

FORZA PETROLEUM INSIDER TRADING POLICY

MAY 2021



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1. INTRODUCTION

The purpose of this Insider Trading Policy (the “Policy”) is to define the obligations relating to the confidentiality of information pertaining to Forza Petroleum Limited (the “Corporation”) and its subsidiaries (together, the “Forza Petroleum Group”) and to acquaint everyone concerned with the legal prohibitions against “insider trading” and “tipping” of inside information.

This Policy applies to all officers, directors, employees, consultants and contractors of the Forza Petroleum Group who receive or have access to non-public material information (as defined below) regarding the Forza Petroleum Group. This group of people and their associates (who include spouses, certain family members and persons living with them) are deemed (by the law) to have a “special relationship” with the Corporation and are referred to in this Policy as “persons in a special relationship with the Corporation” or “you”. This Policy applies to securities which are owned directly by you, as well as to securities which you exercise control or direction over (such as in relation to a trust or in relation to children or a spouse) or which you own indirectly (such as in RRSPs or through a wholly-owned company).

Securities laws prohibit persons in a special relationship with the Corporation from disclosing (or “tipping”) confidential material information relating to a public company to any other person or persons except in the necessary course of business. As well, persons in a special relationship with the Corporation are prohibited from trading in securities of the Forza Petroleum Group when they have knowledge of a material fact or material change in the Corporation’s affairs that is not known to the public generally.

2. CONFIDENTIAL INFORMATION AND MATERIAL FACTS AND CHANGES

Unauthorised disclosure of confidential information relating to the Forza Petroleum Group could cause competitive harm to the Forza Petroleum Group and, in some cases, could result in liability for the person involved and/or the Forza Petroleum Group.

For the purposes of this Policy, “material information” means any information relating to the business and affairs of the Forza Petroleum Group that results in, or would reasonably be expected to result in, a significant change in the market price or the value of the Corporation’s securities, or would reasonably be expected to have a significant influence on a reasonable investor’s decisions or a reasonable investor would consider important in making an investment decision with respect to the Corporation’s securities. Material information includes both “material changes” (i.e. a change in the business, operations or capital of the Forza Petroleum Group that would reasonably be expected to have a significant effect on the market price or value of any of the securities of the Corporation) and “material facts” (i.e. a fact that would reasonably be expected to have a significant effect on the market price or value of any of the securities of the Corporation).

A few examples of information that may be considered “material” include:

- a. acquisitions of other companies (including the possibility of a take-over bid or a merger with another company);
- b. significant acquisitions or dispositions of assets, property or joint venture interests;
- c. a change in earnings or earnings estimates;
- d. significant drilling results (whether positive or negative);

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- e. significant litigation;
- f. significant shifts in operating or financial circumstances, such as cash-flow reduction or major write-offs; and
- g. the possibility of a public or private offering of securities.

Additional examples of information that may be considered material is set out in Appendix "A". The above examples and the examples in Appendix "A" do not represent an exhaustive list of material events.

3. UNAUTHORISED DISCLOSURE

- a. Officers, directors, employees, consultants and contractors of the Forza Petroleum Group should not discuss internal confidential information about the Forza Petroleum Group with anyone outside the Forza Petroleum Group (including family or friends).
- b. Employees, consultants and contractors from one department should not discuss internal departmental confidential information with a member or members of another department or departments, except as required in the performance of their regular duties for the Forza Petroleum Group.

4. COMMUNICATIONS WITH THE MEDIA AND WITH INVESTORS

Communications on behalf of the Forza Petroleum Group with the media, securities analysts, and investors must be made only by specifically designated representatives of the Forza Petroleum Group. You should refer to the Corporation's Disclosure Policy for information regarding how such inquiries should be handled.

5. SAFEGUARDING CONFIDENTIAL INFORMATION

Care must be taken to safeguard the confidentiality of internal information. For example, sensitive documents should not be left lying on desks. Visitors should not be left unattended in offices containing internal company documents. Confidential matters should not be discussed in public areas, restaurants, airplanes, or any place where they may be overheard.

6. RESTRICTIONS ON TRADING AND TIPPING

- a. You may not purchase or sell securities of the Corporation with knowledge of a material change or a material fact which has not been generally disclosed to the public.
- b. You may not give such information to another person (a "tippee"), other than in the necessary course of business, whether or not the tippee uses the information for trading purposes. The "necessary course of business" exception is a limited one and exists so as not to unduly interfere with the Corporation's ordinary business activities. The exception is meant to cover communications required to be made to further the business purposes of the Corporation, and will generally include communication with:

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- (i) vendors, suppliers, or strategic partners on issues such as research and development, sales and marketing, and supply contracts;
- (ii) employees, officers, and board members;
- (iii) lenders, legal counsel, auditors, underwriters, and financial and other professional advisors to the Corporation;
- (iv) parties to negotiations;
- (v) labour unions and industry associations;
- (vi) government agencies and non-governmental regulators; and
- (vii) credit rating agencies (provided that the information is disclosed for the purpose of assisting the agency to formulate a credit rating and the agency's ratings generally are or will be publicly available).

In addition, if a material change or material fact is disclosed in the necessary course of business, the person disclosing it should make sure those receiving the information understand that they cannot pass the information onto anyone else (other than in the necessary course of business), or trade on the information, until it has been generally disclosed.

- c. You may find yourself in violation of securities laws if, being in possession of non-public material information, you do trade or induce others to trade in the Forza Petroleum Group's securities. You must not use for your own financial gain, or disclose for the use of others, non-public material information obtained as a result of your relationship with the Forza Petroleum Group.
- d. You must avoid trading in the securities of other companies, including business partners of the Forza Petroleum Group, when you are in possession of non-public material information relating to that company and that information is obtained in the course of employment with, or other services performed on behalf of, the Forza Petroleum Group.
- e. The directors of the Corporation must advise the Chairman of the Corporation in writing, with a copy sent to the Chairman of the Corporate Governance Committee and the Chief Legal Officer, if he or she intends to trade in any securities of the Corporation prior to completing such trade.
- f. The Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer and the Chief Legal Officer of the Corporation must request permission from the Chairman of the Corporation's Corporate Governance Committee prior to trading any securities of the Corporation.

7. BLACKOUT PERIODS

- a. To promote uniform compliance with securities legislation and to assist in the implementation of the rules as set out above, the Forza Petroleum Group has designated the following "blackout periods" during which all directors and employees of the Forza Petroleum Group and selected other persons (the "Blackout Group") are prohibited from trading in the Corporation's securities:
 - (i) Interim Financials: For the first, second and third quarters, the blackout period commences 8 days after the end of the calendar quarter (i.e. April 8, July 8 and October 8, respectively) and ends after two full trading days have elapsed following the public release of the financial results for that quarter.

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- (ii) Annual Financials: For the December 31 year-end financial statements, the blackout period commences 15 days after the end of the financial year (i.e. January 15) and ends after two full trading days have elapsed following the release of the announcement of the year end results.
 - (iii) Ad Hoc Blackouts: As and when required, the Chief Financial Officer or the Chief Legal Officer of the Corporation may notify the Blackout Group of a blackout period due to unscheduled developments (such as the expectation of the receipt of drilling results, significant corporate acquisitions, divestitures, contract negotiations, asset write downs, or similar transactions) which, in the opinion of the Corporation's Disclosure Committee, may involve material facts or result in a material change in the affairs of the Forza Petroleum Group. Any such unscheduled blackout period shall begin as soon as the Chief Financial Officer or Chief Legal Officer of the Corporation has notified the Blackout Group that a blackout period is in effect via email, and shall end on a date to be notified by the Chief Financial Officer or Chief Legal Officer of the Corporation, *provided however*, that if the end of the ad hoc blackout period occurs during a regularly scheduled blackout period (as per paragraphs (i) and (ii) above), then the blackout period will end upon the expiry of the regularly scheduled blackout period.
- b. Blackout periods will not prohibit the Corporation from issuing securities pursuant to the Corporation's long-term incentive plan.

8. CONCLUSION

Because of the severe penalties associated with insider trading, it is generally not considered wise for persons in a special relationship with the Corporation to actively trade in the securities of the Forza Petroleum Group. It is recommended that purchases of Forza Petroleum Group shares be made for long-term investment purposes and not for short-term "flips".

Most critically, no person should buy or sell shares of the Corporation if he or she has knowledge of a material fact or a material change that has not been publicly disclosed, regardless of whether a blackout period is in effect. If you have any sense that this could be the case, then the safest approach and the recommended course of action is not to trade.

Large penalties have been imposed upon persons who have disclosed confidential or material information to others, even when the disclosing person did not profit from the trading. The Canadian Securities Administrators and stock exchanges use sophisticated surveillance techniques to uncover insider trading.

Failure to observe this Policy could lead to disciplinary action (up to and including termination of employment) and/or legal action against you. Persons in a special relationship with the Corporation who disregard the above prohibitions on insider trading and tipping may be subject to criminal liability, including fines and/or imprisonment. In addition, such persons can also be liable for stock market profits made by an outside party to whom a friendly "tip" on a material fact or change has been made.

Questions on the interpretation of this Policy may be directed to the Chief Legal Officer.

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Approved by the Board of Directors of the Corporation on November 6, 2013.

APPENDIX "A"

Examples of Potentially Material Information

Changes in Corporate Structure

- changes in share ownership that may affect control of the company
- major reorganizations, amalgamations, or mergers
- take-over bids, issuer bids, or insider bids

Changes in Capital Structure

- the public or private sale of additional securities
- planned repurchases or redemptions of securities
- planned splits of common shares or offerings of warrants or rights to buy shares
- any share consolidation, share exchange, or stock dividend
- changes in a company's dividend payments or policies
- the possible initiation of a proxy fight
- material modifications to rights of security holders

Changes in Financial Results

- a significant increase or decrease in near-term earnings prospects
- unexpected changes in the financial results for any periods
- shifts in financial circumstances, such as cash flow reductions, major asset write-offs or write-downs
- changes in the value or composition of the company's assets
- any material change in the company's accounting policy

Changes in Business and Operations

- any development that affects the company's resources, technology, products or markets
- a significant change in capital investment plans or corporate objectives
- major labour disputes or disputes with major contractors or suppliers
- significant new contracts, products, patents, or services or significant losses of contracts or business
- significant discoveries by resource companies
- changes to the board of directors or executive management, including the departure of the company's CEO, CFO, COO or president (or persons in equivalent positions)
- the commencement of, or developments in, material legal proceedings or regulatory matters
- waivers of corporate ethics and conduct rules for officers, directors, and other key employees

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- any notice that reliance on a prior audit is no longer permissible
- de-listing of the company's securities or their movement from one quotation system or exchange to another

Acquisitions and Dispositions

- significant acquisitions or dispositions of assets, property or joint venture interests
- acquisitions of other companies, including a take-over bid for, or merger with, another company

Changes in Credit Arrangements

- the borrowing or lending of a significant amount of money
- any mortgaging or encumbering of the company's assets
- defaults under debt obligations, agreements to restructure debt, or planned enforcement procedures by a bank or any other creditors
- changes in rating agency decisions
- significant new credit arrangements