SURGE ENERGY INC

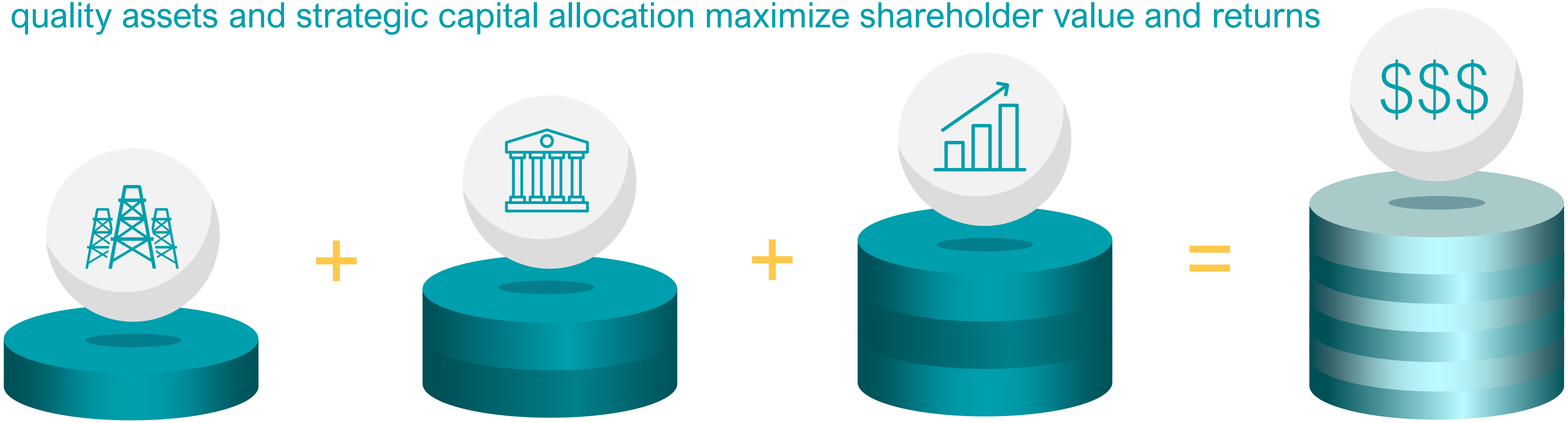
TSX: SGY

Premium Oil Assets Driving Free Cash Flow and Shareholder Returns

CORPORATE PRESENTATION
Spring 2026

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 (>3.0 billion barrels)
- High operating netbacks[1] ($36/boe)
- Low recoveries (6.5%)
- Low decline (25%)
- 16-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 ("FCF")[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 or other financial measure. See the Non-GAAP & Other Financial Measures Advisory at the back of this presentation for further details.*
[2] *Source: Peters & Co. (January 2026 North American Crude Oil and Natural Gas Plays).*
[3] *This represents a 6-year tax horizon at US$65 WTI pricing.*

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 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

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.

2025 Highlights

Surge continued to outperform budgeted estimates throughout 2025, highlighted by:

- Achieving **average production of 23,491 boepd** (88% liquids), more than 1,000 boepd higher than initial 2025 production guidance of 22,500 boepd;
- Generating **adjusted funds flow ("AFF")[1] of $279.2 million** ($2.81 per share);
- **Returning $86.9 million to shareholders** (>31% of AFF) by way of:
  - An attractive (6.2% yield[2]) annual cash dividend ($51.7 million returned to shareholders in 2025);
  - Normal Course Issuer Bid ("NCIB") share buybacks ($8.7 million returned to shareholders in 2025); and
  - Net debt[1] reduction of $26.5 million, with Q4/25 annualized AFF representing 0.98x net debt.
- Per the Company's December 31, 2025 independent GLJ reserve report, Surge:
  - Achieved a 136% Total Proved & Probable ("TPP") reserves replacement ratio primarily in the Sparky and SE Saskatchewan core areas;
  - Reported a TPP reserve life index of 11.4 years; and
  - Reported a **TPP NAV of $13.06 per share** and a Total Proved ("TP") NAV of $7.62 per share.

[1] Non-GAAP or other financial measure. See the Non-GAAP & Other Financial Measures Advisory at the back of this presentation for further details.
[2] Based on an $8.40 share price as at March 5, 2026.

Corporate Guidance for 2026

Key Guidance & Assumptions[1]	US$65 WTI[6]
2026 Adjusted Funds Flow[2]	**$265 MM**
2026 Cash Flow From Operating Activities[3]	**$245 MM**
2026 Free Cash Flow[2]	**$95 MM**
2026 Free Cash Flow Margin[2]	**36%**

Market Snapshot

Basic Shares Outstanding[4]	**98.9 MM**
Average Daily Volume	**0.6 MM Shares**
Market Capitalization / Net Debt / Enterprise Value[5]	**$831 MM / $221 MM / $1.05 B**

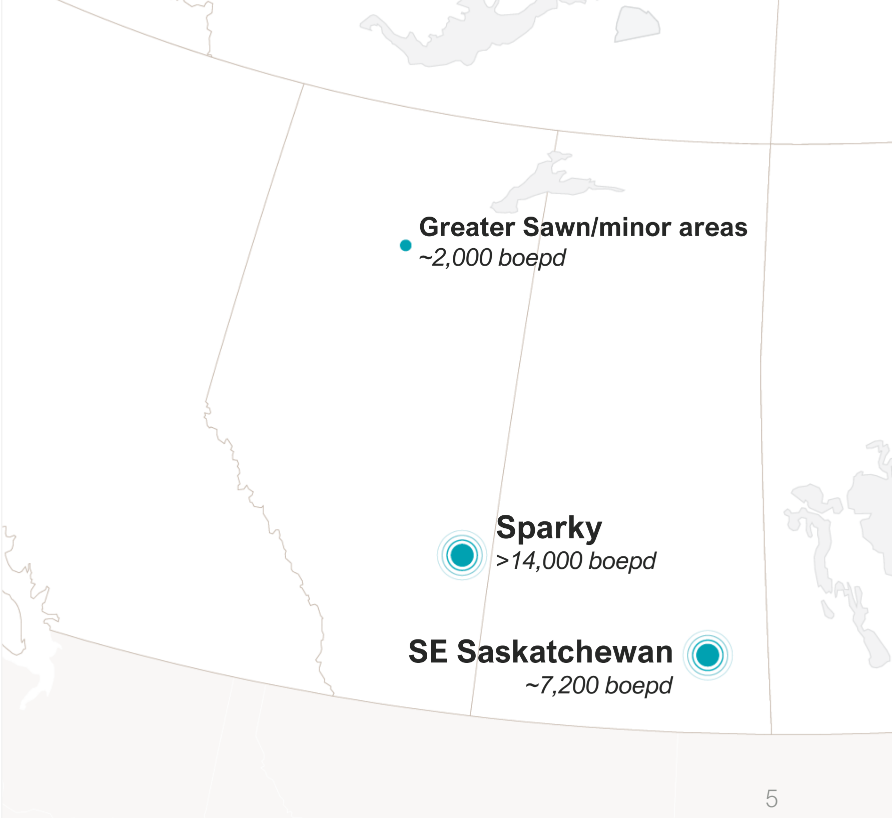
23,000 BOEPD
2026 Average Production (est.) *(88% liquids)*

$150 MILLION
Sustainably-Oriented 2026 Capital Budget (est.)

$0.52
Annual Per Share Dividend

$1.2B
Tax Pools

Focused on returns and enhancing free cash flow while managing risk



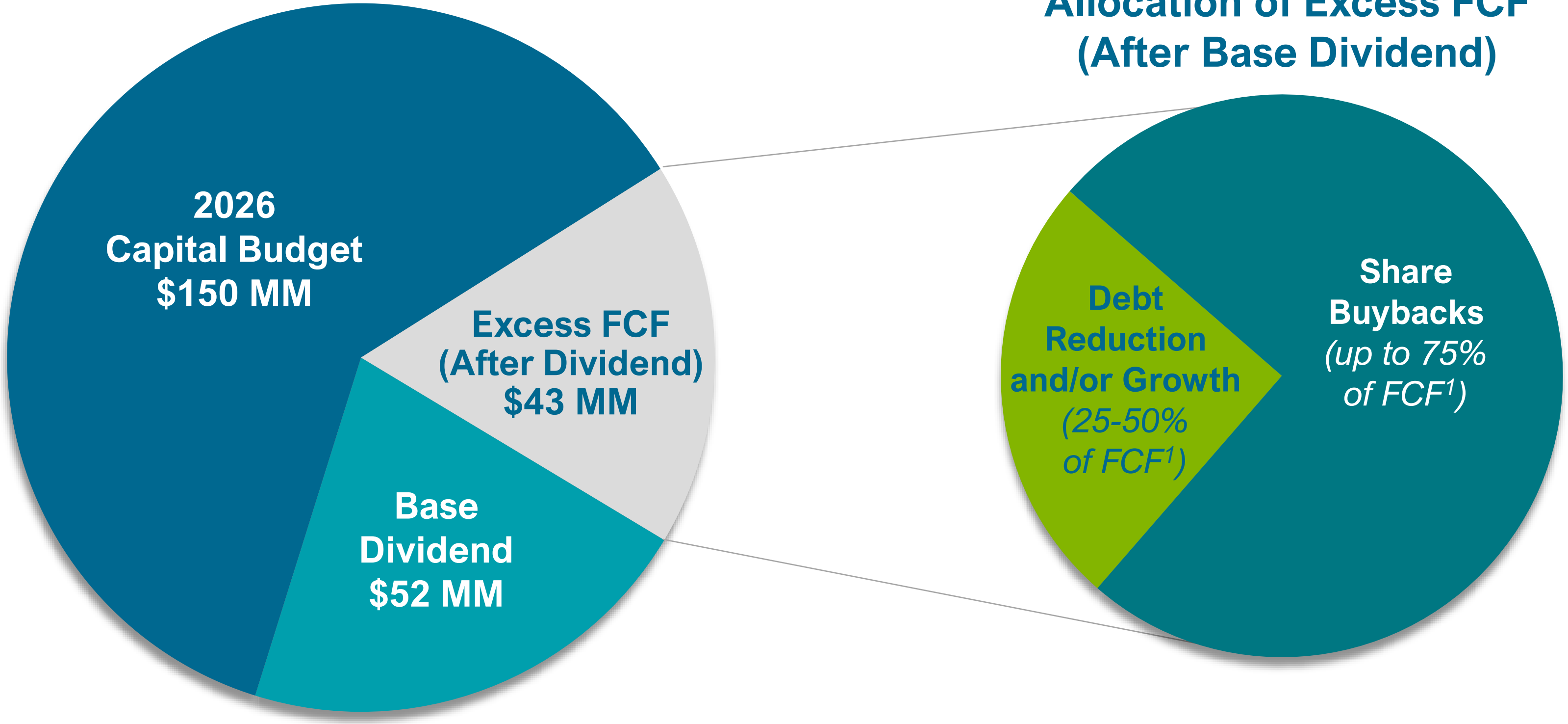
[1] Based on the following pricing assumptions: US$65 WTI, US$12.00 WCS differential, US$4.00 EDM differential, $0.715 CAD/USD FX, and $2.95 AECO.
[2] Non-GAAP or other financial measure. See the Non-GAAP & Other Financial Measures Advisory at the back of this presentation for further details.
[3] Assumes nil change in non-cash working capital.
[4] As at December 31, 2025.
[5] Market Capitalization and Enterprise Value are based on an $8.40 share price as at March 5, 2026, and net debt of $220.6 MM.
[6] Every US$1 increase in WTI pricing adds $8 million to Surge's cash flow.

Return of Capital Framework

Surge is well positioned to deliver returns to shareholders through its base dividend and excess free cash flow (FCF)[1]

2026 Guidance Cash Flow @ US$65 WTI: **$245 MM**

Allocation of Excess FCF (After Base Dividend)



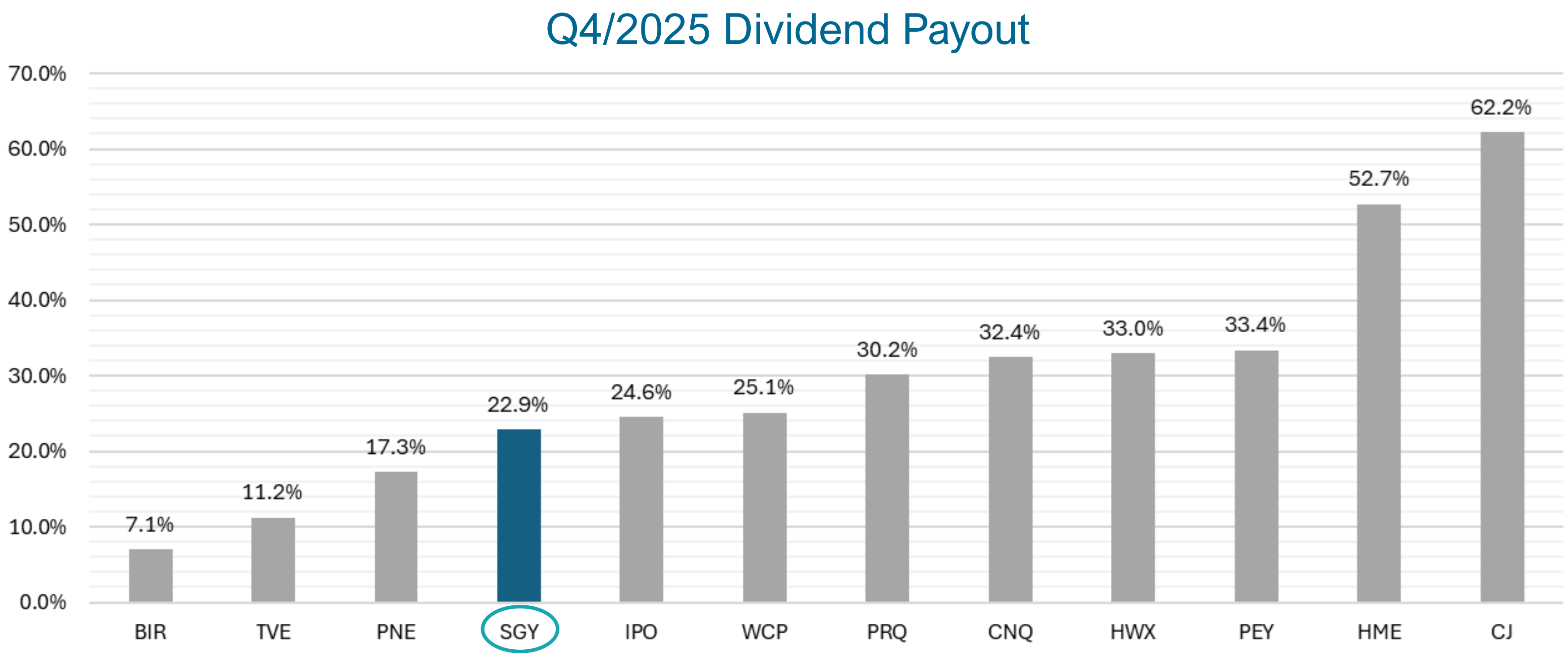
Surge has returned >$350 million to shareholders since 2021 by way of:

- Base dividend ($171 million in total)
- Share buybacks ($20 million in total)
- Debt reduction ($160 million in total)

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

Attractive Dividend: Low Payout Ratio

Surge's attractive $0.52 per share annual base cash dividend is accompanied by a low dividend payout ratio of less than 20% of forecasted 2026 cash flow.



*Source: Company reports; *All 3Q25 except BIR, CNQ, HWX, IPO, PNE, SGY, TVE, WCP*

Surge has increased its base cash dividend TWICE over the past three years (23% in total) AND maintained a low dividend payout ratio of less than 20% of forecasted 2026 AFF[1].

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

Compelling Opportunity For Energy Investors

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

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

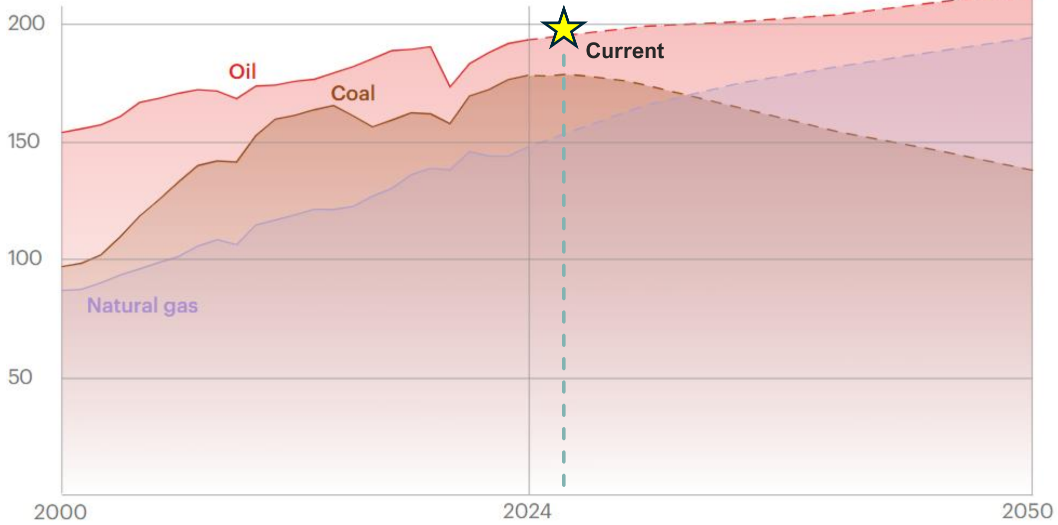
With minimal debt and strong free cash flow margins[1], Surge offers attractive returns to investors.

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

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.

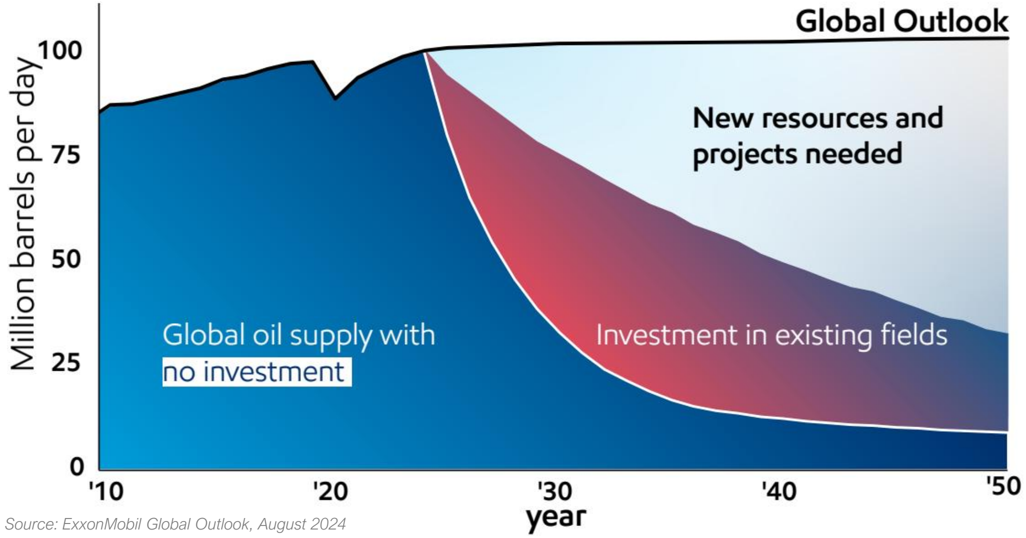
Energy will continue to offer investors an attractive value proposition in 2026 and beyond

Oil and Gas Demand Do Not Peak



Source: International Energy Agency, World Energy Outlook 2025 - The Current Policies Scenario

Oil Supply Decline With No New Investment



Source: ExxonMobil Global Outlook, August 2024

Spotlight:

Sparky and SE Saskatchewan

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

SURGE ENERGY INC

Advantages Of Conventional Reservoirs

Surge proactively targets low risk conventional reservoirs and currently has >3 billion barrels of net OOIP with a 6.5% 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.

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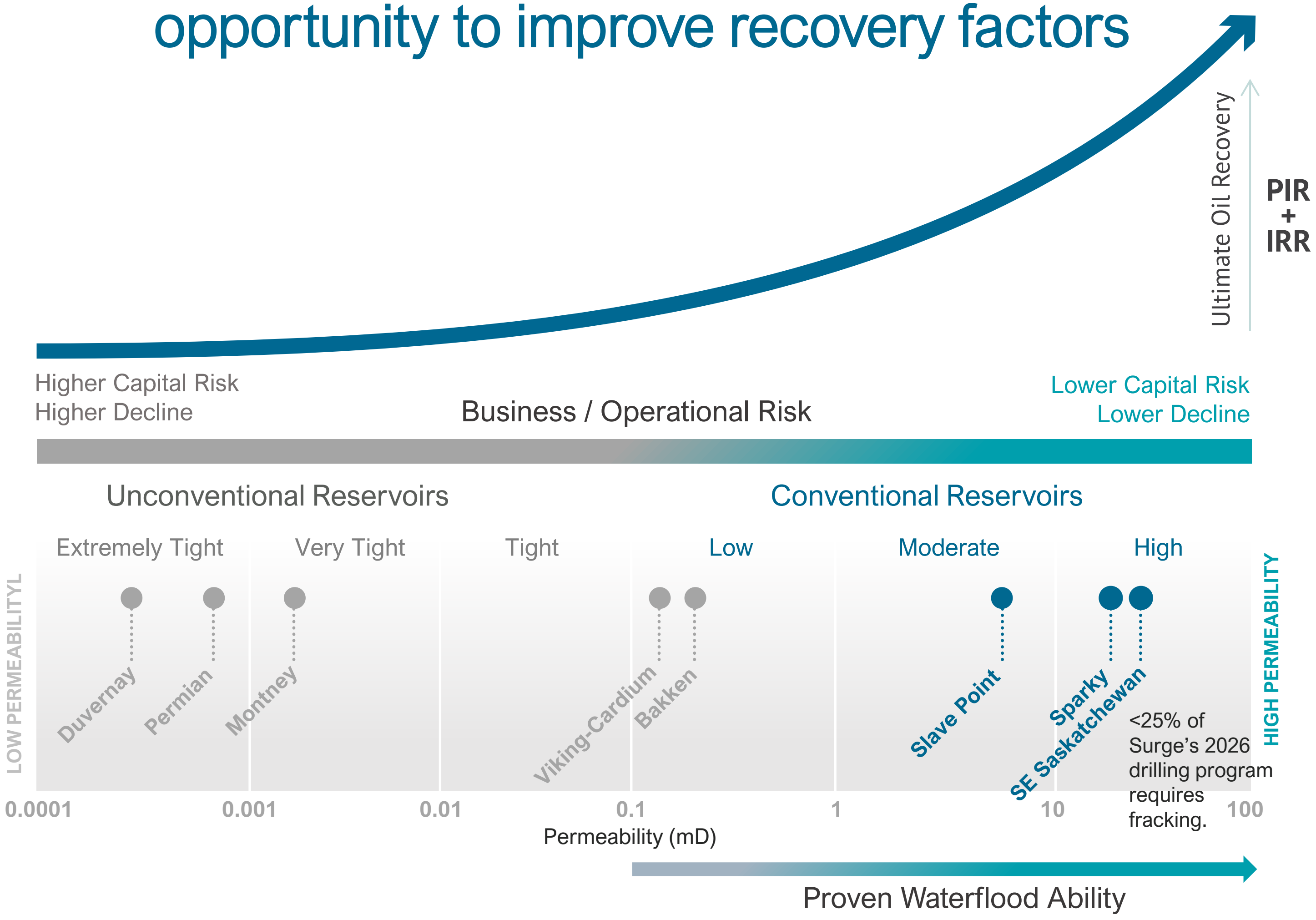
Conventional reservoirs offer lower risk, predictable, repeatable development with opportunity to improve recovery factors



Increasing permeability = higher quality reservoir

Core Area Focused

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

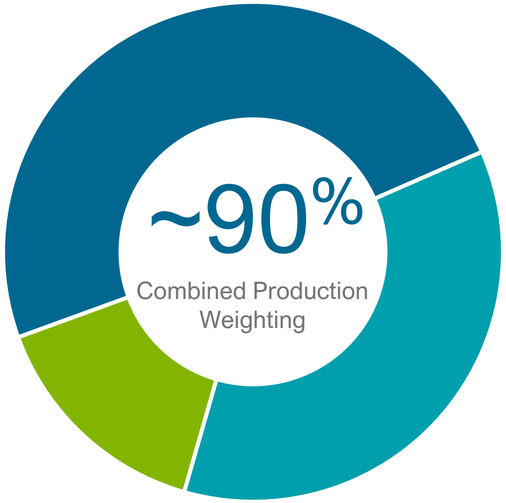
Sparky

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.

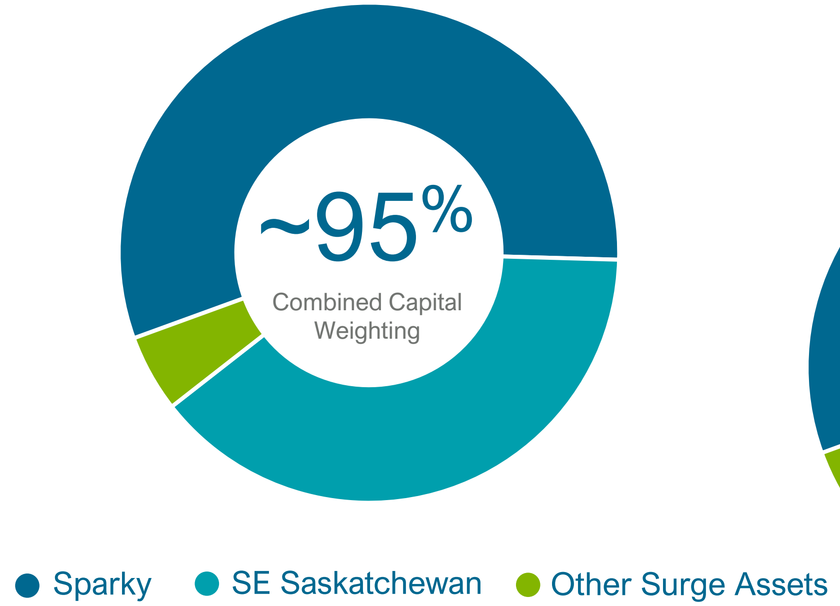
SE Saskatchewan

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

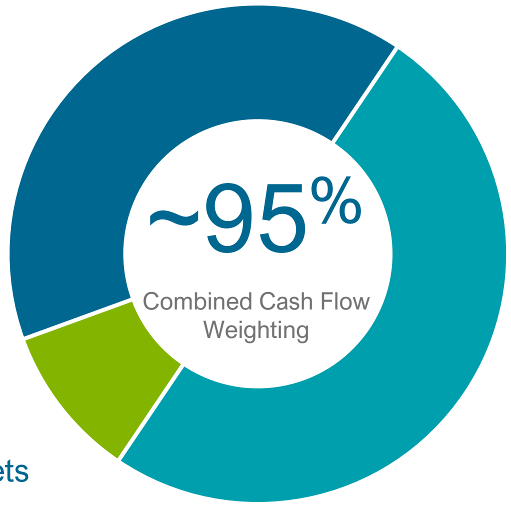
Production Weighting by Area



Capital Weighting by Area



Cash Flow Weighting by Area



Sparky

A One-of-a-Kind Position

Surge holds a dominant land position and is drilling a mix of horizontal multi-frac and open hole multi-lateral (OHML) horizontal wells in the Sparky area

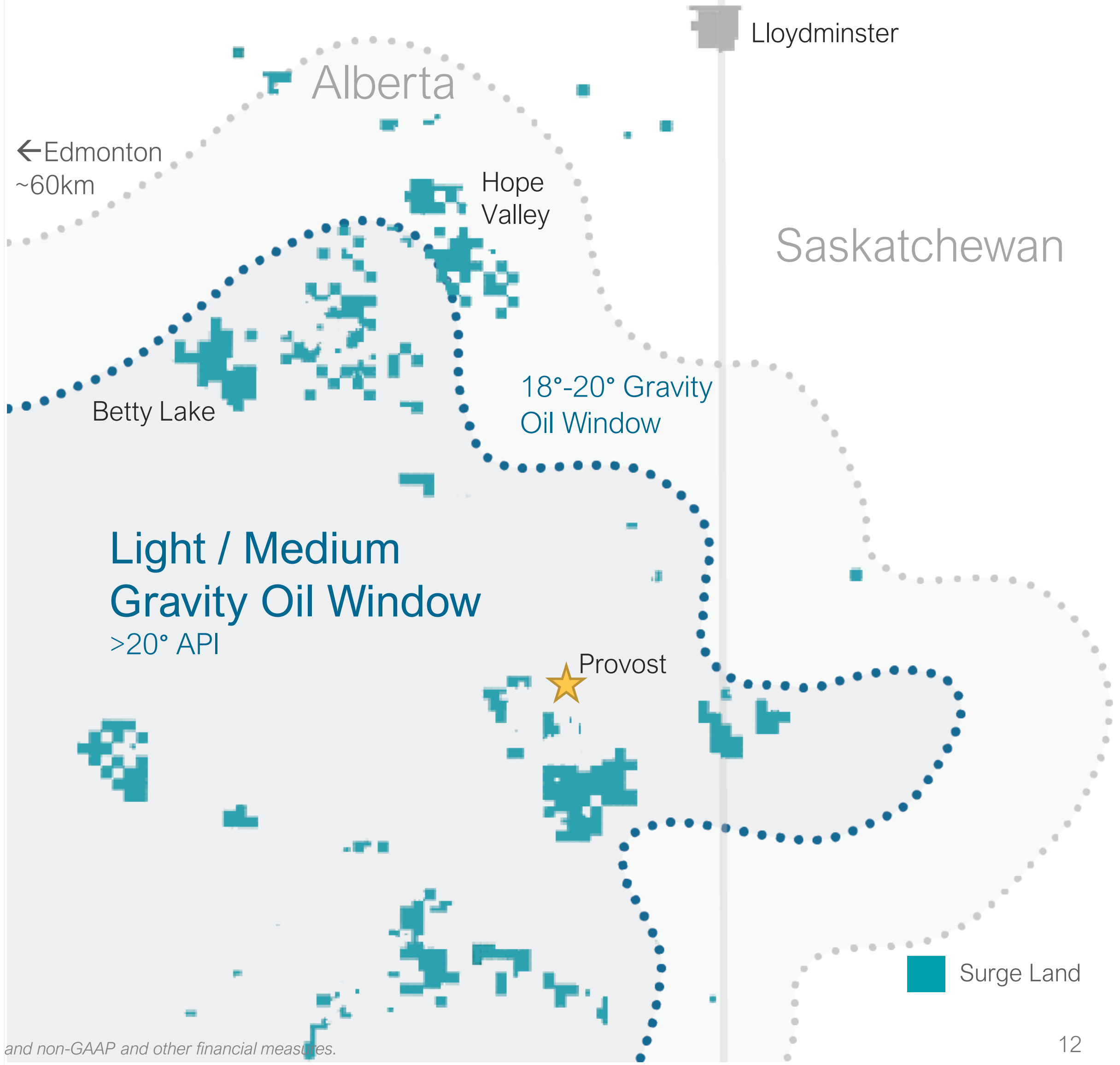
Sparky Formation Facts

First Production	May 1922
Original Oil in Place	>11 Bbbls
Cumulative Production	~1.4 Bbbls
Recovery Factor to date	~13%
Producing Wells	~24,600
Hz Wells	~1,700
Multi-Frac Hz Wells	~485
Surge Drilled Multi-Frac Hz	>265
Multi-Leg Hz Wells	~650
Multi-Leg Hz Wells 4+ Legs	~530
Surge Drilled Multi-Leg Hz	38

- Large, well established oil producing fairway in Western Canada
- Per well economics with quick payouts and excellent rates
- Conventional sandstone reservoirs support top-tier capital efficiencies
- Increased market focus with operators implementing multi-lateral horizontals in areas of higher oil viscosity
- 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



Data sourced from Canadian Discovery and Geoscout

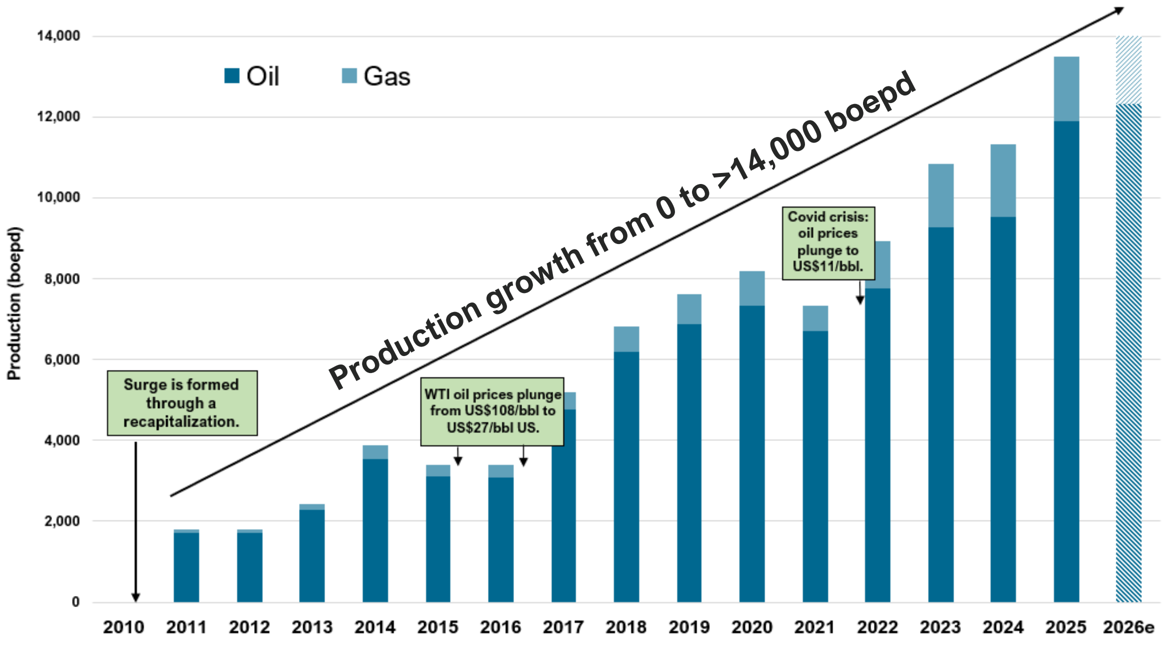
Please see the Advisories section at the back of this presentation for further detail regarding forward-looking statements, oil and gas information, and non-GAAP and other financial measures.

Sparky

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 675% from 1,800 boepd in 2011 to >14,000 boepd today
- Low-cost horizontal drilling (DCE[1] of $2.0-$2.5MM per well)
- Focus on lighter WCS oil gravity (16-28° API) = higher operating netbacks[2]
- Proven waterflood potential (Wainwright pool at >30% recovery factor)

>14,000 boepd

Primary (Non-ML)
5,500 boepd
39% of production

Multi-Lat
3,600 boepd
26% of production

Waterflood
4,900 boepd
35% of production

>1.5 billion bbls
OOIP net to SGY (internally estimated)

>500 net
>160 Multi-Lateral Locations
** Internally estimated as of January 1, 2026*

>14,000 boepd
Production (85% liquids)

>16 year
Drilling Inventory (based on 2026 drill pace)

31 net wells
To be drilled in 2026
16 multi-lateral, 10 single-leg producers, and 5 single-leg water injectors

[1] *Drilled, Cased & Equipped.*
[2] *Non-GAAP or other financial measure. See the Non-GAAP & Other Financial Measures Advisory at the back of this presentation for further details.*

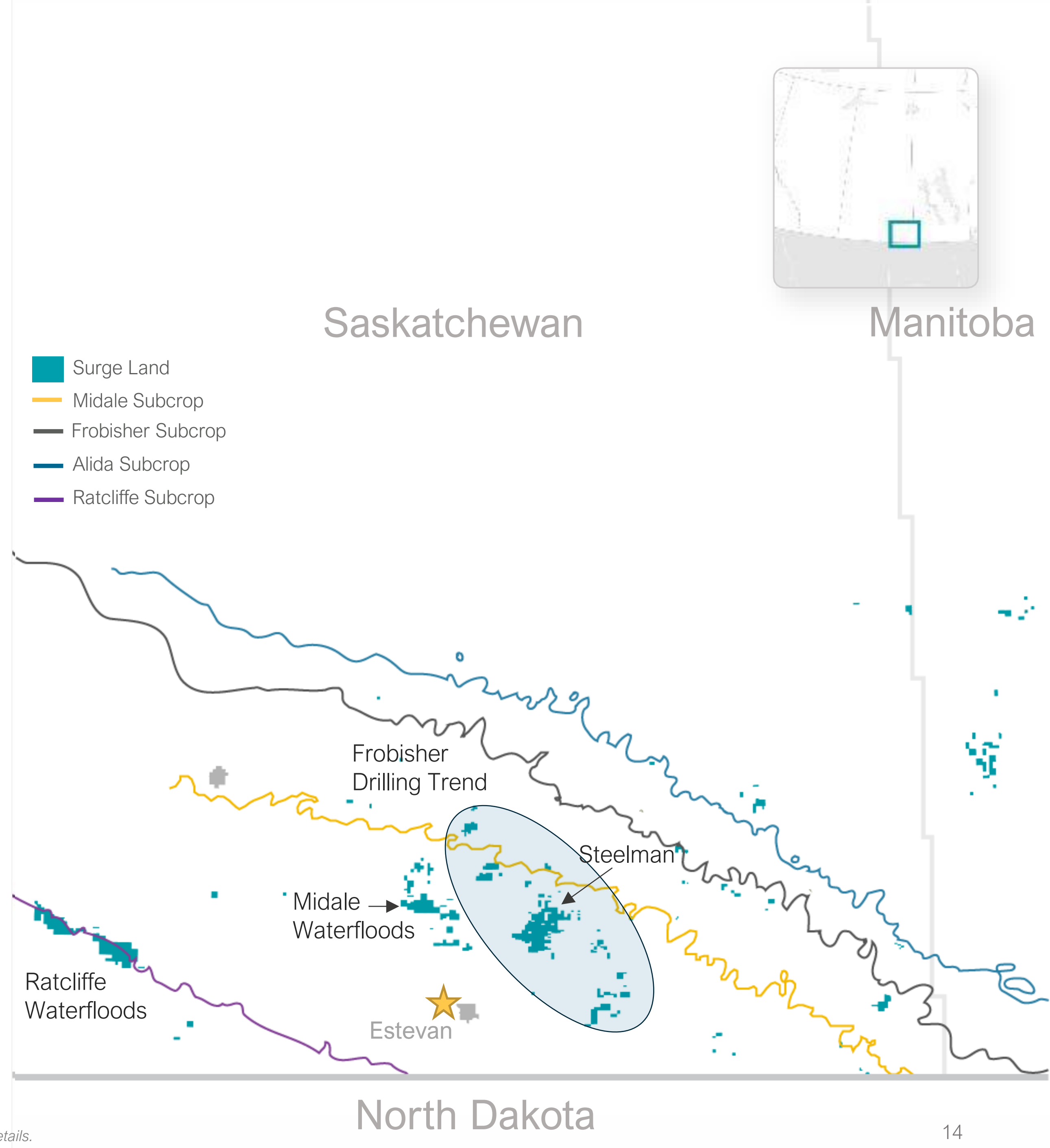
SE Saskatchewan

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] ($44 at $65 WTI)
- Mix of low decline waterfloods & highly economic drilling
- Assets have low liabilities; minimal inactive ARO
- Year-round access



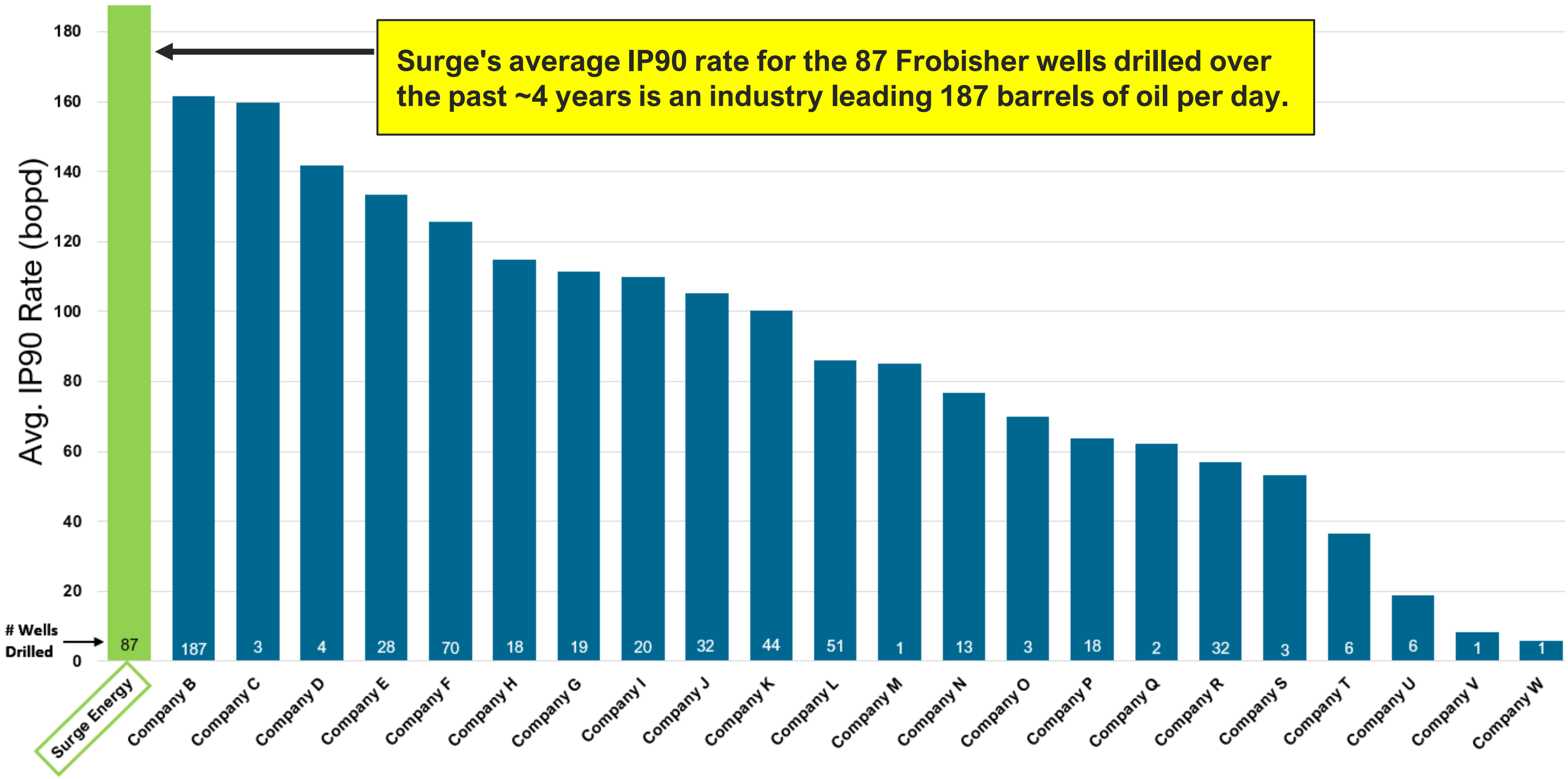
Data sourced from Canadian Discovery and Geoscout.
[1] Non-GAAP or other financial measure. See the Non-GAAP & Other Financial Measures Advisory at the back of this presentation for further details.

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 – November 2025)*



>600 million bbls

OOIP net to SGY *(internally estimated)*

>300 net

SE Saskatchewan drilling locations

** Internally estimated as of Jan 1, 2026*

~7,200 boepd

Production (93% liquids)

>12 year

Drilling Inventory (based on 2026 drill pace)

23.5 net wells

To be drilled in 2026

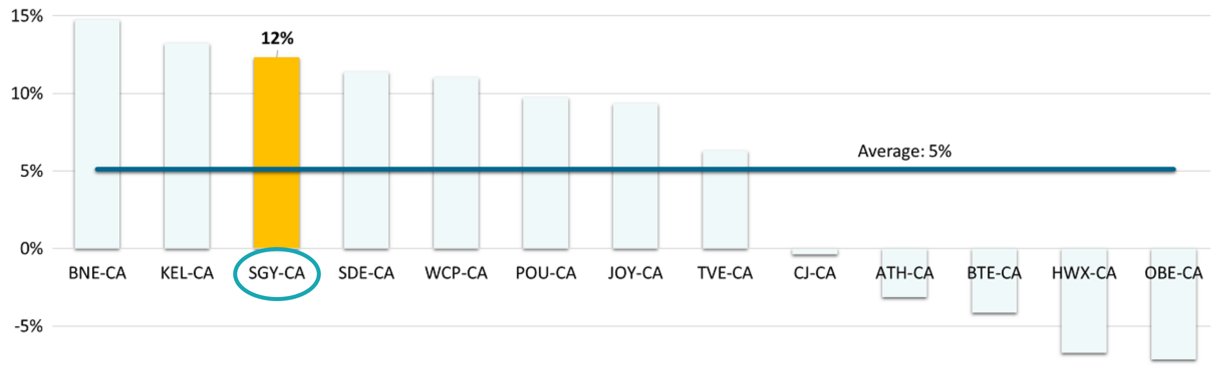
17 multi-lateral and 6.5 single-leg wells

[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	$10.00
ATB Cormark Capital Markets	Amir Arif	aarif@atb.com	$9.75
BMO Capital Markets	Jeremy McCrea	jeremy.mccrea@bmo.com	$10.00
Canaccord Genuity	Mike Mueller	mmueller@cgf.com	$8.75
National Bank Financial	Dan Payne	dan.payne@nbc.ca	$8.75
Peters & Co.	Christian Comeau	ccomeau@petersco.com	$10.50
Raymond James	Luke Davis	luke.davis@raymondjames.ca	$9.00
Roth Capital Partners	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:	$10.03

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



[1] *Based on share prices as at March 5, 2026.*

Leadership

Paul Colborne

President and CEO

Jared Ducs

Chief Financial Officer

Murray Bye

Chief Operating Officer

Derek Christie

Senior Vice President,

Exploration

Margaret Elekes

Senior Vice President,

Land and Business Development

Dan Kelly

Vice President, Finance

Grant Cutforth

Vice President, Business Development

Board of Directors

Paul Colborne
President & CEO

Jim Pasieka[1]
Chairman

Myles Bosman[3,4]
Independent Director

Marion Burnyeat[2,3]
Independent Director

Daryl H. Gilbert[3,4]
Independent Director

Michelle Gramatke[2,5]
Independent Director

Ryan Gritzfeldt[3,4]
Independent Director

Robert Leach[2,5,6]
Independent Director

Allison Maher[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. Mr. Bosman serves as Chair.
5. Member of the Audit Committee. Ms. Maher serves as Chair.
6. Lead independent director of the Board.

Appendix

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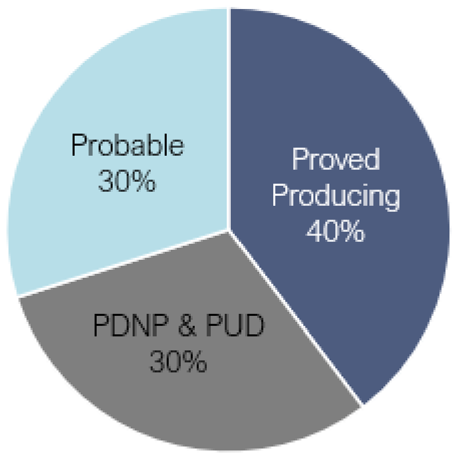
2025 Reserves and Net Asset Value

Dec. 31, 2025 GLJ Reserves

Gross Reserves[1]	Oil Equivalent Total Reserves (Mboe)	Oil & Liquids (%)	BTax NPV10 ($MM)[2,3]
Proved Developed Producing (PDP)	37,961	90%	$613
Total Proved (1P) *(282 net locations)*	67,068	90%	$974
Total Proved Plus Probable (2P) *(361 net locations)*	95,706	90%	$1,512



Dec. 31, 2025 Net Asset Value on YE2025 GLJ Reserves

	Total Proved (1P)	Proved + Probable (2P)
BTax NPV10 ($MM)	$974	$1,512
Net Debt ($MM)	($221)	($221)
Total Net Assets ($MM)	$754	$1,292
Basic Shares Outstanding (MM)	98.9	98.9
Estimated NAV per Basic Share	$7.62/share	$13.06/share

[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) costs for active and inactive wells, facilities and pipelines are included in the reserves report, as it is best practice as stated in the COGE Handbook.
Please see 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, 2025 GLJ 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	18,281	17,495	324	21,521	87%	$443
Total Proved (1P)	141.8	31,772	27,624	498	36,874	88%	$634
Total Proved Plus Probable (2P)	191.4	46,928	44,455	741	55,078	87%	$950

Sparky Core Statistics

Net OOIP	1.5 Bln bbl
Current Production	14,000 boepd
Decline	25%
Net Locations	>500*
Water Injectors	194
Production Under Waterflood	~4,900 boepd

** As of January 1, 2026*

- The Sparky core area represents ~56% of Surge's total corporate 2P NPV10 value as independently evaluated by GLJ.
- Only ~37% of the internally estimated and identified drilling locations have been booked in the reserves indicating significant value potential above the 2P booked value.
- ~35% of the Sparky core area production is receiving waterflood support, increasing the sustainability of the assets and lowering the production decline.

SE Saskatchewan Core Area

Reserves

Surge Dec 31, 2025 GLJ 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	9,969	2,972	440	10,904	95%	$283
Total Proved (1P)	114.6	17,186	7,609	1,085	19,539	94%	$419
Total Proved Plus Probable (2P)	143.2	23,947	10,583	1,506	27,218	94%	$596

SE Sask/MB Statistics

Net OOIP	>600 MMbbl
Current Production	~7,200 boepd
Decline	28%
Net Locations	>300*

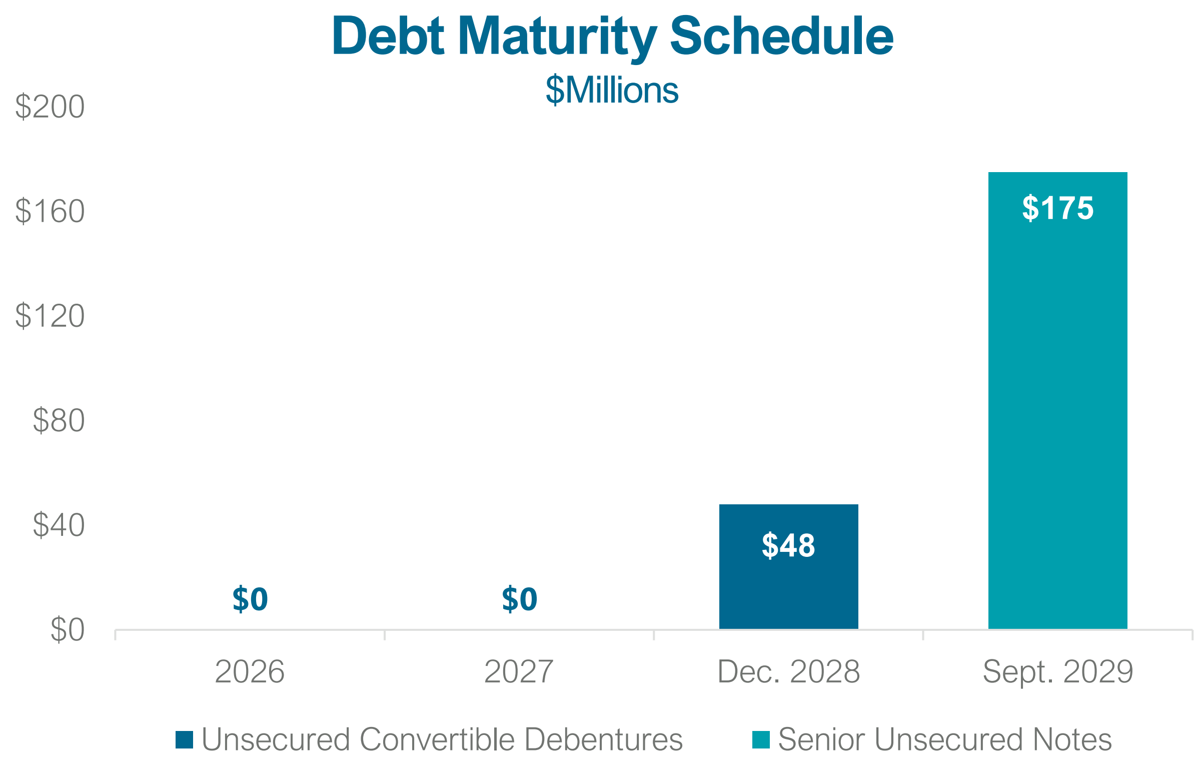
** As of January 1, 2026*

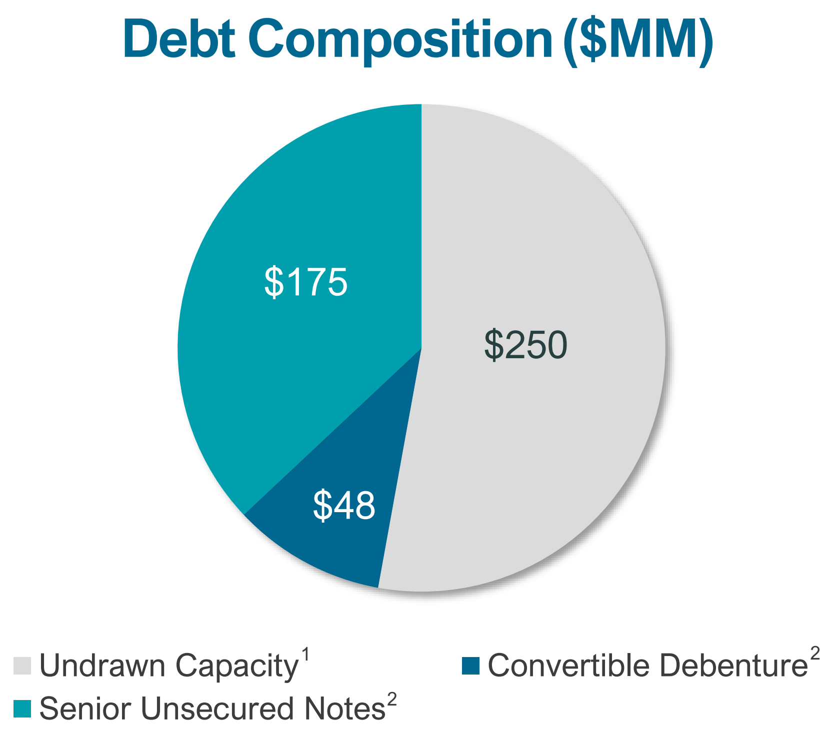
- SE Saskatchewan accounts for only 28% of Surge's booked 2P reserves but makes up ~35% of Surge's total corporate 2P NPV10 value, highlighting the intrinsic value of the high netback[1] light oil barrels.
- ~47% of the internally estimated and identified drilling locations have been booked in the reserves, indicating significant value potential above the 2P booked value.

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

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[1] Historical Working Capital Deficit of $25-30MM
[2] Represents the estimated balance sheet liability as at December 31, 2025

Hedging Program

SURGE

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

Crude Oil Derivative Contracts

	WTI: Swaps		WCS: Swaps	
Period	Volumes	Avg. Price	Volumes	Avg. Price
Q1 2026	5,344	$66.12	4,000	-$13.20
Q2 2026	8,500	$65.47	5,000	-$13.26
Q3 2026	6,500	$65.72	5,000	-$13.26
Q4 2026	5,000	$66.29	3,000	-$13.57

Foreign Currency Exchange Derivative Contracts

Type	Term	Notional Amount (USD)	Floor	Ceiling	Forward Rate
Average Rate Collar	Jan 2026 – Jun 2026	$5,000,000	$1.3850	$1.4610	-
Average Rate Collar	Jan 2026 – Dec 2026	$5,000,000	$1.3800	$1.4450	-
Average Rate Swap	Jan 2026 – Dec 2026	$3,000,000	-	-	$1.3775

Natural Gas Derivative Contracts

Swaps

Period	Vol.	Avg. Price
Q1 2026	8,000	$3.49
Q2 2026	6,000	$3.01
Q3 2026	6,000	$3.01
Q4 2026	6,000	$3.01
Q1 2027	3,000	$3.01
Q2 2027	3,000	$3.01
Q3 2027	3,000	$3.01
Q4 2027	1,011	$3.01

Power Hedges

Swaps

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

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

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 press release contains statements concerning: Surge’s declared focus and primary goals; management’s 2026 budgeted average production guidance; crude oil fixed price hedges protecting the Company’s 2026 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; increasing estimated ultimate recoveries at the Sparky (Manville) crude oil discovery; Surge’s planned 2026 drilling program and focus, including expectations regarding the number of wells to be drilled and the types thereof; Surge’s 2026 capital program and focus; Surge’s reserves, future net revenue, future development capital and reserve life index; Surge continuing to execute an active drilling program at both the Sparky and SE Saskatchewan core areas during the first half of 2026 and the number of wells to be drilled thereat; expectations regarding Surge’s proved and probable reserves estimates and locations; Surge’s hedging program and its ability to protect the Company’s 2026 capital program and dividend; Surge’s continued outlook; Management’s belief that Surge is well positioned to continue to deliver attractive shareholder returns; and Management’s expectations regarding Surge’s 2026 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 regarding 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 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 4, 2026 and in Surge’s MD&A for the year ended December 31, 2025, 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 Engineers and Geologists and reviewed by Surge’s 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, 2026.

"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.

"Development capital" is used in the determination of FD&A costs, which is a non-GAAP ratio. Development capital is the Company’s expenditures on property, plant, and equipment. Development capital means the aggregate exploration and development costs incurred in the financial year on reserves that are categorized as development.

“Finding, Development and Acquisition (FD&A) Costs including total change in FDC" is the sum of the capital spent in 2025 for development of all properties (including those Acquired or Disposed of in 2025), Acquisition & Divestiture capital, and the change in FDC from YE2024 to YE2025, divided by the sum of all reserve additions including those from Acquisitions & Dispositions. Acquisition and Divestiture capital is a non-GAAP financial measure used as a component of FD&A costs. Management uses FD&A costs as a measure of capital efficiency for organic and acquired reserves development.

“FDC (Future Development Costs)” is the best estimate of the capital costs required to develop and produce reserves.

“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 December 31, 2025 of $220.6 million and is divided by 98.9 million common shares outstanding as at December 31, 2025.

“Reserve Life Index” is calculated as total Company share reserves divided by Surge’s estimated average 2026 production (23,000 boepd).

“Reserves Replacement Ratio” is the ratio of reserves booked through acquisitions, dispositions, discoveries, infills, extensions, economic factors, technical revisions, and improved recovery to production for the period.

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

“Decline” is the amount existing production decreases year over year (March to March), without new drilling. GLJ’s 2025 year-end reserves have a PDP decline of 25 percent and a P+PDP decline of 23 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 (and also reviewed by Surge’s 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, 2026 reference date, the Company will have over >1,000 gross (>900 net) drilling locations identified herein; of these >600 gross (>525 net) are unbooked locations. Of the 361 net booked locations identified herein, 282 net are Proved locations and 78 net are Probable locations based on GLJ’s 2025 year-end reserves. Assuming an average number of net wells drilled per year of 55, Surge’s >900 net locations provide 16 years of drilling.

Assuming a January 1, 2026 reference date, the Company will have over >500 gross (>500 net) Sparky Core area drilling locations identified herein; of these >300 gross (>300 net) are unbooked locations. Of the 191 net booked locations identified herein, 142 net are Proved locations and 50 net are Probable locations based on GLJ’s 2025 year-end reserves. Assuming an average number of wells drilled per year of 31, Surge’s >500 net locations provide >16 years of drilling.

Assuming a January 1, 2026 reference date, the Company will have over >325 gross (>300 net) SE Saskatchewan drilling locations identified herein; of these >170 gross (>145 net) are unbooked locations. Of the 143 net booked locations identified herein, 115 net are Proved locations and 29 net are Probable locations based on GLJ’s 2025 year-end reserves. Assuming an average number of wells drilled per year of 23.5, Surge’s >300 net locations provide >12 years of drilling.

Assuming a January 1, 2026 reference date, the Company will have over 23 gross (17.2 net) State A Frobisher SE Saskatchewan drilling locations identified herein; of these 14 gross (8.7net) are unbooked locations. Of the 9 net booked locations identified herein, 7 net are Proved locations and 2 net are Probable locations based on GLJ’s 2025YE reserves.

Surge’s internally used type curves were constructed using a representative, factual and balanced analog data set, as of January 1, 2026. 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.

Over the past 15 months, the Company has successfully implemented high-density frac technology (doubling the stages per well), drilling 20 gross (20 net) single lateral multi-frac wells in the Sparky core area. In Provost, this strategic modification to Surge’s frac design has resulted in a >50 percent increase in IP90 average production rates (from 94 bopd to 211 bopd on a 1P basis, and from 118 bopd to 210 bopd on a 2P basis) and a >20 percent increase in average oil EUR bookings (from 82 Mstb to 107 Mstb on a 1P basis, and from 110 Mstb to 148 Mstb on a 2P basis). The cost increase associated with this is approximately 15 percent ($0.3 million per well) in the Company’s independent reserve auditor type curve as compared to the standard stage spacing bookings.

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 capital management measures, 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 December 31, 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 capital management 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 supplementary financial measure 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 December 31,		Years Ended December 31,	
($000s except per share)	**2025**	**2024**	**2025**	**2024**
Cash flow from operating activities	59,697	64,838	265,903	278,647
Change in non-cash working capital	(7,158)	5,303	—	(7,191)
Decommissioning expenditures	4,463	5,535	14,099	15,175
Cash settled transaction and other costs (income)	(760)	445	(847)	7,492
Adjusted funds flow	56,242	76,121	279,155	294,123
Per share - basic ($)	0.57	0.75	2.81	2.92
Per share - diluted ($)	0.55	0.75	2.77	2.87

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 December 31,		Years Ended December 31,	
($000s)	**2025**	**2024**	**2025**	**2024**
Cash flow from operating activities	59,697	64,838	265,903	278,647
Change in non-cash working capital	(7,158)	5,303	—	(7,191)
Decommissioning expenditures	4,463	5,535	14,099	15,175
Cash settled transaction and other costs (income)	(760)	445	(847)	7,492
Adjusted funds flow	56,242	76,121	279,155	294,123
Less: expenditures on property, plant and equipment	(41,672)	(58,277)	(159,706)	(195,103)
Free cash flow	14,570	17,844	119,449	99,020
Less: dividends paid	(12,861)	(13,150)	(51,651)	(50,020)
Excess free cash flow	1,709	4,694	67,798	49,000

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

Net Debt

Net debt is a capital management 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 Dec 31, 2025	As at Sep 30, 2025	As at Dec 31, 2024
Cash	18,654	20,494	7,594
Accounts receivable	45,813	52,305	58,327
Prepaid expenses and deposits	3,176	4,572	3,233
Accounts payable and accrued liabilities	(65,018)	(72,373)	(95,433)
Dividends payable	(4,286)	(4,289)	(4,350)
Senior unsecured notes	(171,745)	(171,526)	(170,872)
Term debt	(5,993)	(5,872)	(6,224)
Convertible debentures	(41,170)	(40,704)	(39,401)
Net Debt	(220,569)	(217,393)	(247,126)

Net Operating Expenses & 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)	2025	2024	2025	2024
Operating expenses	40,476	44,563	161,385	185,638
Less: processing income	(1,899)	(1,780)	(7,866)	(8,592)
Net operating expenses	38,577	42,783	153,519	177,046
$ per boe	18.09	19.12	17.91	20.02

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 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,	
($000s)	2025	2024	2025	2024
Petroleum and natural gas revenue	126,381	163,172	571,619	656,703
Processing and other income	1,899	1,780	7,866	8,592
Royalties	(20,953)	(29,693)	(98,761)	(119,919)
Realized gain (loss) on commodity and FX contracts	2,895	(264)	14,089	(3,493)
Operating expenses	(40,476)	(44,563)	(161,385)	(185,638)
Transportation expenses	(2,239)	(3,101)	(8,897)	(11,429)
Operating netback	67,507	87,331	324,531	344,816
G&A expense	(5,548)	(5,216)	(22,087)	(20,653)
Interest expense	(5,717)	(5,994)	(23,289)	(30,040)
Adjusted funds flow	56,242	76,121	279,155	294,123
Barrels of oil equivalent (boe)	2,133,025	2,237,273	8,573,934	8,841,938
Operating netback ($ per boe)	31.65	39.03	37.84	39.00
Adjusted funds flow ($ per boe)	26.37	34.02	32.54	33.26

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