



NOTICE OF ANNUAL MEETING OF SHAREHOLDERS AND MANAGEMENT PROXY CIRCULAR

2022 ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD JUNE 28, 2022



NOTICE OF 2022 ANNUAL MEETING OF SHAREHOLDERS

To the shareholders of Forza Petroleum Limited (“**Forza Petroleum**” or the “**Corporation**”):

NOTICE IS HEREBY GIVEN that the annual meeting of the shareholders of Forza Petroleum (the “**Meeting**”) will be held at the offices of Forza Petroleum Services SA at Route de Pré-Bois 14, 1216 Cointrin, Switzerland on Tuesday, June 28, 2022, at 4:00 p.m. (Central European Summer Time) for the following purposes, which are described in more detail in the Management Proxy Circular for the Meeting (the “**Circular**”), namely:

1. to receive the consolidated financial statements for the year ended December 31, 2021, together with the Report of the Auditor thereon;
2. to elect the directors of Forza Petroleum to hold office until the next annual meeting of shareholders or until their successors are elected or appointed;
3. to appoint the auditor of the Corporation for the ensuing year at such remuneration as may be approved by the Board of Directors of the Corporation; and
4. to transact such further and other business as may properly come before the Meeting or any adjournment.

Only shareholders of record at the close of business on May 3, 2022 will be entitled to notice of and to attend and vote at the Meeting or any adjournment thereof.

As a shareholder, it is important that you vote. Shareholders are encouraged to return their proxy or voting instruction form as soon as possible. As an alternative, shareholders may choose to vote by telephone or the Internet as provided for on the proxy or voting instruction form. Proxies must be received prior to 10:00 a.m. (Eastern Daylight Time) or 4:00 p.m. (Central European Summer Time) on Friday, June 24, 2022 or, if the Meeting is adjourned, prior to 10:00 a.m. (Eastern Daylight Time) or 4:00 p.m. (Central European Summer Time) two business days prior to the date on which the Meeting is reconvened. For more information on voting please see the section entitled *Voting Information* in the Circular.

All shareholders are strongly encouraged to vote prior to the Meeting.

By order of the Board of Directors

“*Kevin McPhee*”

Kevin McPhee
General Counsel and Corporate Secretary

Geneva, Switzerland
May 17, 2022

MANAGEMENT PROXY CIRCULAR

This Management Proxy Circular (the “**Circular**”) is provided in connection with the solicitation of proxies by the management of Forza Petroleum Limited (“**Forza Petroleum**” or the “**Corporation**”) for use at the annual meeting (the “**Meeting**”) of the shareholders of the Corporation (the “**Shareholders**”) to be held on Tuesday, June 28, 2022 at the time and place and for the purposes set out in the Notice of 2022 Annual Meeting of Shareholders (the “**Notice**”) accompanying this Circular, and at any adjournment thereof.

Unless otherwise indicated, all references in this Circular to dollar amounts are to U.S. dollars and all information in this Circular is as of April 29, 2022.

The Board of Directors of Forza Petroleum (the “**Board**”) has approved the content and sending of this Circular.

“Kevin McPhee”

Kevin McPhee
General Counsel and Corporate Secretary

Geneva, Switzerland
May 17, 2022

CONTENTS

VOTING INFORMATION	3
Solicitation of Proxies	3
Beneficial (or Non-Registered) Owners	3
Shareholder Proxy Materials	3
Appointment and Revocation of Proxies	3
Voting Securities and Principal Holders of Voting Securities	4
Voting Results	4
BUSINESS OF THE MEETING	5
Receipt of Financial Statements	5
Election of Directors	5
Appointment of Auditor	5
Other Business	5
NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS	6
Certain Proceedings	8
STATEMENT OF EXECUTIVE COMPENSATION	9
Compensation Discussion and Analysis	9
Performance Graph	13
2021 Executive Compensation Decisions	14
Compensation of Named Executive Officers	17
Stock Options	18
Employment Agreements	18
Incentive Plan Awards	18
Pension Plan Benefits	21
Termination and Change of Control Benefits	22
Compensation of Directors	23
Securities Authorized for Issuance under Equity Compensation Plans	24
CORPORATE GOVERNANCE PRACTICES	25
Board of Directors	25
Committees of the Board of Directors	26
Chair of the Board of Directors	27
Chief Executive Officer	27
Composition of the Board of Directors and Nomination of Directors	28
Meeting Attendance	30
Orientation and Continuing Education	30
Assessment of the Board, Committees and Directors	30
Representation of Designated Groups in Senior Management	30
Ethical Business Conduct	31
OTHER INFORMATION	32
Interest of Informed Persons in Material Transactions	32
Indebtedness of Directors and Executive Officers	32
Additional Information	32
Shareholder Proposals for the 2023 Annual Meeting	32
Advance Notice of Nominations of Directors	32
CHARTER OF THE BOARD OF DIRECTORS	33

VOTING INFORMATION

Solicitation of Proxies

Each shareholder will receive a proxy or voting instruction form. The solicitation of proxies is intended to be made primarily by mail but proxies may also be solicited by telephone, facsimile or other electronic means of communication or in person by the directors, officers and other employees of the Corporation. The entire cost of the solicitation of proxies will be borne by the Corporation.

Beneficial (or Non-Registered) Owners

The voting process is different depending on whether you are a registered Shareholder, Non-Objecting Beneficial Owner or Objecting Beneficial Owner.

If you have shares registered in your own name, you are a registered Shareholder. If you do not hold shares in your own name, you are a beneficial or non-registered owner. If your shares are listed in an account statement provided to you by a broker, then it is likely that those shares will not be registered in your name, but under the broker's name or under the name of an agent of the broker such as CDS Clearing and Depository Services Inc., the nominee for many Canadian brokerage firms, or its nominee.

There are two kinds of beneficial owners: (i) Objecting Beneficial Owners or OBOs – those who object to their name being made known to the issuers of shares which they own, and (ii) Non-Objecting Beneficial Owners or NOBOs – those who do not object to their name being made known to the issuers of the shares which they own.

Securities regulation requires brokers or agents to seek voting instruction from Objecting Beneficial Owners and Non-Objecting Beneficial Owners in advance of the Meeting. Beneficial owners should be aware that brokers or agents can only vote shares if instructed to do so by the beneficial owner. Your broker or agent (or their agent Broadridge) will have provided you with a voting instruction form or form of proxy for the purpose of obtaining your voting instructions. Every broker has its own mailing procedures and provides instructions for voting. You must follow those instructions carefully to ensure your shares are voted at the Meeting.

If you are a beneficial owner receiving a voting instruction form or proxy from a broker or agent, you cannot use that proxy to vote at the Meeting. To vote your shares at the Meeting, the voting instruction form or proxy must be returned to the broker well in advance of the Meeting. If you wish to attend and vote your shares at the Meeting, follow the instructions for doing so provided by your broker or agent.

Shareholder Proxy Materials

In accordance with an exemption granted by the Director appointed under the *Canada Business Corporations Act*, the Corporation has elected to rely on notice-and-access provisions under National Instrument 51-102 – *Continuous Disclosure Obligations* and National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (together, the “**Notice-and-Access Provisions**”) in respect to delivery of certain security holder materials for the Meeting to Shareholders.

The Notice-and-Access Provisions are rules developed by the Canadian Securities Administrators that reduce the volume of materials that must be physically mailed to shareholders by allowing a reporting issuer to post a proxy circular in respect of a meeting of its shareholders and related materials online. The Corporation believes this environmentally friendly process will provide Shareholders with a convenient way to access the Meeting materials, while allowing the Corporation to lower the costs associated with printing and distributing the Meeting materials.

Pursuant to the Notice-and-Access Provisions, Shareholders will receive a notification containing details of the date, location and business of the Meeting, as well as information on how they can access Meeting materials electronically. The Corporation has arranged for its registrar and transfer agent, Computershare Trust Company of Canada (“**Computershare**”), to send this notification to registered Shareholders. The Corporation will bear the cost of intermediaries delivering this notification to beneficial owners. Enclosed with the notification will be a voting instruction form or proxy form.

Appointment and Revocation of Proxies

The persons named in the proxy are Vance Querio, who is Chief Executive Officer of the Corporation, and Kevin McPhee, who is General Counsel of the Corporation.

In order for a vote by proxy or voting instruction form to be counted, it should be received prior to 10:00 a.m. (Eastern Daylight Time) or 4:00 p.m. (Central European Summer Time) on Friday, June 24, 2022. The Corporation reserves the right

to accept late proxies and to waive or extend the proxy cut-off with or without notice but is under no obligation to accept or reject any particular late proxy. In order for your vote to be counted, you may vote by proxy or voting instruction form via mail, the Internet or telephone. If you are a registered Shareholder, you may attend the Meeting and submit your completed proxy or vote at that time.

Completion of a proxy gives discretionary authority to the proxyholder to vote as he or she sees fit in respect of amendments to matters identified in the Notice, and other matters that may properly come before the Meeting or any adjournment thereof, whether or not the amendment or other matter that comes before the Meeting is or is not routine, and whether or not the amendment or other matter that comes before the Meeting is contested.

Management of the Corporation is not aware of any amendments or other matters to be presented for action at the Meeting.

If you appoint Mr. Querio and/or Mr. McPhee as your proxyholder, they will vote, or withhold from voting, in accordance with your directions. If you do not specify how you want your shares voted, they will vote **FOR**:

- the election of the directors named in this Circular; and
- the appointment of Deloitte S.A. as auditor.

They will vote in accordance with their best judgment if any other matters are properly brought before the Meeting.

You may appoint any other person (who need not be a Shareholder) to represent you at the Meeting by inserting that person's name in the space provided on the accompanying proxy. That person is your proxyholder and must attend and vote at the Meeting in order for your vote to count.

You may revoke your proxy by providing new voting instructions in a new proxy or voting instruction form with a later date, or at a later time if you are voting on the Internet or by telephone. Any new voting instructions, however, will only take effect if received prior to 10:00 a.m. (Eastern Daylight Time) or 4:00 p.m. (Central European Summer Time) on Friday, June 24, 2022 or, if the Meeting is adjourned, 10:00 a.m. (Eastern Daylight Time) or 4:00 p.m. (Central European Summer Time) two business days prior to the date on which the Meeting is reconvened. You may also revoke your proxy without providing new voting instructions by giving written notification addressed to Mr. Kevin McPhee, General Counsel and Corporate Secretary, Forza Petroleum, Route de Pré-Bois 14, 1216 Cointrin, Switzerland, not later than the last business day preceding the day of the Meeting or any postponement or adjournment thereof or with the chair of the Meeting on the day of the Meeting or any postponement or adjournment thereof. Registered Shareholders may attend the Meeting and vote thereat and, if they do so, any voting instructions previously given by such persons for such shares will be revoked.

Voting Securities and Principal Holders of Voting Securities

Each common share of the Corporation ("**Common Share**") entitles the holder thereof to one vote on all matters to come before the Meeting. Only holders of record of Common Shares as of the close of business on May 3, 2022 (the "**Record Date**") are entitled to receive notice of and to attend and vote at the Meeting or any adjournment thereof. As of the Record Date, there were 584,976,202 Common Shares outstanding. A Shareholder of record on the Record Date will be entitled to vote the Common Shares shown opposite the Shareholder's name on the Corporation's register of Shareholders at the Meeting or any adjournment thereof, even if the Shareholder disposes of the Common Shares after that time. No person becoming a Shareholder after the Record Date will be entitled to vote at the Meeting or any adjournment thereof.

To the knowledge of the directors and executive officers of the Corporation, the only persons who, or corporations which, beneficially own, or control or direct, directly or indirectly, securities carrying 10% or more of the voting rights attached to all outstanding Common Shares are:

Shareholder	Shareholding	Percentage
Zeg Oil and Gas Ltd	500,152,674	85.5%

Voting Results

Following the Meeting, a report on the voting results will be filed with securities regulators on the Corporation's profile on SEDAR (www.sedar.com).

BUSINESS OF THE MEETING

The following business will be addressed at the Meeting.

Receipt of Financial Statements

The audited condensed consolidated financial statements of the Corporation for the year ended December 31, 2021 and the Independent Auditor's Report thereon will be placed before the Meeting. Copies of the audited condensed consolidated financial statements of the Corporation for the year ended December 31, 2021 may be obtained from the Corporate Secretary of the Corporation upon request and will be available at the Meeting. The audited condensed consolidated financial statements are also available on the Corporation's website (www.forzapetroleum.com) and on the Corporation's profile on SEDAR (www.sedar.com).

Election of Directors

At the Meeting, Shareholders will be asked to elect a Board of four members. See the section entitled *Nominees for Election to the Board of Directors* for more information regarding the individual nominees.

The Board recommends that you vote **FOR** the election of each of the following persons who have been proposed by the Board for election as directors:

- Brad Camp
- Peter Janele
- Peter Newman
- Sami Zouari

Directors elected at the Meeting will serve until the end of the next annual shareholder meeting, or until their resignation, if earlier. Management does not contemplate that any of the management nominees will be unable to serve as a director.

The form of proxy or voting instruction form permits Shareholders to vote **FOR** or to **WITHHOLD** their vote for each director nominee. **If you do not specify how you want your shares voted, the persons named as proxyholders in the form of proxy or voting instruction form sent to Shareholders intend to cast the votes represented by proxy at the Meeting FOR the election as directors of the individuals nominated in this Circular.**

Appointment of Auditor

Management of the Corporation has nominated Deloitte S.A., Chartered Accountants, to serve as auditor of the Corporation until the next annual meeting of Shareholders, at such remuneration as may be approved by the Board. Deloitte S.A. was first appointed auditor of the Corporation on January 11, 2013. The Audit Committee pre-approves all audit services and all permitted non-audit services. Fees paid to Deloitte S.A. in each of 2020 and 2021 are disclosed in Forza Petroleum's Annual Information Form dated March 23, 2022, which is available on the Corporation's website (www.forzapetroleum.com) and on the Corporation's profile on SEDAR (www.sedar.com).

The Board recommends that you vote **FOR** the appointment of Deloitte S.A., Chartered Accountants, to serve as auditor of the Corporation until the next annual meeting of Shareholders, at such remuneration as may be approved by the Board.

The form of proxy or voting instruction form permits Shareholders to vote **FOR** or to **WITHHOLD** their vote for the appointment of Deloitte S.A. **If you do not specify how you want your shares voted, the persons named as proxyholders in the form of proxy or voting instruction form sent to Shareholders intend to cast the votes represented by proxy at the Meeting FOR the appointment of Deloitte S.A. as auditor, at such remuneration as may be approved by the Board.**

Other Business

As of the date of this Circular, the directors of the Corporation know of no other matters to come before the Meeting. If any other matters properly come before the Meeting, it is the intention of the persons named as proxyholders in the form of proxy or voting instruction form sent to Shareholders to vote the same in accordance with their best judgment of such matters.

NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS

The following pages include a profile of each nominated director with an explanation of his experience, qualifications, participation on the Board and its committees, ownership of Common Shares, as well as participation on the boards of other public companies.

The total value of Common Shares is determined by multiplying the number of Common Shares held by each nominee as of April 29, 2022 by the closing price of the Common Shares on the Toronto Stock Exchange as of the close of business on April 29, 2022, being CAD 0.20 (\$0.1563 based on the Bank of Canada daily average exchange rate for April 29, 2022, being 0.7817).

Total shareholdings of nominated directors	
Common Shares	508,198
Value (\$)	79,431

BRAD CAMP

Independent



Director

Age: 50
Erbil, Iraq

Director since
June 2016

Current Activities:

Mr. Camp is the Managing Director of Darb al-Iraq, a consulting firm that provides market intelligence and advisory services to persons investing in the Kurdistan Region of Iraq.

Past Activities:

Mr. Camp has successfully advised indigenous companies on developing management structures and strategic planning within their organizations, assisted foreign investors seeking to participate in energy projects in Iraq, and invested as a principal in start-up opportunities in the Kurdistan Region.

Some of Mr. Camp's recent projects include the development of an integrated upstream/midstream/downstream petroleum project and the first major refinery in the Kurdistan Region. He developed an agriculture project on 500 acres of land in the Kurdistan Region. He has also been successful in bringing a major international hotel chain into the Kurdistan Region where they manage several projects. Mr. Camp has lived and worked in Iraq for more than 10 years.

Prior to entering the private sector, Mr. Camp held various United States Foreign Service Officer positions, including assignments in the Kurdistan Region for two years and an additional tour based in Baghdad. He served as a Director in the Office for Iraq and Afghanistan at the National Security Council at the White House.

Mr. Camp has a Master's in Management from New York University and a Bachelor of Science in Journalism from the University of Tennessee, Knoxville.

Other Public Board Directorships:

None

Ownership and Total Value of Equity:

Common Shares	139,476
Value (\$)	21,800

**Director**

Age: 64
British Columbia,
Canada

Director since
June 2018

Current Activities:

Dr. Janele is the founder and owner of Janele Technology and Research Corporation, a Canadian-based consulting organization that focuses on the development and application of solutions for the energy industry. He is recognized for developing practical solutions to real-world technical challenges that make business sense.

Past Activities:

Dr. Janele has extensive international experience in upstream oil and gas production and exploration. He was employed at Chevron Corporation for 38 years and held assignments in Canada, Indonesia, Kuwait and the United States. During his corporate career, he gained expertise in upstream oilfield operations including Production and Reservoir Engineering, Subsurface Reservoir Characterization, Flow and Recovery Modeling, Field Asset Management, Business Planning and Applied Statistical Analysis. In his last assignment, Dr. Janele was part of an elite exploration review team that was responsible for resource volumetric estimation and risk quantification for Chevron's global exploration portfolio. He has extensive experience in both conventional and non-conventional resources and has won numerous awards for his technical acumen and business leadership.

Dr. Janele holds a Bachelor of Applied Science from the University of British Columbia (Canada), a Master of Science in Mechanical Engineering from the University of Southern California (USA) and a Ph.D. in Mechanical Engineering from the University of Alberta (Canada).

Other Public Board Directorships:

None

Ownership and Total Value of Equity:

Common Shares	0
Value (\$)	0

**Director**

Age: 67
Surrey,
United Kingdom

Director since
December 2012

Current Activities:

Mr. Newman is a corporate director and currently serves as an independent non-executive director of The Addax and Oryx Group and chairman of its audit committee. Mr. Newman is a director of Motor Fuel Group, a large private equity backed independent road fuels and convenience store retailer in the United Kingdom. From July 2021, Mr. Newman is a director and audit committee chair at Providence Resources plc, an Irish exploration company listed on the AIM and Euronext markets in London and Dublin.

Past Activities:

Mr. Newman was a partner at Deloitte LLP in London where he led the firm's oil and gas sector practice globally from 2002 until his retirement in 2009. Prior to that, Mr. Newman worked at Arthur Andersen LLP in London where he became a partner in 1989 and led the firm's oil sector practice across Europe, the Middle East, India and Africa. Mr. Newman also worked with Mobil Corporation from 1980 to 1984 in several countries across Europe, Africa and the Far East.

Mr. Newman studied geography at the University of Oxford before qualifying as a Chartered Accountant in England.

Other Public Board Directorships:

Providence Resources plc

Ownership and Total Value of Equity:

Common Shares	368,722
Value (\$)	57,631

**Current Activities:**

Mr. Zouari has been the Chair of Forza Petroleum since August 2020.

Past Activities:

From January 2015 through December 2019, Mr. Zouari was a Board Director and the Chief Financial Officer at Gulf Keystone Petroleum where he was instrumental in the full restructuring and turnaround of the company.

With BNP Paribas, Mr. Zouari was the Head of Investment Banking for North Africa and the Middle East from 2012 to 2015 and the Head of MENA in the Energy and Commodity Division from 2008 to 2012.

Chair of the Board

Age: 50
London,
United Kingdom

Mr. Zouari started his career at Total E&P in 2003 and has acted in a number of roles, starting as an economist for the Middle East Division and finally as Commercial Manager for Total Libya in Tripoli, overseeing assets producing in excess of 300,000 barrels of oil per day.

Director since
August 2020

Mr. Zouari holds a Bachelor of Arts from Columbia University and a Master of Arts from Harvard University.

Other Public Board Directorships:

None

Ownership and Total Value of Equity:

Common Shares	0
Value (\$)	0

Certain Proceedings

To the knowledge of the Corporation, no proposed director of the Corporation (nor any personal holding company of a proposed director) is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that: (i) was subject to a cease trade order (including a management cease trade order), an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days (collectively, an “**Order**”), that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

To the knowledge of the Corporation, no proposed director of the Corporation (nor any personal holding company of a proposed director): (i) is, as at the date of this Circular, or has been, within the 10 years before the date of this Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (ii) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

STATEMENT OF EXECUTIVE COMPENSATION

The following discussion describes the significant elements of the Corporation's executive compensation program, with particular emphasis on the process for determining compensation payable to the Corporation's Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") and each of the three most highly compensated executive officers of the Corporation or any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year, whose total compensation was, individually, more than CAD 150,000 for that financial year (collectively, the "Named Executive Officers" or "NEOs").

The NEOs for the year ended December 31, 2021 are:

- Vance Querio, CEO
- Kevin McPhee, General Counsel and Corporate Secretary
- Lindsey Rosebush, Head of Finance, acting in the capacity of CFO

Compensation Discussion and Analysis

Executive Compensation Philosophy

The Corporation's executive compensation program is a comprehensive program designed to attract, retain and motivate senior executives and to encourage and reward superior performance while aligning the interests of senior executives and shareholders.

The Corporation strives to achieve these goals by:

- providing total compensation that is competitive with compensation received by executives employed by comparable companies in the U.K., Continental Europe, the U.S. and Canada; and
- including equity-based incentive plans as an element of executive compensation.

The Corporation's compensation philosophy is intended to provide higher levels of incentive compensation when the Corporation and the executive achieve higher performance relative to peers. Conversely, when the Corporation and the executive underperform, lower levels of incentive compensation are granted.

The Corporation periodically reviews the companies which comprise its peer group and, based on such review, the composition of the peer group may change from time to time. The Corporation's peer group for determining executive compensation policy, most recently updated in November 2021, is comprised of the following small to medium sized publicly listed exploration and production companies in the U.K., Continental Europe, the U.S. and Canada:

Bowleven plc	Gulf Keystone Petroleum Ltd.	President Energy PLC	Surge Energy Inc.
FAR Limited	Orca Energy AG	SDX Energy Inc.	Tethys Oil AB
Genel Energy PLC	PetroTal Corp.	Shamaran Petroleum Corp.	TransGlobe Energy Corp.
Gran Tierra Energy Inc.	Pharos Energy PLC	Sound Energy PLC	Vaalco Energy Inc.

The Corporation's NEOs are based in Geneva, Switzerland. Due to the very limited representation of upstream oil and gas industry peers in Switzerland, the Nomination and Compensation Committee considers European oil and gas exploration and production market data, driven by the U.K. market, as a comparator for the NEO and director compensation packages. The Nomination and Compensation Committee treats the U.K. as a primary comparator as it has a sizeable upstream industry and is a reasonable comparator to Geneva in regard to cost of living. The Nomination and Compensation Committee also considers data supplied for the North American market, although it is considered less relevant for cash compensation.

Independent Compensation Consultants

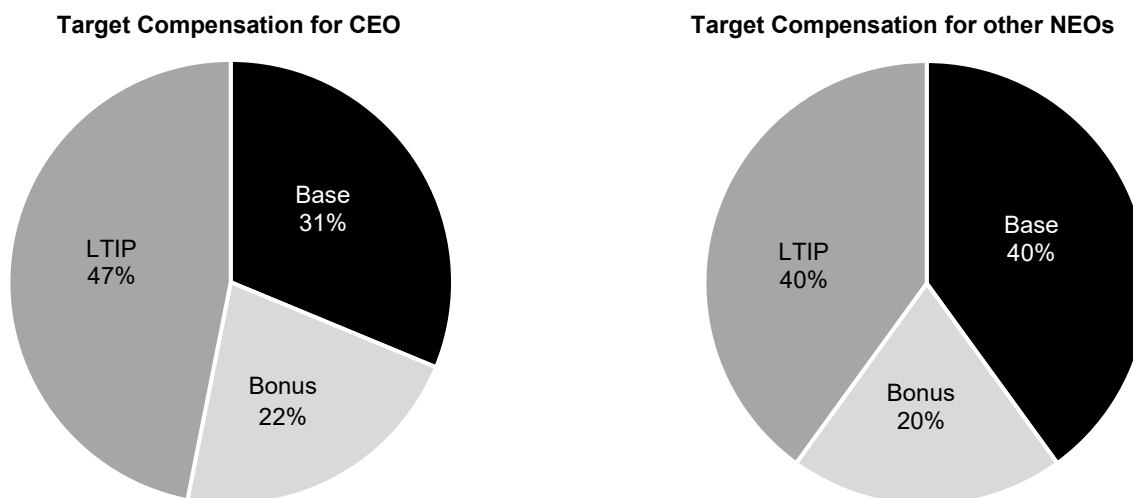
The Corporation has not retained any compensation consultant or advisor to assist in determining compensation for any of the Corporation's directors or executive officers in the last two financial years. In February 2022, the Corporation engaged independent contractor Spiral HR Ltd to undertake a complete review of Human Resource Management including workforce planning, compensation, performance management, and development and organizational change, among other things. In connection with the contractor's ongoing work, certain base salaries for NEOs have been adjusted in 2022.

Executive Compensation Components

Executive compensation consists of three main elements: base salary (paid in cash), an annual bonus (paid in cash) and an award of Common Shares under the Long Term Incentive Plan (“LTIP”), which vest over time in accordance with the provisions of the LTIP. Executive compensation is weighted towards the at-risk elements of compensation, being the annual bonus and LTIP award. This “pay for performance” approach rewards executives for the achievement of corporate performance goals and provides a link between total compensation and the performance of both the executive and the business. The mix of compensation elements varied by executive level until May 1, 2021.

Relative Weighting of Compensation

The relative weighting of the fixed and at-risk components of compensation for the CEO and the other NEOs at target levels from January 1, 2021 through April 30, 2021 are illustrated in the following charts.



Effective May 1, 2021, all NEOs share the same relative weighting of the fixed and at-risk components as follows: (i) Base, 40%, (ii) Bonus, 20%, and (iii) LTIP, 40%.

Pension Plan

All of the NEOs are employed under contracts governed by Swiss law and carry out some or all of their work in Switzerland. As such, unless already eligible for retirement benefits, they are required to participate in the mandatory Swiss pension system, as described in the section entitled *Pension Plan Benefits* below.

Other Benefits

In addition to the elements set out above, the NEOs are entitled to certain benefits on termination of employment, as described in the section entitled *Termination and Change of Control Benefits* below.

Determination of Executive Compensation Components

The Board has responsibility for overseeing the Corporation's compensation program. The Board has delegated certain oversight responsibilities to the Nomination and Compensation Committee but retains final authority over certain elements of the compensation process, including the adoption of new compensation plans and review and approval of the Nomination and Compensation Committee's recommendations regarding executive compensation. The Nomination and Compensation Committee in turn draws upon the expertise of the chair of the Nomination and Compensation Committee and the CEO, as well as the other officers of the Corporation, as necessary.

Members of the Nomination and Compensation Committee have acted as directors and/or executive officers for a variety of publicly listed companies, have experience in top leadership roles, strong knowledge of the energy industry and a mix of functional experience and competency in operations and strategy. See the section entitled *Corporate Governance Practices* for information regarding the members and mandate of the Nomination and Compensation Committee.

The Corporation feels that the directors' experience in this regard is relevant to their responsibilities in determining executive compensation and enables the Nomination and Compensation Committee to make decisions on the suitability of the

Corporation's compensation policies and practices. This background provides the Nomination and Compensation Committee with the collective experience, skills and qualities needed to effectively support the Board in carrying out its mandate.

The Board has not undertaken a formal analysis of the implications of the risks associated with the Corporation's compensation policies and practices. However, the charter of the Corporate Governance Committee requires that the chair of the Corporate Governance Committee pre-approve any trading by officers, and oversee any trading by directors, in securities of the Corporation. Further, the Corporation maintains a policy restricting directors and executive officers from purchasing financial instruments, or entering into agreements or other transactions, that are designed to hedge or offset a decrease in market value of equity securities of the Corporation granted as compensation or held, directly or indirectly, by directors and officers.

The Corporation's Human Resources department provides the Nomination and Compensation Committee with internal and external reports on the structure and competitiveness of the Corporation's overall compensation program, including executive compensation. Periodically, the Nomination and Compensation Committee is provided a detailed review of the estimated and actual results of performance measures.

The Nomination and Compensation Committee's independent compensation consultants, when retained, provide market data and analytical support for the Nomination and Compensation Committee's compensation review.

To ensure that the Corporation appropriately assesses and compensates its NEOs, executive compensation is determined and reviewed as set out below.

Base Salary

Base salaries, a fixed element of executive compensation, are based on the executive's responsibility, performance assessment and career experience. This element of executive compensation is typically set at or slightly above median levels of the peer group. Performance-related discretionary elements (annual bonus and awards under the LTIP) are intended to take total remuneration equal to or above the upper quartile for superior performance.

The Nomination and Compensation Committee periodically reviews and determines the base salary of the CEO, for consideration and approval by the Board. The CEO is responsible for the determination of the base salaries of the other NEOs, but typically obtains feedback from the Nomination and Compensation Committee.

Annual Bonus

Through the award of an annual bonus, the Corporation aims to enhance the link between pay and performance by aligning the financial and operational interests and motivations of employees, including the NEOs, with the annual financial returns of the Corporation and motivating the NEOs to work towards common annual performance objectives. It places a meaningful proportion of total cash compensation at risk, thereby aligning the pay of NEOs with the Corporation's financial and operational performance.

The following table sets out the bonus range, as a percentage of base salary, for the NEOs during 2021.

Name	Minimum	Target	Maximum
Vance Querio	0%	70%	140%
Kevin McPhee	0%	50%	100%
Lindsey Rosebush	0%	40%	80%

Effective May 1, 2021, the percentage target for bonus is fixed at 50% of base salary for each NEO (minimum: 0%; maximum: 100%).

In each fiscal year, actual bonuses depend on the executive's target percentage of base salary and will reflect actual performance based on annual corporate performance measures as approved by the Board. If target performance levels are attained, the target award level will typically be payable. If target performance levels are surpassed, then an award of up to two times the NEO's target percentage of base salary may be recommended. Where performance is significantly below target, the NEO may receive no bonus. Bonuses in respect of a fiscal year, if any, are paid the following year after annual corporate performance measures for the fiscal year have been determined.

Setting Performance Measures

The Board and the Corporation's senior executives establish the Corporation's key performance indicators ("KPIs") each year. KPIs may include, among others, the following:

- safety, health and environmental performance;

- production targets;
- exploration success;
- reserves and resources additions;
- strategic project delivery;
- new ventures – strategic portfolio acquisition; and
- the Corporation's financial performance.

In determining the total annual bonus pool applicable to all employees, including the NEOs, the Nomination and Compensation Committee reviews business results for the prior year against the approved KPIs. The Nomination and Compensation Committee may also consider other relevant factors, including individual performance and the state of the Corporation's finances. While at-risk compensation awards are generally tied to performance against quantitative objectives as described above, an individual's contribution to the organization may also be considered. The discretionary feature of this compensation element is consistent with the Corporation's stated philosophy to pay for exceptional performance.

Long Term Incentive Plan

Under the Corporation's Long Term Incentive Plan (or LTIP), Common Shares may be issued to directors, officers and employees of, and other service providers to, the Corporation, including the NEOs, in such numbers and with such vesting provisions as the Nomination and Compensation Committee may determine. Amendments to the LTIP were last approved by Shareholders on May 13, 2015.

The LTIP is designed to:

- retain and attract qualified directors, officers, employees and consultants;
- promote a proprietary interest in the Corporation by such directors, officers, employees and consultants and to encourage those persons to remain in the employ of the Corporation and its affiliates and put forth maximum efforts for the success of the Corporation; and
- focus management of the Corporation and its affiliates on operating and financial performance and total long-term shareholder return.

Each year the Nomination and Compensation Committee reviews and considers the Corporation's performance in terms of total shareholder return, including share price performance and shareholder return relative to the Corporation's performance comparator peer group and the S&P/TSX Capped Energy Index. See the section entitled *Performance Comparator Peer Group* below. This review has historically been undertaken in the second quarter of the year, with the assessment period running from April 1 to March 31.

In the normal course, the awards of Common Shares under the LTIP vest in three tranches, on the date the award is made (the "**Award Date**") and on each of the first and second anniversaries of the Award Date, which is targeted for September each year. Previous grants are not taken into account when considering new grants.

Participants have a target grant size commensurate with their salary grade level, expressed as a percentage of base salary. The target grant sizes for the NEOs in 2021, expressed as a percentage of base salary, are illustrated in the following table.

Name	Minimum	Target	Maximum
Vance Querio	0%	100%	200%
Kevin McPhee	0%	100%	200%
Lindsey Rosebush	0%	100%	200%

Awards for the NEOs would not typically exceed two times the target. However, in return for exceptional performance, the Nomination and Compensation Committee has the discretion to increase the aggregate value of the LTIP awards to the NEOs.

Section 613(a) of the Toronto Stock Exchange ("**TSX**") Company Manual provides that every three years after institution, all unallocated options, rights or other entitlements under a security based compensation arrangement which does not have a fixed maximum aggregate of securities issuable must be approved by a majority of the issuer's directors and by the issuer's security holders.

As the Corporation's LTIP is a security based compensation arrangement and the LTIP provides that the number of Common Shares reserved for issuance from treasury under the LTIP will not exceed 10% of the Common Shares issued and outstanding from time to time, the above approvals must be obtained at least every three years. The Corporation's directors and shareholders last approved the grant of unallocated awards under the LTIP on May 17, 2021 and June 29, 2021, respectively.

See the section entitled *Incentive Plan Awards* below for more information.

Performance Comparator Peer Group

In November 2021, the Nomination and Compensation Committee revisited the peer group of companies that would be used for assessing the Corporation's relative performance for purposes of annual bonuses and LTIP awards. The peer group was developed in collaboration with the executive management team and is a subset of the peer group described above, limited to the oil and gas companies that:

- have a similar market capitalization to the Corporation;
- operate in politically risky countries in Africa and the Middle East; and
- have equity listed on Canadian, European or U.S. stock exchanges.

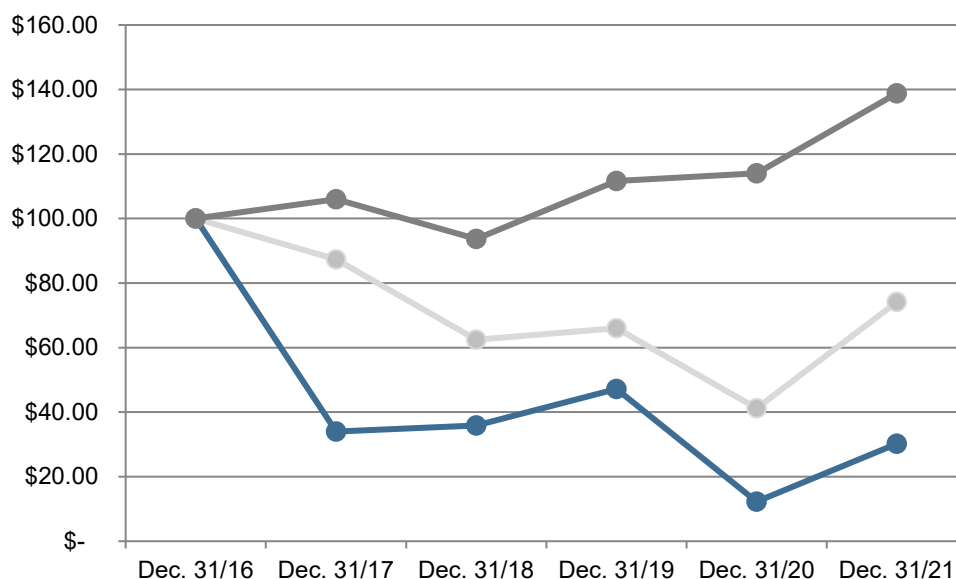
The Corporation's peer group used for assessing the Corporation's relative performance for purposes of annual bonuses and LTIP awards is currently comprised of the following companies:

Bowleven plc	Gulf Keystone Petroleum Ltd.	Tethys Oil AB
Genel Energy PLC	SDX Energy Inc.	TransGlobe Energy Corp.
Gran Tierra Energy Inc.	Shamaran Petroleum Corp.	

Performance Graph

The following performance graph compares the Corporation's cumulative total shareholder return (assuming an initial investment of CAD 100) for Common Shares for the five most recently completed financial years with that of the S&P/TSX Capped Energy Index and the S&P/TSX Composite Index during the same period.

Cumulative Total Return on CAD 100 Investment — December 31, 2016 to December 31, 2021



	Dec. 31/16	Dec. 31/17	Dec. 31/18	Dec. 31/19	Dec. 31/20	Dec. 31/21
Forza Petroleum	\$100.00	\$33.96	\$35.85	\$47.17	\$12.26	\$30.19
S&P/TSX Capped Energy Index	\$100.00	\$87.36	\$62.41	\$66.07	\$41.20	\$74.14
S&P/TSX Composite Index	\$100.00	\$106.03	\$93.69	\$111.62	\$114.04	\$138.82

Discussion of Trends

In the view of management of the Corporation, the Common Shares have traded on a semi-private basis as a result of limited liquidity. Total shareholder return has also been impacted by restrained market appetite for companies operating in the Kurdistan Region of Iraq, which has been limited due to perceived political risk and export issues. These issues were particularly relevant in causing the trading price of Common Shares to decrease during 2017.

The dilution resulting from the issuance of more than 200 million Common Shares during 2017 to raise \$30 million in capital and to settle certain debts had a significant impact on the trading price of the Common Shares. Expectations that further capital would be required to fund development of the Hawler license area and for exploration in certain of the Corporation's other assets, and uncertainty regarding the dilution that could result from raising such capital, weighed on the trading price of the Common Shares in 2018 and 2019. This downward pressure was held in balance with improving oil and gas industry sentiment and positive operational and financial results from the Corporation.

The significant fall in the price of oil in March 2020, market sentiment resulting from the Coronavirus disease (COVID-19) pandemic, and uncertainty regarding the future of the Corporation because of restructuring activity, delayed receipts for oil sales, a decision to restrict capital expenditure and shutting-in a significant portion of oil production for three months, led the share price down in 2020, consistent with trends in the global oil industry. While the oil industry started to rebound towards the end of 2020 with increasing oil prices, the trading price of Common Shares lagged the recovery enjoyed by many of the Corporation's peers. During 2021, with strengthening oil price and successful execution of the Corporation's work program, the Common Shares made good progress towards restoring the pre-pandemic price.

The 2017 financial year was the first full year without compensation due to executives who departed during 2016 in connection with a significant restructuring. In general, since the 2016 reorganization of management, aggregate compensation paid to the NEOs has been significantly lower than amounts paid historically. This is justified, in part, by the Corporation's reduced scope of activity as compared to earlier financial periods and continuing efforts to constrain costs. However, with increasing revenues and funds flow starting in 2017, total compensation to the remaining NEOs increased as base salaries for the Head of Corporate Finance and Planning and General Counsel have been periodically increased to better align with responsibilities taken on after the departure of their respective predecessors. In addition, increasing amounts of discretionary compensation, tied to corporate performance, have been paid to all NEOs. And full base salaries for the Chair and CEO that were temporarily decreased by 20% in the second half of 2015 were restored in November 2018.

Aggregate compensation to NEOs decreased again in 2020 as a result of further restructuring activity leading to the departure of the Head of Corporate Finance and Planning and a change of control which involved the resignation of the executive Chair. Although base salaries were paid to the former Head of Corporate Finance and Planning and the former executive Chair for most of 2020, they accrued no new annual bonus entitlement or LTIP awards during 2020. Base salaries for continuing NEOs were not adjusted during 2020, except in the case of Ms. Rosebush who was promoted to the role of Head of Finance effective July 1, 2020. As provided in the Corporation's discretionary compensation programs, discretionary compensation was paid to NEOs in 2020, however, at rates lower than target given the performance of the Corporation and shareholder return during the year.

The evolution of total compensation paid to NEOs the last five years has been impacted primarily by restructuring activity. Except for the base salary of the CEO which is unchanged since 2013, NEO base salaries have slowly increased over the last five years as an improving financial situation has provided the ability to better align the base salaries with executive responsibilities. Notwithstanding, NEO (other than the CEO) base salaries remain below historical highs prevailing between 2013 and 2015. The award of discretionary compensation has, consistent with the applicable plans, largely tracked corporate performance as demonstrated by the applicable metrics in each case and subject to minor adjustments where warranted and discussed elsewhere in this Circular and earlier meeting circulars.

See the section entitled *2021 Executive Compensation Decisions* for more information regarding developments in executive compensation.

2021 Executive Compensation Decisions

Base Salary

As a junior oil and gas producer, the Corporation continues to devote significant attention to constraining costs. No changes were made to NEO base salaries in 2021.

Annual Bonus

The annual bonus is linked to the achievement of a balanced set of objectives that contribute to the Corporation's long-term financial growth and profitability. The Board ensures that performance goals and conditions are directly aligned with the achievement of the Corporation's corporate objectives.

In order to assess the Corporation's performance in 2021, the following key performance indicators, or KPIs, were adopted by the Board:

Metric	Weight	0%	100%	200%
Safety, Health, Security, and Environment (“HSE”), and Corporate Social Responsibility (“CSR”)				
• Total recordable incidents	2%	4	1	N/A
• Lost time injuries	2%	2	0	N/A
• Complete Environmental Impact Assessments (“EIA”) necessary to accommodate work program (including government approval)	3%	0	3	N/A
• Complete key CSR projects	3%	0	3	N/A
Achievement of work program				
• Ratio of (i) addition to proved oil reserves from reservoirs drilled, to (ii) annual oil production	10%	0.5	1	2
• Revised Field Development Plan for Hawler license area approved	4%	No	Yes	N/A
• Non-rig workover successes	3%	0	1	3
• Rig workovers achieved	3%	0	1	3
• Development wells drilled	10%	0	5	7
• West Hawler Gathering System commissioned				
- Phase 1	5%	No	Yes	N/A
- Phase 2	5%	No	Yes	N/A
2021 gross oil production (million barrels)	30%	4.3	5.3	8.0
Cost and liability management				
• Operating expenditure lower than threshold (\$ million)	5%	28.4	24.1	12.1
• Total general and administrative expenditure lower than threshold (\$ million)	5%	17.0	14.4	7.2
• Contingent consideration				
- Cash outflow in 2021	5%	6.4	3.2	0
- Agreement with AAR to restructure contingent consideration, with cash outflow in 2022 limited to a percentage of profit oil	5%	70%	50%	30%

The following table compares the 2021 KPIs with the actual results achieved in 2021.

Metric	2021 Results	Performance vs. Target	Weight	Contribution to Corporate Performance Factor
Safety, HSE and CSR				
• Total recordable incidents	0	100%	2%	2
• Lost time injuries	0	100%	2%	2
• Complete EIAs	3	100%	3%	3
• Complete key CSR projects	3	100%	3%	3
Achievement of work program				
• Ratio of (i) addition to proved oil reserves from reservoirs drilled, to (ii) annual oil production	1.98	198%	10%	19.8
• Revised Field Development Plan for Hawler license area approved	No	0%	4%	0
• Non-rig workover successes	1	100%	3%	3
• Rig workovers achieved	2	150%	3%	4.5
• Development wells drilled	8	200%	10%	20
• West Hawler Gathering System commissioned				
- Phase 1	No	0%	5%	0
- Phase 2	No	0%	5%	0
2021 gross oil production (million barrels)	4.447	15%	30%	4.4

Cost and liability management				
• Operating expenditure lower than threshold (\$ million)	24.66	87%	5%	4.3
• Total general and administrative expenditure lower than threshold (\$ million)	13.81	108%	5%	5.4
• Contingent consideration				
- Cash outflow in 2021	0	200%	5%	10
- Agreement with AAR to restructure contingent consideration, with cash outflow in 2022 limited to a percentage of profit oil	No	0%	5%	0
2021 Performance Factor				81.4

With a continued focus on safety, the Corporation was successful in conducting operations in 2021 with no recordable incidents or lost time injuries. Three environmental impact assessments were completed during the year, for the Banan Drilling Pad 5, the Zey Gawra Drilling Pad 3 and the West Hawler Gathering System. CSR projects completed during the year included schools in each of the Kawr, Tulaban and Zangal villages located within the Hawler license area.

Activity during the year, including drilling and ongoing production, and revised economic factors, provided a basis for the addition of 5.7 million barrels to *proved* (working interest) oil reserves at year-end, representing 198% of the 2.9 million barrels of (working interest) oil produced during the year.

The Corporation executed an aggressive work program in 2021, which involved mobilizing a second drilling rig from September 2021. Achievements included the successful plug back of the Banan-6 well, and rig workovers on the Banan-4 and Zey Gawra-6H wells. In addition, eight development wells were drilled across the Banan, Demir Dag and Zey Gawra fields. In contrast to drilling success during the year, procurement delays led to a failure to commission Phase 1 or Phase 2 of the West Hawler Gathering System. Similarly, the Corporation was not able to obtain approval from the Ministry of Natural Resources of the Kurdistan Region of Iraq during 2021 for the Corporation's revised Hawler Field Development Plan. Failure to obtain formal approval for the revised Hawler Field Development Plan has not prevented annual work programs from being executed.

Although successful in executing a significant work program for 2021, most wells were completed late in the year and had little effect on annual gross (100%) oil production. Delays earlier in the year and the underperformance of certain wells against budgeted results, meant that success was limited in increasing annual gross (100%) oil production versus a year earlier. The final result of 4.447 million barrels fell short of the 100% threshold of 5.3 million barrels, which represented the figure budgeted in December 2020.

As planned and reflected in the related KPIs, operating expenditure increased with activity in 2021 and total general and administrative costs were lower after restructuring activity in 2020. Operating expenditure was slightly higher than target at \$24.66 million, while the Corporation was successful in holding total general and administrative expenditure to below \$14.4 million. Target (i.e., 100%) performance thresholds for these metrics were aligned with the 2021 budget approved by the Board in December 2020.

The Corporation was successful in avoiding cash outflow related to the contingent consideration obligation in 2021, in large part because challenges internal to AAR prevented a restructuring agreement from being achieved. Accordingly, the final KPIs related to the subject reflected diverging results, with the Corporation achieving 200% on the cash flow objective and 0% on the restructuring agreement objective.

Overall, the Corporation achieved a measured corporate performance factor of 81.4 in 2021. Based on exceptional performance during the year, including the unbudgeted addition of a second drilling rig mid-year, the Nomination and Compensation Committee adjusted the corporate performance factor up to 100.

The Nomination and Compensation Committee recommended, and the Board approved, payment of target bonuses to employees of the Corporation, including NEOs. Bonuses were payable in March 2022 to Messrs. Querio and McPhee and Ms. Rosebush equal to 50% of base salary.

LTIP

In May 2021, the Nomination and Compensation Committee reviewed total shareholder return achieved during the assessment period running from April 1, 2020 to March 31, 2021. The Corporation's total shareholder return was compared to the total shareholder return achieved by the Corporation's performance comparator peer group and the S&P/TSX Capped Energy Index during the same period on a currency adjusted basis. The data demonstrated negative returns for

Shareholders (-5%) compared to the Corporation's performance comparator peer group (137%) and the S&P/TSX Capped Energy Index (137%).

Notwithstanding negative returns, on both an absolute and relative basis, members of the Committee weighed the failure of the Common Shares to rebound to pre-pandemic prices as it had generally for the peer group. The deviation was attributed to limited trading liquidity and a low price that exposed the Common Shares to significant volatility on low trading volumes.

The Nomination and Compensation Committee considered the following additional ancillary factors: (i) there had been only limited adjustments to salaries (related to changing job responsibilities) in recent years, (ii) there had been no general salary increases in six years, eroding the fixed component of compensation, (iii) LTIP awards could be used to boost morale and encourage a greater sense of ownership during a time when uninterrupted outperformance continued to be expected from a team that, in Geneva, lost 25% of its members in 2020, (iv) the increased importance of retention objectives given the small core team essential to the future of the business, and (v) limited buying interest, long blackout periods and tax effects limited the ability of employees to fully realize the LTIP component of compensation.

Given the above, the Nomination and Compensation Committee recommended, and the Board approved, that the LTIP for employees, including the NEOs, in 2021 be determined with a corporate performance multiplier of 0.40. This resulted in grants set at 40% for Mr. Querio, Mr. McPhee and Ms. Rosebush, in each case expressed as a percentage of the NEO's base salary.

Compensation of Named Executive Officers

Summary Compensation Table – NEOs

The following table sets forth, for each NEO, a summary of the compensation paid by the Corporation to the NEO for each of the Corporation's three most recently completed financial years.

Name and principal position	Year	Salary ⁽¹⁾ (\$)	Share-based awards ⁽²⁾ (\$)	Non-equity incentive plan compensation (annual bonus) ⁽¹⁾ (\$)	Pension value ⁽¹⁾⁽³⁾ (\$)	All other compensation ⁽⁴⁾ (\$)	Total compensation (\$)
Vance Querio CEO	2021	656,168	259,545	390,420	92,363	8,032	1,406,528
	2020	639,046	464,396	178,933	112,733	7,823	1,402,930
	2019	603,780	625,435	253,598	110,509	7,350	1,600,672
Kevin McPhee General Counsel	2021	306,212	121,121	107,174	35,456	6,282	576,245
	2020	298,221	144,479	59,644	34,358	4,625	541,327
	2019	281,764	194,580	84,533	32,279	6,217	599,373
Lindsey Rosebush ⁽⁵⁾ Head of Finance	2021	209,097	95,166	49,278	29,248	5,715	388,504
	2020	203,640	85,139	33,841	25,603	4,019	352,242

Notes

- (1) NEOs receive their salary and annual bonus payments in Swiss francs. For the purposes of the amounts stated under "Salary", "Non-equity incentive plan compensation (annual bonus)" and "Pension value" in the table above, Swiss francs have been converted to United States dollars based on the US Federal Reserve average annual exchange rate (i) for 2019 where one CHF, expressed in USD, was 1.0063 [0.9937], (ii) for 2020 where one CHF, expressed in USD, was 1.0651 [0.9389], and (iii) for 2021 where one CHF, expressed in USD, was 1.0936 [0.9144], as applicable.
- (2) The grant date fair value of LTIP awards, which is utilized for compensation purposes, has been calculated based on Fair Market Value (as defined in the LTIP) determined prior to the approval of the Nomination and Compensation Committee to grant such awards. The Fair Market Value amount has been used to calculate the above amounts under "Share-based awards" as it reflects the cash equivalent value of the Common Shares granted to the NEO at the time that the Nomination and Compensation Committee made its determination and, as such, it is seen as more indicative of what the Nomination and Compensation Committee and the Board intended the NEO to be paid. This is typically different from the accounting fair value, which is recorded in the Corporation's financial statements and based on the volume weighted average price ("VWAP") for the five day period ending on the business day immediately before the date of award. The following table sets out the difference in values for the LTIP awards granted in the three most recently completed financial years.

LTIP	2019	2020	2021
Grant Date Fair Value Price (CAD/Common Share)	0.25	0.09	0.08
Accounting Fair Value Price (CAD/Common Share)	0.28	0.06	0.11

For the purposes of the amounts stated under "Share-based awards" in the table above, the Grant Date Fair Value Price has been converted to United States dollars based on the average Bank of Canada daily average exchange rate over the Fair Market Value

calculation period where (i) for 2019, one CAD, expressed in USD, was 0.7477, (iii) for 2020, one CAD, expressed in USD, was 0.7122, and (iii) for 2021, one CAD, expressed in USD, was 0.7984.

- (3) A portion of such contributions fund risk insurance, administration costs and a security fund and, accordingly, do not accrue to the retirement capital in the pension.
- (4) Consists of premiums paid for accident insurance, complementary accident insurance and limited loss of salary insurance. Perquisites, property and other personal benefits that, in aggregate, are worth less than \$50,000 or 10% of the total annual base salary of a named executive officer for the financial year are not included.
- (5) Ms. Rosebush was promoted to the role Head of Finance, acting in the capacity of CFO, effective July 1, 2020.

Share Ownership Requirement

The Corporation has adopted share ownership guidelines for executive officers requiring each executive officer, within five years after becoming an executive officer of the Corporation, to hold a minimum number of Common Shares equivalent to at least three times his or her annual base compensation.

Below is the share ownership status for the NEOs as of April 29, 2022.

Name and principal position	Salary ⁽¹⁾ (\$)	Shareholding Requirement (\$)	Common Shares Owned (#)	Total Value ⁽²⁾ (\$)	Percentage of 5-Year Target Achieved (%)	Target Date to Meet Requirements
Vance Querio CEO	617,093	1,851,280	4,410,212	689,316	37	Expired
Kevin McPhee General Counsel	293,634	880,901	2,896,131	452,665	51	Expired
Lindsey Rosebush Head of Finance	255,682	767,047	1,473,032	230,235	30	June 30, 2025

Notes

- (1) For the purposes of the amounts stated under "Salary" in the table above, Swiss francs have been converted to United States dollars based on the US Federal Reserve exchange rate for April 29, 2022, where one CHF, expressed in USD, was 1.0285 [0.9723].
- (2) "Total Value" in the table above is determined by multiplying the number of Common Shares held by each NEO as of April 29, 2022 by the closing price of the Common Shares on the Toronto Stock Exchange as of the close of business on such date, being CAD 0.20 (\$0.1563 based on the Bank of Canada daily average exchange rate for April 29, 2022, being 0.7817).

Notwithstanding the generally uninterrupted accumulation of shares by each NEO in recent years, decreasing share price in certain years has undermined reasonable efforts by executives to accumulate ownership. As a result, and given the current environment, the Board does not expect to take any action to enforce the share ownership guidelines at this time. As the share price rebounds, together with the oil and gas industry generally, the Board expects greater alignment between the objectives of the shareholder ownership requirement and market realities.

Stock Options

The Corporation has not granted any options or Common Share allocations and does not intend to grant any options in the future.

Employment Agreements

The Corporation, through its wholly-owned subsidiary Forza Petroleum Services SA, is party to employment agreements with each of the NEOs.

The employment agreements are for an indefinite period subject to termination by either party on advance notice. In the case of Mr. Querio, nine months' notice is required. In the case of Mr. McPhee and Ms. Rosebush, three months' notice is required, consistent with the requirements of the employment laws of Switzerland. The employment agreements also provide for accident insurance, as well as providing for discretionary annual bonuses. See the section entitled *Statement of Executive Compensation – Compensation Discussion and Analysis – Determination of Executive Compensation Components*.

Incentive Plan Awards

Incentive Plan Awards – Value Not Vested

The following table sets forth, for each NEO, information regarding all awards that are outstanding as at December 31, 2021.

The market value of these awards has been calculated based on the closing price of the Common Shares on December 31, 2021 on the Toronto Stock Exchange of CAD 0.16, and the Bank of Canada daily average exchange rate for the same day, where one CAD, expressed in USD, was 0.7888, with a resulting share price of \$0.1262.

Name	Share-based Awards		
	Number of Common Shares that have not vested (#)	Market value of Common Shares that have not yet vested (\$)	Market value of vested Common Shares not paid out or distributed (\$)
Vance Querio	7,184,065	906,629	0
Kevin McPhee	2,639,264	333,075	0
Lindsey Rosebush	1,793,482	226,337	0

Incentive Plan Awards – Value Vested or Earned During the Year

The following table indicates, for each NEO, the value of shares vested under the LTIP in 2021 as well as annual bonus payments earned during 2021. The value of shares vested under the LTIP in 2021 has been calculated based on the market value of the underlying shares on September 1, 2021, the date the vested awards were eligible for issuance.

Name	Share-based awards – Value vested during the year ⁽¹⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year ⁽²⁾ (\$)
Vance Querio	312,148	300,000
Kevin McPhee	114,676	140,000
Lindsey Rosebush	77,927	110,000

Notes

- (1) Share-based awards that vested in 2021 include the second tranche of the LTIP awards granted in 2020 and the first tranche of the LTIP awards granted in 2021. The value of shares vested during 2021 in the table above is determined by multiplying the number of Common Shares that vested on September 1, 2021, the date the vested awards were eligible for issuance, by the VWAP for the five-day period ending on the business day immediately before such date, being CAD 0.1095 (\$0.0869 based on the Bank of Canada daily average exchange rate for September 1, 2021, being 0.7932).
- (2) Consists of annual bonus payments that, though discretionary, relate to 2021 performance. Bonuses relating to 2021 performance were paid in March 2022.

Narrative Discussion of LTIP

The Corporation has adopted the LTIP for the purposes of aligning the interests of the executive officers, employees and other persons who provide on-going services to the Corporation in the growth and development of the Corporation by providing such individuals with the opportunity to acquire an increased proprietary interest in the Corporation. The LTIP is also intended to aid in attracting as well as retaining and encouraging the continued involvement of such persons with the Corporation. Under the LTIP, Common Shares may be issued to any person, firm or company who is an employee, director or officer of, or consultant to, the Corporation or any affiliate (an “**Eligible Person**”), in such numbers and with such vesting provisions as the Nomination and Compensation Committee may determine.

The number of Common Shares reserved for issuance from treasury under the LTIP will not exceed 10% of the Common Shares issued and outstanding from time to time.

Under the LTIP (i) the aggregate number of Common Shares reserved for issuance pursuant to awards granted to any one participant may not exceed 2% of the outstanding Common Shares calculated on a non-diluted basis; (ii) the aggregate number of Common Shares reserved for issuance pursuant to the LTIP and other security based compensation arrangements granted to “insiders” (as defined in the Toronto Stock Exchange Company Manual) may not exceed 7% of the outstanding Common Shares calculated on a non-diluted basis; (iii) the issuance of Common Shares to “insiders” pursuant to the LTIP and other security based compensation arrangements within a one year period may not exceed 7% of the outstanding Common Shares calculated on a non-diluted basis; (iv) the issuance of Common Shares to any one “insider” and such insider’s associates pursuant to the LTIP and other security based compensation arrangements within a one year period may not exceed 5% of the outstanding Common Shares calculated on a non-diluted basis; and (v) the aggregate number of Common Shares reserved for issuance pursuant to the LTIP to a director of the Corporation who is not an officer

or employee of the Corporation or affiliate may not exceed 1% of the issued and outstanding Common Shares calculated on a non-diluted basis.

Once an LTIP award is granted, the Common Shares to be issued under the LTIP award are typically subject to the following vesting conditions:

- (a) Up to one third of the aggregate number of Common Shares awarded vest immediately on the date of the award (the “Award Date”);
- (b) Up to two thirds of the aggregate number of Common Shares awarded, less the number of Common Shares vested under paragraph (a) above, vest on the first anniversary of the Award Date; and
- (c) The balance of the aggregate number of Common Shares awarded (after taking into account the number of Common Shares vested under (a) and (b)) vest on the second anniversary of the Award Date.

In determining to whom and the number of awards to be granted, the Nomination and Compensation Committee may take into account corporate performance and individual factors, and such other factors as the Nomination and Compensation Committee may determine from time to time. The total aggregate amount of awards in any fiscal year shall be based on the value being returned to shareholders, as determined by the Nomination and Compensation Committee, with the advice and input of the CEO, based on a balance of factors. Each year the Nomination and Compensation Committee will review and will consider the Corporation's performance in terms of total shareholder return, including share price performance and shareholder return relative to the Corporation's peer group and the S&P/TSX Capped Energy Index. This review is generally undertaken in the second quarter of the year, with the assessment period running from April 1 to March 31.

The number of Common Shares to be issued pursuant to any award to an Eligible Person out of the total aggregate amount of awards for such fiscal year shall be based on such Eligible Person's individual performance, as determined by the Nomination and Compensation Committee, with the advice and input of the CEO, based on a balance of factors. The Nomination and Compensation Committee has set share grant size targets under the LTIP, which are commensurate with an individual's salary grade level, expressed as a percentage of base salary. In the past, awards for the NEOs have not typically exceeded two times the target. However, in return for exceptional performance, the Nomination and Compensation Committee has the discretion to increase the aggregate value of the LTIP awards to the NEOs. Subject to vesting, each award entitles the holder thereof to one Common Share.

During the two-week period in advance of a vesting date, participants are asked to confirm whether they accept the Common Shares that are then vesting. When accepted, the Common Shares are settled in treasury shares on or about the vesting date. LTIP recipients resident in Switzerland are subject to Swiss income tax on the value of the shares received under the LTIP. The value of the Common Shares is measured on the vesting date for Swiss income tax purposes.

Other than if a participant ceases to be an Eligible Person as a result of the participant's death, the right to receive Common Shares pursuant to awards granted to an Eligible Person may only be exercised by the Eligible Person personally. Except as otherwise provided in the LTIP, no assignment, sale, transfer, pledge or charge of an award, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in the awards whatsoever in any assignee or transferee and, immediately upon any purported assignment, sale, transfer, pledge or charge or attempt to assign, sell, transfer, pledge or charge, the awards will terminate and be of no further force or effect.

The Board may amend, suspend or terminate the LTIP, or any portion thereof or any award, at any time, and may do so without Shareholder approval, subject to those provisions of applicable law, if any, that require the approval of Shareholders or any governmental or regulatory body (including without limitation the Toronto Stock Exchange).

Without limiting the generality of the foregoing, the Board may make the following types of amendments to the LTIP without seeking Shareholder approval (any amendment to the LTIP will take effect only with respect to awards granted after the effective date of the amendment, provided that it may apply to any outstanding awards with the mutual consent of the Corporation and the Eligible Persons to whom the awards have been made):

- (a) amendments of a “housekeeping” nature, including curing ambiguities, errors or omission in the LTIP or to correct or supplement any provision of the LTIP that is inconsistent with any other provisions of the LTIP;
- (b) amendments necessary to comply with the provisions of applicable law;
- (c) amendments respecting administration of the LTIP;
- (d) any amendment to the vesting provisions;
- (e) any amendment to the termination provisions which does not entail an extension beyond the original issue date; and
- (f) any other amendment, whether fundamental or otherwise, not requiring Shareholder approval under applicable law.

See the section entitled *Compensation Discussion and Analysis – Determination of Executive Compensation Components – Long Term Incentive Plan* for more information.

Annual Burn Rate under the LTIP

The following table sets forth information in respect of the number of awards granted under the LTIP in the applicable fiscal year relative to the weighted average number of Common Shares outstanding in such year.

Fiscal Year	Number of awards granted during the applicable fiscal year	Weighted average number of Common Shares outstanding for the applicable fiscal year	Burn Rate (%)
2021	14,667,828	580,444,498	2.5
2020	16,716,008	563,455,609	3.0
2019	18,918,677	527,984,304	3.6

Pension Plan Benefits

All of the NEOs are employed under contracts governed by Swiss law and carry out some or all of their work in Switzerland. As such, they are all required to participate in the mandatory Swiss pension system, which includes an occupational pension scheme which is mandatory for individuals who earn in excess of CHF 21,510 per annum in 2021. For disability and death risks, the obligation to be insured starts on January 1 of the year following an individual's 17th birthday and, as of January 1 of the year following an individual's 24th birthday, an individual is also required to contribute to the old age pension benefits.

The occupational pension for the Corporation includes a compulsory element covering contributions on incomes (base salary only) between CHF 21,510 and CHF 86,040 as well as additional non-compulsory coverage for the remainder of an employee's income over the compulsory maximum. In 2021, non-compulsory coverage was capped at CHF 860,400 under the Corporation's plan. The Corporation's pension plan (the "**Pension Plan**") is a partially insured plan, in accordance with and under Swiss law. For IFRS purposes, the Pension Plan is treated as a defined benefit pension plan because, as a standard plan under Swiss law the Corporation retains a constructive obligation to pay all future employee benefits in the event that the pension administrator does not pay future employee benefits. The pension fund is managed and insured by AXA Winterthur/AXA Life LTD ("**AXA Winterthur**"). The pension obligation estimate under the Pension Plan is subject to the risk that the actual results realized differ from the underlying assumptions used by the pension fund provider including the expected rate of return, market conditions and measurement uncertainty used in the actuarial valuation process.

Under the terms of the Pension Plan, and as required by Swiss law, participants are eligible for retirement benefits on the first day of the month following the participant's 65th birthday (for men) or 64th birthday (for women). The Pension Plan permits a participant to maintain the Pension Plan beyond retirement age until the age of 70.

Retirement benefits (comprised of annual contributions, assets brought to the fund such as vested benefits or purchases of additional benefits, and interest) earn interest at a minimum interest rate. Interest on the compulsory element is fixed annually by the Swiss government. In 2021, the minimum interest rate on the compulsory element was fixed at 1%. The assets accrued by the insured within the pension fund are paid out at retirement age in the form of an annual retirement pension that is calculated using a conversion rate for compulsory coverage, which in 2021 was 6.8% of accrued retirement capital for men and women, and a conversion rate on the non-compulsory element, which in 2021 was 4.95% and 4.9954% of accrued retirement capital for men and women, respectively. Early payment of retirement pension is allowed from a statutory minimum of age 58, at a reduced conversion rate. Participants are entitled to withdraw the balance of the accrued retirement benefits as a lump sum upon reaching retirement age however a corresponding declaration must be submitted to AXA Winterthur before the retirement age.

Annual contributions are determined on the basis of an individual's age and are set out in the table below.

Age (Women)	Age (Men)	Rate in % of Annual Base Salary
25-34	25-34	9
35-44	35-44	11
45-54	45-54	15
55-64	55-65	15

Contributions to the Pension Plan are based on an individual's base salary only. The Corporation pays the full amount of the annual contributions. In the event the Pension Plan is maintained beyond retirement age, the Corporation continues to make contributions at a rate equal to 15% of base salary.

Pension Plan participants are entitled to purchase additional years of service if they have not been insured under a Swiss pension fund since age 24. The Corporation does not grant extra years of credited service. Pension Plan participants are also entitled to purchase additional benefits where a difference may have developed between actual benefits and maximum potential benefits as a result of salary increases or time off of work.

Any individual previously employed by another Swiss company must transfer his or her accrued retirement assets accumulated with his or her past employer into the pension fund of his or her new Swiss employer. Therefore, accrued retirement benefits always include benefits accrued with previous employers and additional years of service purchased.

The following table sets forth information regarding the Pension Plan as of December 31, 2021 for each NEO. The actual benefits payable upon retirement will be determined by each participant's accrued retirement capital.

Name and principal position	Credited service with the Corporation	Annual benefits ⁽¹⁾⁽²⁾		Opening present value of defined benefit obligation ⁽²⁾⁽³⁾	Compensatory change ⁽²⁾⁽⁴⁾	Non-compensatory change ⁽²⁾⁽⁵⁾	Closing present value of defined benefit obligation ⁽²⁾⁽³⁾
		At year end (\$)	At retirement (\$)				
Vance Querio ⁽⁶⁾ CEO	10.0 years	88,560	88,560	1,279,943	90,633	50,119	1,420,695
Kevin McPhee General Counsel	8.4 years	24,398	89,656	192,182	31,819	7,328	231,329
Lindsey Rosebush Head of Finance	8.8 years	18,725	77,442	71,508	25,262	2,713	99,483

Notes

- (1) Annual benefits are calculated based on projected retirement assets. Annual benefits (Except for Mr. Querio, at retirement - age 65 for men; 64 for women) are calculated by AXA Winterthur. Annual benefits (At year end) are calculated by the Corporation as (i) annual benefits payable at the presumed retirement age, multiplied by (ii) the years of credited service at year end divided by the years of credited service at the presumed retirement age.
- (2) For the purposes of the amounts stated in the table above, Swiss francs have been converted to United States dollars on the basis of the US Federal Reserve average annual exchange rate for 2021 where one CHF, expressed in USD, was 1.0936 [0.9144].
- (3) Represents accrued retirement assets in the Corporation's Swiss pension fund including any additional years or pension benefits purchased by an individual and, in respect of any individual previously employed by a Swiss company, all accrued retirement assets accumulated with his or her past employer. Retirement assets accumulated by the NEOs with past employers in Switzerland are CHF 105,759 and CHF 16,883 for Mr. Querio and Ms. Rosebush, respectively.
- (4) Compensatory change is comprised of employer contributions during the year. Forza Petroleum contributes the full amount of the annual contributions.
- (5) Non-compensatory change is comprised of interest on contributions, distributions of surplus premiums based on differences between assumed cost for the risk component of the pension and actual costs incurred in the year, and purchases by the employee of additional years of service.
- (6) Mr. Querio became eligible for retirement benefits under the Pension Plan on December 1, 2020. After this date, and in connection with his continued employment, the Corporation continues to make contributions in respect of Mr. Querio, which will increase the annual benefits disclosed for him in the table above. Mr. Querio may elect to begin receiving benefits under the Pension Plan on December 1, any year, after which point the Corporation will not make any further contributions. If Mr. Querio elects to start receiving benefits on December 1, 2022, the annual benefits received will equal the amounts disclosed for him in the table above.

Termination and Change of Control Benefits

LTIP

The LTIP provides that if a recipient ceases to be an Eligible Person due to disability or death, any unvested portion of relevant awards shall vest in full. If a recipient ceases to be an Eligible Person due to retirement, any unvested portion of relevant awards shall continue to be outstanding and shall vest in accordance with the original terms of the applicable awards. If a recipient ceases to be an Eligible Person prior to an Award Date (as defined under the LTIP) due to death, the Nomination and Compensation Committee shall determine in its absolute discretion, the number of additional Common Shares, if any, to be transferred to such recipient. If a recipient ceases to be an Eligible Person as a result of termination or resignation, all outstanding awards will be terminated and the recipient will forfeit all rights to receive Common Shares issuable under such awards. Notwithstanding the foregoing, if a recipient ceases to be an Eligible Person as a result of being terminated other than for cause, or voluntarily ceases to be an Eligible Person and is deemed to be a "Good Leaver" by the Nomination and Compensation Committee (in its absolute discretion), such recipient shall retain its right to receive Common Shares issuable under any awards which vest on the vesting date under the original terms or the applicable awards immediately following such termination or resignation and the recipient will forfeit all rights to receive Common Shares issuable under any LTIP awards after such vesting date. In addition, if a participant ceases to be an Eligible Person in a situation that represents exceptional circumstances of any nature, the Nomination and Compensation Committee may

determine (in its absolute discretion), on the recommendation of the CEO, that the participant shall (i) be entitled to a number of LTIP awards having regard to the standards of performance reached in respect of each of the performance conditions set out in the LTIP from the start of the relevant fiscal year to the date that the participant ceased to be an Eligible Person, and/or (ii) retain its right to some or all of the Common Shares issuable under any outstanding LTIP awards and the terms for the issue of such Common Shares, having regard to the standards of performance reached in respect of each of the performance conditions set out in the LTIP.

In the event of a Change of Control of the Corporation on or after an Award Date, any unvested portion of relevant LTIP awards shall vest in full. In addition, if a Change of Control of the Corporation occurs prior to the occurrence of an Award Date in the Corporation's current fiscal year, the Nomination and Compensation Committee has the discretion to grant awards to each recipient, having regard to the standards of performance reached in respect of each of the performance conditions referred to in the LTIP from the start of the relevant fiscal year to the date of the Change of Control. For the purposes of the LTIP, a "Change of Control" means:

- (a) any sale, reorganization, amalgamation, merger, plan of arrangement or other transaction as a result of which an entity or group of entities acting jointly or in concert (whether by means of a shareholder agreement or otherwise) or entities associated or affiliated with any such entity or group, becomes the owner, legal or beneficial, directly or indirectly, of 50% or more of the Common Shares then outstanding or exercises control or direction over 50% or more of the Common Shares then outstanding (other than solely involving the Corporation and one or more of its affiliates and other than any entity or group holding, legally or beneficially, directly or indirectly, 50% or more of the Common Shares as at the effective date of the LTIP); or
- (b) a formal takeover bid or tender offer for the voting securities of the Corporation (other than by the Corporation or one or more of its affiliates) as a result of which the offeror and its affiliates legally or beneficially own, directly or indirectly, 50% or more of the Common Shares then outstanding or exercises control or direction over 50% or more of the Common Shares then outstanding; or
- (c) a sale, lease or other disposition (including through a reorganization, amalgamation, merger or plan of arrangement) of all or substantially all of the property or assets of the Corporation other than to an affiliate; or
- (d) a change in the composition of the Board which occurs at a single meeting of the shareholders or upon the execution of a shareholder's resolution, such that individuals who are members of the Board immediately prior to such meeting or resolution cease to constitute a majority of the Board, without the Board, as constituted immediately prior to such meeting or resolution, having approved of such change.

Other Change of Control Benefits

Other than the consequences of a change of control provided under the LTIP, the Corporation does not provide any benefits or other compensation which is directly triggered by a change of control event.

Compensation of Directors

Summary Compensation Table – Directors

The following table provides details of the compensation provided to directors of the Corporation who served as directors during the financial year ended December 31, 2021.

Name	Fees earned (\$)	All other compensation (\$)	Total compensation (\$)	Allocation of Total Compensation	
				Cash (\$)	Shares ⁽¹⁾ (\$)
Brad Camp	130,000	0	130,000	130,000	—
Peter Janele	130,000	0	130,000	130,000	—
Peter Newman	140,000	0	140,000	140,000	—
Sami Zouari	220,000	0	220,000	220,000	—

Note

(1) Common Shares are not issuable under the Directors' Compensation Plan.

Narrative Discussion

Based on the recommendations of the Nomination and Compensation Committee, the Board has implemented remuneration and reimbursement arrangements for its directors that reflect current market practices. Such arrangements are set out in the Directors' Compensation Plan.

Share Ownership Requirement

Share ownership guidelines historically included in the Directors' Compensation Plan were discontinued in March 2021.

Directors' Compensation Plan

The Directors' Compensation Plan provides remuneration for each director in the amount of \$110,000 per annum, with a further amount equal to the highest of the following amounts applicable to a director: (i) \$20,000 per annum for a director who is the chair of one or more committees, (ii) \$30,000 per annum for a director who is the chair of the Audit Committee, and (iii) \$110,000 per annum for the Chair. Director fees are payable entirely in cash. Directors of the Corporation are also reimbursed for their reasonable out-of-pocket disbursements incurred for the business of the Corporation. Common Shares are not issuable under the Directors' Compensation Plan.

The Directors' Compensation Plan is administered by the Corporate Secretary of the Corporation. The Board may, at any time, suspend or terminate the Directors' Compensation Plan or amend or revise the terms of the Directors' Compensation Plan, including the amount and basis on which compensation is paid to directors, subject to applicable law, regulatory approvals and, if required by any stock exchange or market on which the Common Shares trade, Shareholder approval.

Amendments to the Directors' Compensation Plan

There were no amendments to the Directors' Compensation Plan during 2021.

Securities Authorized for Issuance under Equity Compensation Plans

The following table provides the equity securities of the Corporation that are authorized for issuance under equity compensation plans as of December 31, 2021.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by securityholders – Long Term Incentive Plan	20,742,033 ⁽¹⁾	N/A ⁽²⁾	37,755,587
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	20,742,033	N/A	37,755,587

Notes

(1) This number represents the total number of LTIP awards that have been granted and remain unvested as of December 31, 2021.

(2) The LTIP awards will automatically vest in accordance with the terms of the Corporation's LTIP.

During the year ended December 31, 2021, 6,778,984 Common Shares, representing 1.2% of the 584,976,202 Common Shares outstanding as of December 31, 2021, were issued pursuant to awards granted under the Corporation's LTIP.

CORPORATE GOVERNANCE PRACTICES

Forza Petroleum believes that strong corporate governance is essential to creating shareholder value, maintaining investor and stakeholder confidence, and conducting business effectively. The Corporation has developed comprehensive policies and procedures, and has adopted a strong approach to corporate governance.

Board of Directors

The Board has overall responsibility for the supervision of the management of the Corporation's business and affairs. In exercising this responsibility, the Board acts in accordance with a number of rules and standards, including:

- the *Canada Business Corporations Act*
- the Corporation's articles and by-laws
- the written charters of the Board and each of its committees
- the Corporation's Code of Conduct and other internal policies
- laws of general application

The Board is currently comprised of four directors, all of whom are independent as defined under National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101"). For the purposes of NI 58-101, a director is independent if he or she would be independent within the meaning of Section 1.4 of National Instrument 52-110 – *Audit Committees* ("NI 52-110") which provides that a director is independent if he or she has no direct or indirect material relationship with the company. A "material relationship" is defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of such member's independent judgment. Certain relationships are deemed to be material.

The Board has established detailed charters to enable it to function independently of management and to facilitate open and candid discussion among the directors.

In 2021, the Board held six meetings. At every scheduled Board meeting, a period of time is reserved for the directors to meet *in-camera* without management.

Role of the Board of Directors

The Board is responsible for the supervision of the management of the business and affairs of the Corporation. In furtherance of its purpose, the Board assumes the duties and responsibilities described in its written charter, which has been approved by the Board and is attached as Schedule A to this Circular. Some of the duties and responsibilities of the Board are first reviewed and recommended by the appropriate committee and then submitted to the full Board for its consideration and approval.

Majority Voting for the Election of Directors

In order to provide a mechanism for Shareholders to express their confidence in each director, the Board has adopted a Majority Voting Policy to govern the election of directors. The Majority Voting Policy provides as follows:

In the case of an uncontested election of directors to the Board, if a director nominee is not elected by a majority of the votes cast with respect to his or her election, the nominee will be considered by the Board to have not received the support of shareholders and the nominee must immediately tender his or her resignation to the Board, effective on acceptance by the Board.

In accordance with the Majority Voting Policy, the Board will refer any such resignation to the Corporate Governance Committee for consideration and a recommendation as to whether to accept the resignation. The Board shall, on the recommendation of the Corporate Governance Committee, determine whether to accept the resignation within 90 days after the date of the relevant meeting of Shareholders. Absent exceptional circumstances (e.g., concerns relating to the composition of the Board or the voting results), the Board shall accept the resignation.

A director nominee who tenders a resignation pursuant to the Majority Voting Policy will not participate in any meeting of the Board or the Corporate Governance Committee at which the resignation is considered.

The Corporation will promptly issue a news release with the Board's decision, a copy of which must be provided to the Toronto Stock Exchange. If the Board determines to not accept a resignation, the news release must fully state the reasons for that decision.

Subject to compliance with applicable corporate laws, the Board may: (i) leave a vacancy in the Board unfilled until the next meeting of Shareholders, (ii) fill the vacancy by appointing a new director whom the Board considers to merit the confidence of Shareholders, or (iii) call a special meeting of Shareholders to consider new nominees to fill the vacant position.

Director Term Limits

The Corporation has not adopted director term limits. While the Corporation has no term limits for its directors, under its mandate, the Nomination and Compensation Committee reviews the terms of individual directors of the Board, the Chair and committee chairs. Board renewal is considered in the context of determining the needs of the Board in the long term, as further described below, and achieving a balance between the need to have representation by significant shareholders and depth of institutional experience from directors on the one hand and the need for renewal and new perspectives on the other hand.

Resulting from the natural evolution of the Corporation, the tenure of the current directors ranges from 2-10 years, with an average tenure of 5.2 years. Accordingly, the Nomination and Compensation Committee is comfortable that Board renewal is being achieved naturally and that a prescriptive policy is not required at this time.

Committees of the Board of Directors

There are four standing committees of the Board: the Audit Committee, the Corporate Governance Committee, the Nomination and Compensation Committee, and the Technical and Resources Committee. It is the Corporation's policy that each of the Audit Committee and the Corporate Governance Committee must be comprised solely of independent directors. The Board has concluded that all the directors who served as members of the Audit Committee and the Corporate Governance Committee during 2021 are independent under NI 58-101 and that members of the Audit Committee met the more stringent Audit Committee independence tests under NI 52-110.

The following table sets forth the current membership of each committee of the Board:

Committee	Number of meetings held in 2021	Members in 2021	Independent
Audit Committee	4	Camp	Yes
		Janele	Yes
		Newman (Chair)	Yes
Corporate Governance Committee	4	Camp	Yes
		Janele	Yes
		Newman (Chair)	Yes
Nomination and Compensation Committee	4	Camp (Chair)	Yes
		Janele	Yes
		Newman	Yes
Technical and Resources Committee	6	Camp	Yes
		Janele (Chair)	Yes
		Newman	Yes

The Audit Committee charter is attached as Schedule B to the Corporation's Annual Information Form for the year ended December 31, 2021, which can be accessed on the Corporation's website at www.forzapetroleum.com and on the Corporation's profile on SEDAR at www.sedar.com. The position description of the committee chairs is detailed in the corresponding committee charter. At each regularly scheduled Board meeting, each committee of the Board, through its committee chair, provides a report to the Board on its activities.

Summaries of the mandates of the four committees of the Board are set forth below.

Audit Committee

The mandate of the Audit Committee includes:

- monitoring the integrity of the Corporation's financial reporting and internal control over financial reporting
- reviewing arrangements for, and scope of, each proposed audit of the accounting records
- reviewing, prior to submission to the Board, all financial information and financial statements of the Corporation, and the auditor's report thereon
- reviewing the financial position and financing activities of the Corporation
- providing oversight for the Corporation's compliance with legal and regulatory requirements
- providing oversight of the external auditor's performance and fees
- reviewing related party transactions

Additional information relating to the Audit Committee is provided in the Corporation's Annual Information Form dated March 23, 2022 in the section entitled "Audit Committee".

Corporate Governance Committee

The mandate of the Corporate Governance Committee is to assist the Board in fulfilling its obligations relating to corporate governance matters and includes:

- developing and implementing principles and systems for management of corporate governance
- evaluating the size, composition and operation of the Board, committees of the Board, all individual directors, the Chair and committee chairs
- preparing and receiving reports and making recommendations on matters including evaluation of management, organizational structure, management development and succession
- ensuring the Board has appropriate structures and processes in place so that it can function independently of management

Nomination and Compensation Committee

The mandate of the Nomination and Compensation Committee is to assist the Board in fulfilling its obligations relating to compensation matters and identifying qualified candidates for appointment to the Board and includes:

- identifying new candidates for appointment or nomination to the Board
- reviewing the Corporation's policies on tenure and terms of individual directors of the Board, the Chair and committee chairs
- in consultation with management, establishing the Corporation's general compensation philosophy and overseeing the development and implementation of compensation programs, including incentive compensation plans
- conducting an annual review of management performance

Technical and Resources Committee

The mandate of the Technical and Resources Committee is to assist the Board in fulfilling its obligations relating to oil and natural gas reserves and resources evaluation processes and reporting of reserves and resources data and related information, as well as supervision of technical and operational activities undertaken by the Corporation and includes:

- reviewing and approving the appointment of an independent reserves evaluator
- managing the valuation review by, and relationship with, the independent reserves evaluator
- overseeing procedures for disclosure of information relating to oil and gas activities and for providing information to the independent reserves evaluator
- reviewing content and filing of statements and other information disclosed in accordance with National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*

Chair of the Board of Directors

Sami Zouari was appointed a director of the Corporation and Chair of the Board on August 17, 2020. Mr. Zouari is independent as defined under NI 58-101.

Mr. Zouari provides overall leadership to enhance the effectiveness of the Board. He fosters ethical and responsible decision-making by the directors and oversees all aspects of the Board's direction and administration in fulfilling its responsibilities.

The mandate for the Chair is included in the Charter of the Board of Directors, which can be found in Schedule A to this Circular. On an annual basis, the Corporate Governance Committee establishes and recommends, for approval by the Board, any amendments to the position description for the Chair.

Chief Executive Officer

The Corporation's CEO has primary responsibility, subject to the authority of the Board, for the general supervision of the business and affairs of Forza Petroleum. As such, the CEO, subject to the Board's approval, develops the Corporation's strategic and operational orientation. In so doing, he provides leadership and vision for the effective overall management, performance and growth of Forza Petroleum, and for increasing shareholder value and ensuring compliance with policies adopted by the Board. The CEO is directly accountable to the Board for all of the Corporation's activities. The Board delineates the role and responsibilities of the CEO through the committee charters and policies approved by the Board from time to time which limit the CEO's authority in managing the Corporation. Effective on the promotion of Mr. Querio to CEO in March 2016, the CEO is also accountable for the responsibilities previously assigned to a Chief Operating Officer.

Composition of the Board of Directors and Nomination of Directors

In terms of the composition of the Board, the objective is to have a sufficient range of skills, expertise and experience to ensure that the Board can carry out its responsibilities effectively. Directors are chosen for their ability to contribute to the broad range of issues with which the Board routinely deals.

The Board reviews each director's contribution and determines whether the Board's size allows it to function efficiently and effectively.

Competency Matrix

The Nomination and Compensation Committee, together with the Chair, is responsible for determining the needs of the Board in the long term and identifying new candidates to stand as nominees for election or appointment as directors.

The Chair, in consultation with the Nomination and Compensation Committee, develops a competency matrix based on knowledge areas and types of expertise and identifies any gaps to be addressed in the director nomination process. The Board ensures that the skill set developed by directors, through their business expertise and experience, meets the needs of the Board. This competency matrix is reviewed regularly by the Chair with Board members and is updated as required.

The below table identifies the current skills and expertise considered as part of the competency matrix developed by the Chair and the Nomination and Compensation Committee, and identifies each member of the Board possessing each skill or expertise.

As a guideline, the Board aims to ensure that the skill set represented by the directors, as a group, includes each of the skills and expertise identified in the competency matrix.

	Brad Camp	Peter Janele	Peter Newman	Sami Zouari
Management <i>Experience as CEO of a public company or large organization, and/or other senior executive experience, driving strategic direction and leading growth</i>	✓			✓
Governance <i>Current and/or former director of a listed public company (other than Forza Petroleum) and/or significant governance role</i>			✓	✓
Upstream Oil & Gas <i>Senior executive experience in the upstream oil and gas industry</i>	✓	✓		✓
Africa & the Middle East <i>Senior executive experience in an organization with multinational operations in Africa and/or the Middle East</i>	✓	✓	✓	✓
Operations & HSE <i>Senior executive experience in managing significant industrial operations and the related health, safety and environmental policies and standards and other constituents of sound sustainable development practices and reporting and their application to corporate success</i>	✓			
M&A/Growth Strategy <i>Experience with mergers, acquisitions and business growth strategy involving public companies and ability to effectively fulfil oversight responsibilities relating to corporate strategy</i>	✓		✓	✓
Accounting & Audit <i>Experience in financial accounting and reporting, audit process, and evaluating the robustness of internal financial controls, and ability to assess the application of International Financial Reporting Standards</i>			✓	✓
Finance <i>Experience in senior financial roles and/or financial advisory roles especially with respect to debt and equity markets</i>			✓	✓
Compensation & Human Resources <i>Experience overseeing human resources practices, including compensation design, gained through experience as a senior executive of a public company and/or a member of a committee of the board of directors of a public company responsible for overseeing succession planning, talent development, retention and compensation programs, and other human resources matters</i>			✓	

Legal & Regulatory <i>Legal and regulatory experience including an understanding of different legal systems and the laws and regulations applicable to Forza Petroleum</i>	✓		✓	
Public Policy <i>Experience in the areas of government and public policy relevant to Forza Petroleum's business and may include experience in or through understanding of communication and media perspectives</i>	✓			
Risk Management <i>Experience in risk management frameworks, systems, processes, tools and techniques gained through experience as a senior executive of a public company and/or a member of a committee of the board of directors of a public company responsible for overseeing risk management</i>		✓	✓	

Nomination Process

The Nomination and Compensation Committee, together with the Chair, is responsible for recommending to the Board the nominees for election at each annual meeting of Shareholders. Typically, in advance of the annual meeting of Shareholders, the Nomination and Compensation Committee will review the composition of the Board and make an assessment, with reference to the competency matrix, as to any potential skill or expertise gaps which may need to be filled through recruitment of one or more additional directors. In making its assessment, the Nomination and Compensation Committee will consider input received from the Board, as well as the CEO, Shareholders, the Nomination and Compensation Committee's independent advisors and other third parties. The Nomination and Compensation Committee is required to balance its obligations with any contractual commitments made by the Corporation to investors in connection with securing their investment. Pursuant to a subscription agreement dated March 1, 2016 between the Corporation and Zeg Oil and Gas Ltd ("Zeg Oil"), Zeg Oil currently has the right to nominate one of the four nominees for election as director at the Meeting.

Where the Nomination and Compensation Committee determines that there is a skill or expertise gap which needs to be addressed, it may retain an independent advisor to assist with identifying candidates who possess the required skill or expertise. While the Nomination and Compensation Committee may look to an independent advisor to put forward a list of top candidates based on its independent research, potential candidates may also be recommended by existing directors, members of management, independent advisors, Shareholders or others. Candidate searches will be conducted in a manner which is "blind" to characteristics or attributes unrelated to a candidate's skill or expertise.

Board Diversity

The Corporation values and welcomes a diversity of views and perspectives on the Board. The Nomination and Compensation Committee aims to recruit candidates who reflect a range of views, perspectives, expertise, experience and backgrounds. In conducting a search for director candidates, the Nomination and Compensation Committee seeks to ensure that the broadest possible range of qualified candidates is considered and that no qualified candidate is excluded based on any personal characteristic or attribute which is unrelated to the individual's ability to effectively carry out his or her duties as a director.

The Corporation has not adopted a written policy for identifying and nominating members of Designated Groups as directors and does not have any targets regarding the number or percentage of members on the Board for each group constituting Designated Groups as set out in the *Employment Equity Act*. The *Employment Equity Act* defines Designated Groups as women, Aboriginal peoples, persons with disabilities and members of visible minorities.

When a new director nominee is determined to be required, the Nomination and Compensation Committee will consider the diversity of views and perspectives that potential nominees could add to the Board. In order to select the most qualified candidate identified among a list of potential nominees, the Board has not fixed targets that would prioritize a candidate based on their inclusion in a Designated Group.

Among the Corporation's directors as at the date of this Circular, which directors also constitute the four director nominees to be considered at the Meeting, 25% (1 of 4) identify as a member of a visible minority. There are no persons who identify as a member of any other Designated Group.

Meeting Attendance

The table below lists the number of Board and Committee meetings held in 2021 and the number attended by each director.

Director	Board	Audit Committee	Corporate Governance Committee	Nomination and Compensation Committee	Technical and Resources Committee	Total Attendance
Brad Camp	6/6	4/4	4/4	4/4	6/6	24/24
Peter Janele	6/6	4/4	4/4	4/4	6/6	24/24
Peter Newman	6/6	4/4	4/4	4/4	6/6	24/24
Sami Zouari ⁽¹⁾	6/6	-	-	-	-	6/6

Notes

(1) Mr. Zouari regularly participates in committee meetings as a guest.

Orientation and Continuing Education

Management provides to the Board detailed presentations on all aspects of the Corporation's business and management including regular updates at Board meetings. These detailed briefings are made to new directors who join the Board, so that they can get up to date with the activities of the Corporation.

New directors who join the Board are also given the opportunity to individually meet with members of senior management to aid their understanding of Forza Petroleum's business. The Corporate Governance Committee assists new directors in becoming acquainted with Forza Petroleum and its governance processes and encourages continuing education opportunities for all members of the Board.

All directors have regular access to senior management to discuss Board presentations and other matters of interest. Directors also enhance their understanding of the Corporation's operations and the energy industry through site visits.

Assessment of the Board, Committees and Directors

The Board undertakes an annual assessment of the effectiveness and contribution of the Board, its committees and individual directors. A questionnaire is circulated with all directors of the Corporation and a summary report is prepared that consolidates questionnaire results and feedback for consideration by the Corporate Governance Committee. Results from the summary report identify areas of focus for the year ahead. The process allows directors of the Corporation to improve their guidance and oversight of management of the Corporation. Further, feedback from the process is used by the Nomination and Compensation Committee when determining director nominees for election at annual meetings of Shareholders.

Representation of Designated Groups in Senior Management

Among the three executive officers of the Corporation as at the date of this Circular, 33% (1 of 3) are women. There are no persons who identify as a member of any other Designated Group. The Board has not appointed an external candidate directly to a senior management role since 2012.

The Board is responsible for the appointment of executive officers. While the Corporation has not adopted a written policy and does not have targets regarding the number or percentage of members of Designated Groups in executive officer appointments, in making any future executive officer appointment, the Board will consider the level of representation of members of Designated Groups in executive officer positions and the positive contributions that increased diversity will bring Forza Petroleum. Relevant considerations will include:

- diversity that will help the Corporation better understand the needs of its stakeholders;
- diversity that will make the Corporation an employer of choice and help it to recruit, retain, and engage high-performing employees; and
- evidence that business performance can improve with greater diversity.

Given the small size of the Corporation's executive team, and the reduced scope of activities in the near to medium term, the Board does not believe that targets are appropriate at this time.

Ethical Business Conduct

The Board encourages and promotes a culture of ethical business by fostering an environment that emphasizes compliance. To facilitate this objective, the Corporation encourages company personnel to promptly report any problems or concerns to their supervisor or, if that is not possible or does not resolve the matter, up the chain of management. The Corporation has published a Code of Conduct and a Whistleblower Policy to formalize the reporting processes in this regard. To ensure that an ethical business culture is maintained and promoted, directors are encouraged to exercise their independent judgment.

Certain members of the Board are directors or executive officers of, or have significant shareholdings in, other oil and gas companies and oilfield service companies and, to the extent that such other companies may participate in ventures in which the Corporation may participate or provide services to ventures in which the Corporation participates, those directors of the Corporation may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. If such a conflict involves a particular Board member, such Board member will be required to disclose his or her interest to the Board and refrain from voting at the Board meeting of the Corporation considering such contract or transaction in accordance with applicable law, including the *Canada Business Corporations Act*. In rare instances, if deemed appropriate, the Corporation may establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict.

Code of Conduct

The Code of Conduct applies to everyone who works for, or on behalf of, Forza Petroleum and any of its subsidiaries. All individuals engaged in any capacity by Forza Petroleum including all permanent, temporary, contract and seconded employees, and consultants are required to adhere to the Code of Conduct, which includes the following key principles:

- Act honestly and with integrity;
- Be respectful to all work colleagues;
- Foster initiative and creativity;
- Create and increase shareholder value in an ethical and legal manner;
- Avoid conflicts of interest;
- Maintain suitable confidentiality with regard to all work activities; and
- Never make improper payments to government officials or business partners or their families.

These key principles underpin all of Forza Petroleum's policies and procedures and represent a common standard for Forza Petroleum's work practices and interactions with stakeholders. The Code of Conduct also recognizes the importance of providing a positive and professional working environment in which all people are treated with respect and dignity. Therefore, the Code of Conduct prohibits all forms of workplace harassment, discrimination or mobbing, and outlines a process to report all such incidents.

The Code of Conduct requires Forza Petroleum to carry out its business equitably, transparently and honestly. Forza Petroleum is committed to operating its business in a manner consistent with the laws of the jurisdictions in which its business operates, including those relating to financial reporting, accounting regulations, anti-bribery and anti-corruption. The Code of Conduct sets the required standard regarding prohibited conduct associated with bribery and corruption, insider trading and conflicts of interest.

To ensure compliance with the Code of Conduct, Forza Petroleum has established an Ethics Committee composed of the CEO, General Counsel and Corporate Secretary, and Head of Human Resources to receive and examine any reported breaches of the Code of Conduct, to coordinate the necessary response and to regularly advise the Audit Committee of any breaches and any proposed actions.

The Code of Conduct is available on the Corporation's profile on SEDAR (www.sedar.com).

Whistleblower Policy

The Whistleblower Policy is intended, in line with the Corporation's commitment to the highest possible standards of ethical, moral and legal business conduct, and its general commitment to open communication, to provide an avenue for employees to raise concerns and reassurance that they will be protected from reprisals or victimization for whistleblowing in good faith.

The Ethics Committee is responsible for receiving and examining all complaints made under the Whistleblower Policy, to coordinate the necessary response and to regularly advise the Audit Committee of any complaints and proposed actions.

Employees have several means of communicating reports or complaints under the Whistleblower Policy: individually to one of the members of the Ethics Committee, collectively to all members of the Ethics Committee using an e-mail address that has been setup for that specific purpose, or directly to the chair of the Audit Committee.

OTHER INFORMATION

Interest of Informed Persons in Material Transactions

Except as disclosed in the Corporation's Management's Discussion and Analysis for the year ended December 31, 2021 and the Corporation's Annual Information Form dated March 23, 2022, and other than as discussed elsewhere in this Circular, the Corporation is not aware of any material interests, direct or indirect, of any "informed person" of the Corporation, any proposed director of the Corporation, or any associate or affiliate of any informed person or proposed director, in any transaction since January 1, 2020 or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

For the purposes of the determination above, "informed person" means:

- (a) a director or executive officer of the Corporation;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Corporation;
- (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Corporation other than voting securities held by the person or company as underwriter in the course of a distribution; and
- (d) the Corporation after it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

Indebtedness of Directors and Executive Officers

As at the date of this Circular, other than in respect of routine indebtedness, there are no directors, executive officers, employees or former directors, executive officers or employees indebted to the Corporation or any of its subsidiaries.

Additional Information

Additional information relating to the Corporation is available on SEDAR at www.sedar.com and on the Corporation's website at www.forzapetroleum.com. Shareholders may request copies of the Corporation's financial statements, management's discussion and analysis, and any documents incorporated by reference without charge by emailing info@forzapetroleum.com.

Financial information is provided in the Corporation's consolidated annual financial statements and management's discussion and analysis for the financial year ended December 31, 2021.

Shareholder Proposals for the 2023 Annual Meeting

Pursuant to amendments to the *Canada Business Corporations Act* applicable to meetings after August 31, 2022, Shareholder proposals for the annual meeting of Shareholders of the Corporation to be held in 2023 must be submitted to the Corporation between 90 and 150 days before the anniversary date of the previous annual meeting (i.e., June 28, 2023). The result is a deadline of March 30, 2023. All proposals should be sent by registered mail to 3400 – 350 7th Avenue SW, Calgary, Alberta, T2P 3N9.

Advance Notice of Nominations of Directors

In May 2015, Shareholders confirmed Amended and Restated By-law Number 1 of the Corporation, which includes a framework for advance notice of nominations of persons for election to the Board (the "**Advance Notice Rules**"). The Advance Notice Rules fix a deadline by which Shareholders must submit notice of director nominations to the Corporation prior to any annual or special meeting of Shareholders where directors are to be elected, and sets forth the information a Shareholder must include in the notice for the notice to be valid.

In the case of an annual meeting of Shareholders (including an annual and special meeting), notice to the Corporation pursuant to the Advance Notice Rules must be given not less than 30 days prior to the date of the meeting (i.e., May 29, 2022 in the case of the meeting scheduled for June 28, 2022). In the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the meeting was made, notice shall be made not later than the close of business on the 10th day following such public announcement. In the case of a special meeting of Shareholders (which is not also an annual meeting), notice to the Corporation pursuant to the Advance Notice Rules must be given not later than the close of business on the 15th day following the day on which the first public announcement of the date of the meeting was made. The Board may, in its sole discretion, waive any requirement of the Advance Notice Rules. As at the date of this Circular, the Corporation had not received any additional director nominations.

SCHEDULE A

CHARTER OF THE BOARD OF DIRECTORS

This Charter of the Board of Directors (the “**Board**”) of Forza Petroleum Limited (the “**Company**”) was adopted and approved on 11 January 2013 and amended 4 November 2014, 29 July 2015, 14 March 2017 and 30 July 2019.

GENERAL

1. MANDATE

The Board has adopted this Charter to assist the Board in fulfilling its obligations to all stakeholders of the Company.

2. DEFINITIONS AND INTERPRETATION

In this Charter:

- (a) “CEO” means the Chief Executive Officer of the Company;
- (b) “Chair” means the chair of the Board;
- (c) “Committees” means all standing committees of the Board and such additional committees formed by the Board from time to time;
- (d) “Director” means a member of the Board;
- (e) “Independent” shall have the meaning ascribed to it under s. 1.4 and s. 1.5 of National Instrument 52-110; and
- (f) “Lead Independent Director” has the meaning set out in paragraph 4.2 below.

COMPOSITION AND FUNCTIONS OF THE BOARD

3. COMPOSITION

The Board shall consist of as many Directors as the Board shall determine from time to time but, in any event, not fewer than three and not more than twenty, a majority of whom shall be Independent.

At least twenty-five per cent of the Directors must be resident Canadians; however, if the Board has fewer than four directors, at least one director must be a resident Canadian.

4. CHAIR

4.1 Board to Appoint Chair

The Board shall designate the Chair of the Board annually at the first meeting of the Board after a meeting of the shareholders at which Directors are elected (the “**Shareholder Meeting**”), provided if the appointment of the Chair of the Board was not so made and further provided that the then serving Chair of the Board was elected as a Director at the Shareholder Meeting, the person then serving as Chair of the Board shall continue as Chair of the Board for a duration of 5 years and thereafter until his or her successor is approved. The Chair will have the competencies and skills determined by the Board. If the Chair is not present at a meeting of the Board, then (i) the Lead Independent Director, if such position exists and is occupied at the time, shall preside as chair of the meeting, or (ii) if there is no Lead Independent Director or if the Lead Independent Director is not present, the members of the Board may designate an interim chair for the meeting by majority vote of the members present.

4.2 Lead Independent Director

If the Chair is not Independent, then the chair of the Corporate Governance Committee will act as Lead Independent Director, and will facilitate the functioning of the Board independently of management of the Company and provide independent leadership to the Board as required and act as a contact point for the Independent Directors.

4.3 Specific Duties of the Chair

The Chair will:

- (a) *Leadership*
 - (i) Provide overall leadership to enhance the effectiveness of the Board.

- (ii) Take all reasonable steps to ensure that the responsibility and duties of the Board, as outlined in this Charter, are well understood by the Directors and executed as effectively as possible.
- (b) *Ethics*
 - (i) Foster ethical and responsible decision-making by the Directors.
- (c) *Board Governance*
 - (i) Provide effective Board leadership, overseeing all aspects of the Board's direction and administration in fulfilling the terms of its Charter.
 - (ii) With the Board, oversee the structure, composition, membership and activities delegated to the Board.
- (d) *Board Meetings*
 - (i) In consultation with the Directors, ensure that the Board meets at least four times in each fiscal year and at least once in each fiscal quarter, and as many additional times as necessary to carry out its duties effectively.
 - (ii) With the CEO and the Corporate Secretary establish the dates, location and agenda for each Board meeting.
 - (iii) Chair all meetings of the Board, including closed sessions and *in-camera* sessions.
 - (iv) Ensure sufficient time during Board meetings to fully discuss agenda items.
 - (v) Encourage Directors to ask questions and express viewpoints during meetings.
 - (vi) Deal effectively with dissent and work constructively towards arriving at decisions and achieving consensus.
 - (vii) Ensure that the Board meets in separate, regularly scheduled, *in-camera* sessions.
- (e) *Board Reporting*
 - (i) Ensure that Board materials are available to all Directors in a timely manner.
 - (ii) Ensure that all business requiring shareholder approval is brought before a meeting of shareholders.
- (f) *Board Management Relationships*
 - (i) Take all reasonable steps to ensure that Directors receive necessary training and support to enable them to fulfill the Board Charter.
 - (ii) Facilitate effective communication between Directors and the CEO, both inside and outside of Board meetings.
 - (iii) Have an effective working relationship with the CEO.
- (g) *Evaluations*
 - (i) Ensure that a performance evaluation of the Board and the Chair is conducted, soliciting input from all Directors.
- (h) *Advisors/Resources*
 - (i) Ensure that resources and expertise are available to the Board so that it may conduct its work effectively and efficiently.
 - (ii) Coordinate with the Board to retain, oversee, compensate and terminate independent advisors to assist the Board in its activities.
- (i) *Other*
 - (i) Carry out any other appropriate duties and responsibilities assigned by the Board or delegated by the Board.
 - (ii) To honour the spirit and intent of applicable law as it evolves.

4.4 Specific Duties of the Lead Independent Director

If the Chair is not Independent, there will be a Lead Independent Director who will:

(a) *Independence*

Ensure that the Board functions independently of management of the Company and other non-Independent Directors.

(b) *Board Governance*

Be available as a resource to consult with the Chair and other Directors on corporate governance practices and policies, and assume the primary leadership role in addressing issues of this nature if under the circumstances it is inappropriate for the Chair to assume such leadership.

(c) *Board Meetings*

- (i) Bring to the attention of the Chair and the CEO any issues concerning the quality, quantity and timeliness of information provided by management to the Independent Directors.
- (ii) In the absence of the Chair, or in the event there is a potential conflict of interest between the Chair and the Company, chair relevant Board meetings, and in addition, chair any Board meeting at which only Independent Directors are present.

(d) *Board Management Relationships*

- (i) Meet with any or all of the Independent Directors if so requested, and represent such Directors in discussions with management of the Company on corporate governance issues and other matters.
- (ii) Bring to the attention of the Chair and the CEO any issues of independence and conflict that are or may prevent the Board from being able to properly carry out its responsibilities.

(e) *Other*

- (i) Carry out any other appropriate duties and responsibilities assigned by the Board or delegated by the Board.
- (ii) Honour the spirit and intent of applicable law as it evolves.

5. MEETINGS

5.1 Quorum

A majority of the Directors shall constitute a quorum. Directors may participate in any meeting by means of such telephonic, electronic or other communication facilities as permit all persons participating in the meeting to communicate adequately with each other, and a Director participating by any such means shall be deemed to be present at that meeting.

5.2 Secretary

The Corporate Secretary of the Company shall be the secretary of the meetings of the Board, provided that if the Corporate Secretary is not present, the chair of the meeting may appoint a secretary for the meeting with the consent of the Directors who are present.

5.3 Time and Place of Meetings

The Chair, in consultation with the Directors, shall determine the schedule and frequency of the Board meetings provided that the Board shall meet at least four times in each fiscal year and at least once in every fiscal quarter. The Board shall have the authority to convene additional meetings as circumstances require.

5.4 Notice of Meetings

Notice of meetings of the Board shall be given to each Director not less than five business days before the time of the meeting, provided that meetings of the Board may be held without formal notice if all of the Directors are present and do not object to notice not having been given, or if those absent waive notice in any manner before or after the meeting. Notice of meeting may be given verbally or delivered personally, given by mail, facsimile or other electronic means of communication and need not be accompanied by an agenda or any other material. The notice shall however specify the purpose or purposes for which the meeting is being held.

5.5 Minutes

Decisions or recommendations of the Board shall be evidenced by resolutions passed at meetings of the Board and recorded in the minutes of such meetings or by an instrument in writing signed by all Directors entitled to vote on that resolution. A copy of the draft minutes of each meeting of the Board, including any resolutions evidencing decisions or recommendations of the Board, shall be transmitted promptly by the secretary to each Director for confirmation at the next meeting.

5.6 Additional Meetings

The Board may meet separately and periodically with the officers of the Company, external legal counsel and any other person as the Board may deem appropriate or necessary from time to time.

5.7 Right to Vote

Each Director shall have the right to vote on matters that come before the Board.

5.8 Invitees

The Chair may invite officers and employees of the Company or any other person to attend meetings of the Board to assist in the discussion and examination of the matters under consideration by the Board as may be deemed appropriate. The officers of the Company will present to the Board and be present at Board meetings, other than during *in-camera* sessions.

6. RESOURCES AND AUTHORITY OF BOARD

6.1 Retaining and Compensating Advisors

Each Director shall have the authority, subject to the prior approval of the Corporate Governance Committee, to engage outside consultants, independent legal counsel and other advisors and experts as he or she determines necessary to carry out his or her duties. The Company shall reimburse the Director such amounts as may be agreed by the Corporate Governance Committee.

6.2 Committees

The Board will maintain and, in accordance with their respective charters, delegate authority to the following standing committees of the Board: (i) the Audit Committee, (ii) the Corporate Governance Committee, (iii) the Nomination and Compensation Committee, and (iv) the Technical and Resources Committee. In addition, the Board may from time to time form and delegate authority to such additional committees as deemed appropriate by the Board.

RESPONSIBILITIES OF THE BOARD

7. RESPONSIBILITIES

Matters which the Board considers suitable for delegation are contained in the charters of the Committees. However the Board retains ultimate responsibility and has a duty to oversee the discharge of all delegated functions, therefore those matters listed below may include matters that are delegated to Committees.

7.1 Strategy and Management

- (a) Responsibility for the overall management of the Company and its subsidiaries (the “**Group**”).
- (b) Approval of the Group’s long-term objectives, strategy and risk management.
- (c) Approval of the annual operating and capital budgets and any material changes to them.
- (d) Review of performance in light of the Group’s objectives, strategy, business plans and budgets and ensuring that any necessary corrective action is taken.
- (e) Extension of the Group’s activities into new business areas.
- (f) Any decision to cease to operate all or any material part of the Group’s business.

7.2 Structure and Capital

- (a) Changes relating to the Group’s capital structure.
- (b) Major changes to the Group’s corporate structure, management and control structure.

- (c) Approval of the issue or transfer of shares, and of share buybacks, in respect of the Company.

7.3 Financial Reporting and Controls

- (a) Approval of the Group's annual and interim financial statements, on the recommendation of the Audit Committee.
- (b) Appointment and removal of auditors, and approval of their terms of engagement and remuneration, on the recommendation of the Audit Committee.
- (c) Approval of the Company's dividend policy and the declaration of dividends.
- (d) Approval of any significant changes in accounting practices or policies, on the recommendation of the Audit Committee.

7.4 Internal Controls

- (a) Ensuring a sound system of internal control and risk management is in place, on the recommendation of the Audit Committee.
- (b) Reviewing the creation and liquidation of companies within the Group.

7.5 Contracts

- (a) Approval of major capital projects, investments, contracts, guarantees and indemnities that are outside the delegated authority of management.
- (b) Approval of lending or borrowing by the Company that is outside the delegated authority of management.

7.6 Shareholder Communication

- (a) Approval of resolutions and related documentation to be put forward to shareholders at a general meeting.
- (b) Receiving reports on the views of the Company's shareholders.

7.7 Board Membership and Other Appointments

- (a) Approval of employment contracts for the Chair and CEO (whether or not a member of the Board) and any other executive directors, on the recommendation of the Corporate Governance Committee.
- (b) Approval of the terms of reference and membership of the Board and its Committees.

7.8 Remuneration

On the recommendation of the Nomination and Compensation Committee, approval of the following:

- (a) remuneration of the Chair, Directors and the CEO, and general overview of overall staff remuneration practices;
- (b) creation of and amendments to employee share schemes or long-term incentive schemes;
- (c) the terms of any proposed termination or severance payments to be made to any former or current officer of the Company.

7.9 Corporate Governance

- (a) Undertaking an annual performance evaluation of the Board and its Committees, on the recommendation of the Corporate Governance Committee.
- (b) Determining the independence of directors, on the recommendation of the Corporate Governance Committee.
- (c) Setting levels of delegated authority.
- (d) Reviewing the skills and resources of the officers of the Company, and succession planning, on the recommendation of the Corporate Governance Committee.

7.10 Other

- (a) Approval of the settlement of litigation material to the interests of the Group.

- (b) Any other matters of strategic or reputational importance or likely to have a significant impact on the Group.
- (c) Comply with the Company's By-Laws and all legal requirements, whether statutory or otherwise, which apply to Directors of publicly quoted companies.
- (d) Any other matter not delegated to a Committee.

8. LIMITATION ON THE OVERSIGHT ROLE OF THE BOARD

Each Director shall be entitled, to the fullest extent permitted by law, to rely on the integrity of those persons and organizations within and outside the Company from whom he or she receives financial and other information, and the accuracy of the information provided to the Company by such persons or organizations.

Appendix A
Rolling Agenda

Agenda Item		Feb	Mar	May	Aug	Nov
Common items for all meetings:						
1.	Quorum and agenda	X	X	X	X	X
2.	Approval of the minutes of the previous meeting	X	X	X	X	X
3.	Matters arising from the minutes	X	X	X	X	X
4.	Approval of contracts, investments, major capital projects or major litigation settlements exceeding the limit of authority of the CEO.	X	X	X	X	X
5.	Fixing meeting date and record date for annual meeting of shareholders		X			
6.	Setting of the meeting calendar for the following year		X			
7.	Approval of resolutions and materials for the annual meeting of shareholders		X			
8.	Approval of the composition of Committees				X	
9.	Approval of the annual budget					X
10.	Review of budget reforecast			X		X
11.	Approval of KPIs for the following year					X
12.	Corporate finance update		X	X	X	X
On the recommendation of the Audit Committee:						
13.	Approval of the annual audited financial statements and MD&A, and receipt of the report of the external auditor		X			
14.	Approval of the interim financial statements and MD&A			X	X	X
15.	Approval of the appointment or re-appointment of the external auditor for nomination at the annual meeting of shareholders		X			
On the recommendation of the Corporate Governance Committee:						
16.	Approval of the charters of the Board and its Committees				X	
17.	Approval of the levels of delegated authority				X	
On the recommendation of the Nomination and Compensation Committee:						
18.	Approval of the final cash bonuses		X			
19.	Approval of the terms of, or any amendments to, the LTIP		X			
20.	Approval of Director nominees to be proposed to the annual meeting of shareholders		X			
21.	Approval of the proposed LTIP awards			X		
22.	Approval of the general compensation philosophy for all staff for the following year					X
23.	Approval of the remuneration of the Chair and the CEO					X
24.	Approval of the remuneration of Directors					X
On the recommendation of the Technical and Resources Committee:						
25.	Approval of the report on reserves data by the Company's Qualified Reserves Evaluator or Auditor	X				
Other:						
26.	Any other business	X	X	X	X	X
27.	In-camera session	X	X	X	X	X

FORZA
PETROLEUM