and the timing of such introduction; and the availability of 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 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; the imposition or expansion of tariffs imposed by domestic and foreign governments or the imposition of other restrictive trade measures, retaliatory or countermeasures implemented by such governments, including the introduction of regulatory barriers to trade and the potential effect on the demand and/or market price for Surge’s products and/or otherwise adversely affects Surge; 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 5, 2025 and in Surge’s MD&A for the year ended December 31, 2024, 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.

“Internally estimated” means an estimate that is derived by Surge’s internal Qualified Reserve Evaluators (“QREs”) and prepared in accordance with National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities and the Canadian Oil And Gas Evaluations (“COGE”) Handbook. All internal estimates contained in this presentation have been prepared effective as of January 1, 2025.

"Capital payout" or "payout per well" is the time period for the operating netback of a well to equate to the individual cost of drilling, completing and equipping the well. Management uses capital payout and payout per well as a measure of capital efficiency of a well to make capital allocation decisions.

“Original oil in place (OOIP)” refers to the initial volume of oil present in the reservoir at the time of its formation.

“Net Asset Value (NAV)” is calculated as reserve value discounted at 10% on a BTax basis, less the Company’s net debt, a non-GAAP financial measure, at June 30, 2025 of $229.1 million and is divided by 99.1 million common shares outstanding as at June 30, 2025.

“Decline” is the amount existing production decreases year over year, without new drilling. Sproule’s 2024 year end reserves have a PDP decline of 27 percent and a P+PDP decline of 25 percent.

Management uses these oil and gas metrics for its own performance measurements and to provide shareholders with measures to compare our operations over time. Readers are cautioned that the information provided by these metrics, or that can be derived from the metrics presented in this presentation, should not be relied upon for investment or other purposes.

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 external 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 (“QRE”)) 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, 2025 reference date, the Company will have over >975 gross (>900 net) drilling locations identified herein; of these >575 gross (>525 net) are unbooked locations. Of the 367 net booked locations identified herein, 284 net are Proved locations and 83 net are Probable locations based on Sproule’s 2024 year end reserves. Assuming an average number of net wells drilled per year of 75, Surge’s >900 net locations provide 12 years of drilling.

Assuming a January 1, 2025 reference date, the Company will have over >500 gross (>475 net) Sparky Core area drilling locations identified herein; of these >300 gross (>300 net) are unbooked locations. Of the 196 net booked locations identified herein, 143 net are Proved locations and 53 net are Probable locations based on Sproule’s 2024 year end reserves. Assuming an average number of wells drilled per year of 40, Surge’s >475 net locations provide >12 years of drilling.

Assuming a January 1, 2025 reference date, the Company will have over >80 gross (>80 net) Sparky Hope Valley area drilling locations identified herein; of these >60 gross (>60 net) are unbooked locations. Of the 22 net booked locations identified herein, 17 net are Proved locations and 5 net are Probable locations based on Sproule’s 2024 year end reserves.

Surge’s internally used type curves were constructed using a representative, factual and balanced analog data set, as of January 1, 2024. All locations were risked appropriately, and Estimated Ultimate Recovery (“EUR”) was measured against Discovered Petroleum Initially In Place (“DPIIP”) 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 QRE’s. All type curves fully comply with Part 5.8 of the Companion Policy 51 – 101CP.

Surge’s internal Hope Valley type curve profile of 172 bopd (IP30), 168 bopd (IP90) and 175 mbbl (175 mboe) EUR reserves per well, with assumed $2.66 MM per well capital, has a payout of approximately 10 months at US$65/bbl WTI (C$83.33/bbl LSB) and an approximate 150 percent IRR.

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 and are not defined by IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board, and therefore are referred to as non-GAAP and other financial measures. 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 period ended June 30, 2025, 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 (income). 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 (income) represent expenditures associated with property acquisitions and dispositions, debt restructuring and employee severance costs as well as other income, 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 (loss) per share.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
($000s except per share)	2025	2024	2025	2024
Cash flow from operating activities	56,344	73,604	139,814	140,389
Change in non-cash working capital	15,317	6,816	7,599	(2,137)
Decommissioning expenditures	1,086	1,696	5,611	5,624
Cash settled transaction and other costs (income)	9	689	(161)	1,416
Adjusted funds flow	72,756	82,805	152,863	145,292
Per share - basic ($)	0.73	0.82	1.53	1.44
Per share - diluted ($)	0.73	0.81	1.52	1.42

Free Cash Flow, Excess Free Cash Flow, Free Cash Flow Yield, and Free Cash Flow Margin

Free Cash Flow ("FCF") and excess Free Cash Flow ("excess FCF") are non-GAAP financial measures. FCF is calculated as cash flow from operating activities, adjusted for changes in non-cash working capital, decommissioning expenditures, and cash settled transaction and other costs (income), less expenditures on property, plant and equipment. Excess FCF is calculated as cash flow from operating activities, adjusted for changes in non-cash working capital, decommissioning expenditures, and cash settled transaction and other costs (income), less expenditures on property, plant and equipment, and dividends paid. Management uses FCF and excess FCF to determine the amount of funds available to the Company for future capital allocation decisions.

	Three Months Ended June 30,		Six Months Ended June 30,	
($000s)	2025	2024	2025	2024
Cash flow from operating activities	56,344	73,604	139,814	140,389
Change in non-cash working capital	15,317	6,816	7,599	(2,137)
Decommissioning expenditures	1,086	1,696	5,611	5,624
Cash settled transaction and other costs (income)	9	689	(161)	1,416
Adjusted funds flow	72,756	82,805	152,863	145,292
Less: expenditures on property, plant and equipment	(30,830)	(36,065)	(85,229)	(85,465)
Free cash flow	41,926	46,740	67,634	59,827
Less: dividends paid	(12,914)	(12,070)	(25,912)	(24,129)
Excess free cash flow	29,012	34,670	41,722	35,698

FCF 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.

FCF margin is a non-GAAP ratio, calculated as FCF divided by adjusted funds flow.

Advisories - Non-GAAP & Other Financial Measures

SURGE

Net Debt

Net debt is a non-GAAP financial measure, calculated as bank debt, senior unsecured notes, 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 June 30, 2025	As at March 31, 2025	As at June 30, 2024
Cash	8,434	11,736	—
Accounts receivable	49,569	55,506	56,960
Prepaid expenses and deposits	5,349	2,363	5,803
Accounts payable and accrued liabilities	(70,883)	(94,749)	(90,791)
Dividends payable	(4,294)	(4,313)	(4,018)
Bank debt	—	—	(33,010)
Senior unsecured notes	(171,308)	(171,090)	—
Term debt	(5,753)	(5,637)	(131,044)
Convertible debentures	(40,253)	(39,819)	(38,607)
Net Debt	(229,139)	(246,003)	(234,707)

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 June 30,		Six Months Ended June 30,	
($000s)	2025	2024	2025	2024
Petroleum and natural gas revenue	141,215	173,173	301,937	331,340
Processing and other income	1,900	2,254	4,062	4,758
Royalties	(24,139)	(27,501)	(52,596)	(57,645)
Realized gain (loss) on commodity and FX contracts	6,066	(3,149)	7,493	(3,012)
Operating expenses	(38,573)	(45,896)	(80,569)	(97,833)
Transportation expenses	(2,155)	(2,630)	(4,613)	(5,293)
Operating netback	84,314	96,251	175,714	172,315
G&A expense	(5,597)	(5,157)	(11,195)	(10,283)
Interest expense	(5,961)	(8,289)	(11,656)	(16,740)
Adjusted funds flow	72,756	82,805	152,863	145,292
Barrels of oil equivalent (boe)	2,146,594	2,149,307	4,267,684	4,415,528
Operating netback ($ per boe)	39.29	44.77	41.18	39.02
Adjusted funds flow ($ per boe)	33.90	38.51	35.83	32.90

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