NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING

INFORMATION CIRCULAR – PROXY STATEMENT

Annual General and Special Meeting of Shareholders – May 5, 2022

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ADVANTAGE ENERGY LTD.
NOTICE OF THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON

MAY 5, 2022

TO: THE SHAREHOLDERS OF ADVANTAGE ENERGY LTD.

Notice is hereby given that an Annual General and Special Meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares (the "**Shares**" or the "**Common Shares**") of Advantage Energy Ltd. (the "**Corporation**") will be held on May 5, 2022 at 2:00 p.m. (Calgary time) in virtual only format that will be conducted via live webcast accessible at http://meetnow.global/MJCNGKP , for the following purposes:

1. to place before the Shareholders the consolidated financial statements of the Corporation for the year ended December 31, 2021 and the Auditor's Report thereon;

2. to fix the number of directors of the Corporation at eight (8) directors;

3. to elect eight (8) directors of the Corporation;

4. to consider and, if thought appropriate, to pass with or without variation, a special resolution, the full text of which is set forth in the accompanying management information circular – proxy statement of the Corporation dated March 25, 2022 (the "**Information Circular**"), approving a reduction in the stated capital of the Corporation, as more particularly described in the Information Circular;

5. to appoint the auditors of the Corporation and to authorize the directors to fix their remuneration as such; and

6. to transact such further and other business as may properly come before the Meeting or any adjournment(s) thereof.

The nature of the business to be transacted at the Meeting is described in further detail in the Information Circular.

The record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting is March 25, 2022 (the "**Record Date**"). Shareholders of the Corporation whose names have been entered in the register of Shareholders at the close of business on that date will be entitled to receive notice of and to vote at the Meeting, provided that, to the extent a Shareholder transfers the ownership of any of such Shareholder's Shares after such date and the transferee of those Shares establishes that the transferee owns the Shares and requests, not later than 10 days before the Meeting, to be included in the list of Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Shares at the Meeting.

Due to the ongoing COVID-19 pandemic, the Meeting will be held in a virtual-only format conducted via webcast in order to help mitigate health and safety risks to the community, Shareholders, employees and other stakeholders. The Corporation's directors and management believe this format will provide Shareholders a safer opportunity to attend the Meeting regardless of their geographic location or the particular constraints, circumstances or risks they may be facing as a result of COVID-19. While Shareholders and duly appointed proxyholders will not be able to attend the Meeting in person, regardless of geographic location and ownership, Shareholders will have an equal opportunity to participate at the Meeting and vote on the matters to be considered at the Meeting.

A Shareholder may attend the Meeting virtually or may be represented by proxy. Shareholders who are unable to attend the Meeting or any adjournment or postponement thereof virtually are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment or postponement thereof. To be effective, the enclosed proxy must be deposited with the Corporation's registrar and transfer agent,

Computershare Trust Company of Canada ("Computershare"): (a) by mail, using the enclosed return envelope or one addressed to Computershare Trust Company of Canada, Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1; (b) by hand delivery to Computershare Trust Company of Canada, 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1; (c) by telephone to 1-866-732-VOTE (8683) (toll free within North America) or to 1-312-588-4290 (outside North America); (d) by facsimile to 1-866-249-7775 or 1-416-263-9524 (if outside North America); or (e) through the internet by using the 15-digit control number located at the bottom of your proxy at www.investorvote.com (see below for further information), not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time set for the Meeting or any adjournment(s) or postponement(s) thereof. All instructions are listed in the enclosed form of proxy. If you vote through the internet you will require your 15-digit control number found on the form of proxy.

In the event of a strike, lockout or other work stoppage involving postal employees, all documents required for delivery by the Shareholder should be delivered to Computershare by hand delivery, telephone, facsimile or through the internet.

DATED at Calgary, Alberta this 25th day of March, 2022.

**BY ORDER OF THE BOARD OF DIRECTORS
OF ADVANTAGE ENERGY LTD.**

(signed) "Michael Belenkie"
Michael Belenkie
President and Chief Executive Officer and a Director

ADVANTAGE ENERGY LTD.

Management Information Circular
for the Annual General and Special Meeting of Shareholders
to be held on May 5, 2022

SOLICITATION OF PROXIES

This management information circular (the "Information Circular") is furnished by the officers and directors ("Management") of Advantage Energy Ltd. (the "Corporation" or "Advantage") in connection with the solicitation of proxies by the Corporation for use at the Annual General and Special Meeting (the "Meeting") of the holders (the "Shareholders") of common shares (the "Shares" or the "Common Shares") to be held virtually at http://meetnow.global/MJCNGKP **on the 5th day of May, 2022 at 2:00 p.m. (Calgary time) and at any adjournment(s) or postponement(s) thereof, for the purposes set forth in the Notice of Annual General and Special Meeting.**

The Corporation is authorized to issue an unlimited number of Common Shares, each of which entitles the holder thereof to vote at meetings of Shareholders. Each Common Share outstanding on the Record Date (as defined below) is entitled to one vote.

A Shareholder may attend the Meeting virtually or may be represented by proxy. Shareholders who are unable to attend the Meeting or any adjournment or postponement thereof virtually are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment or postponement thereof. To be effective, the enclosed proxy must be deposited with the Corporation's registrar and transfer agent, Computershare Trust Company of Canada ("Computershare"): (a) by mail, using the enclosed return envelope or one addressed to Computershare Trust Company of Canada, Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1; (b) by hand delivery to Computershare Trust Company of Canada, 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1; (c) by telephone to 1-866-732-VOTE (8683) (toll free within North America) or to 1-312-588-4290 (outside North America); (d) by facsimile to 1-866-249-7775 or 1-416-263-9524 (if outside North America); or (e) through the internet by using the 15-digit control number located at the bottom of your proxy at www.investorvote.com (see below for further information), not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time set for the Meeting or any adjournment(s) or postponement(s) thereof. All instructions are listed in the enclosed form of proxy. If you vote through the internet you will require your 15-digit control number found on the form of proxy.

Registered Shareholders and duly appointed proxyholders (including beneficial Shareholders who have duly appointed themselves as proxyholders) who attend the Meeting will be able to listen to the Meeting, ask questions and vote, all in real time, provided that they are connected to the internet. Guests, including non-registered Shareholders who have not duly appointed themselves as proxyholder, can log in to the Meeting as set out below and can listen to the Meeting but will not be able to communicate or vote. See "*How to Participate at the Meeting*" below.

If a registered Shareholder or proxyholder attends and wishes to vote at the Meeting, it is important that such registered Shareholder or proxyholder remain connected to the internet at all times during the Meeting. It is such registered Shareholder or proxyholder's responsibility to ensure connectivity for the duration of the Meeting and to allow ample time to check into the Meeting online and complete the related procedures, as set forth below. For any questions regarding participation or voting at the Meeting, please contact our registrar and transfer agent, Computershare, at 1-800-564-6253.

The board of directors (the "**Board**") of the Corporation has fixed the record date for the Meeting at the close of business on March 25, 2022 (the "**Record Date**"). Shareholders of the Corporation whose names have been entered in the register of Shareholders at the close of business on that date will be entitled to receive notice of and to vote at the Meeting, even if the Shareholder has since that time disposed of his or her Shares, provided that, to the extent a Shareholder transfers the ownership of any of such Shareholder's Shares after such date and the transferee of those Shares establishes that the transferee owns the Shares and requests, not later than 10 days before the Meeting, to be included in the list of Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Shares at the Meeting.

The instrument appointing a proxy shall be in writing and shall be executed by the Shareholder or his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

The persons named in the enclosed form of proxy are officers of the Corporation. Each Shareholder has the right to appoint a proxyholder other than the persons designated in the form of proxy furnished by the Corporation, who need not be a Shareholder, to attend and act for the Shareholder and on the Shareholder's behalf at the Meeting. To exercise such right, the names of the persons designated by Management should be crossed out and the name of the Shareholder's appointee should be legibly printed in the blank space provided. If you vote through the internet, you may also appoint another person to be your proxyholder. Please go to www.investorvote.com and follow the instructions.

The following applies to a registered Shareholder who wishes to appoint a proxyholder other than those named in the form of proxy.

A Shareholder who wishes to appoint as its proxyholder an individual other than those named in the form of proxy to attend virtually and participate in the Meeting, such Shareholder MUST submit the form of proxy appointing such individual as proxyholder AND register such proxyholder online, as described below. Registering a proxyholder is an additional step to be completed AFTER a Shareholder has submitted its proxy. Failure to register the proxyholder will result in the proxyholder not receiving a username that is required to vote at the Meeting.

Step 1: Submit the form of proxy: To appoint someone other than the individuals named in the form of proxy as proxyholder, insert that person's name in the blank space provided in the form of proxy and follow the instructions for submitting such form of proxy. If you vote through the internet, you may also appoint another person to be your proxyholder at www.investorvote.com and following the instructions. This must be completed before registering such proxyholder, which is an additional step to be completed once the form of proxy has been submitted.

Step 2: Register the proxyholder: To register a third-party proxyholder, the Shareholder must register such proxyholder at **www.computershare.com/AdvantageEnergy** at least 48 hours prior to the time of the Meeting or any adjournment or postponement thereof, so that Computershare may provide the proxyholder with an Invitation Code via e-mail. **Without an Invitation Code, proxyholders will not be able to vote at the Meeting but will be able to participate as guests.**

Unless otherwise stated, the information contained in this Information Circular is given as at March 25, 2022.

NOTICE-AND-ACCESS

The Corporation has elected to use the "notice-and-access" provisions under National Instrument 54-101 - *Communications with Beneficial Owners of Securities of a Reporting Issuer* (the "**Notice-and-Access Provisions**") for the Meeting in respect of mailings to beneficial holders of Shares (i.e., a Shareholder who holds their Shares in the name of a broker or an agent) but not in respect of mailings to registered holders of Shares (i.e., a Shareholder whose name appears on the Corporation's records as a holder of Shares). The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials which are mailed to shareholders by allowing a reporting issuer to post an information circular in respect of a meeting of its shareholders and related materials online.

The Corporation has also elected to use procedures known as 'stratification' in relation to the Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of an information circular and, if applicable, a paper copy of financial statements and related management's discussion and analysis (collectively, the "**Financial Information**"), to some shareholders together with a notice of a meeting of its shareholders. In relation to the Meeting, registered holders of Shares will receive a paper copy of the Notice of Annual General and Special Meeting and this Information Circular and a form of proxy whereas beneficial holders of Shares will receive a notice containing information prescribed by the Notice-and-Access Provisions and a Voting Instruction Form. In addition, a paper copy of the Notice of Annual General and Special Meeting and this Information Circular, and a Voting Instruction Form will be mailed to those Shareholders who do not hold their Shares in their own name but who have previously requested to receive paper copies of these materials. Furthermore, a paper copy of the Corporation's Financial Information in respect of the most recently completed financial year will be mailed to those registered and beneficial holders of Shares who previously requested to receive such Financial Information.

The Corporation will be delivering proxy-related materials to non-objecting Beneficial Shareholders (as defined herein) with the assistance of Broadridge Financial Solutions, Inc. ("**Broadridge**") and the non-objecting Beneficial Shareholder's intermediary and intends to pay for the costs of an intermediary to deliver proxy related materials to objecting Beneficial Shareholders.

REVOCABILITY OF PROXY

A Shareholder who has submitted a proxy may revoke it at any time prior to the exercise thereof. In addition to revocation in any other manner permitted by law, a proxy may be revoked by registered Shareholders: (a) by accessing the Meeting following the instructions under the heading "*How to Participate at the Meeting*" below. If a registered Shareholder uses a 15-digit control number to login to the Meeting online and accepts the terms and conditions, voting by online ballot on matters put forth at the Meeting will revoke any and all previously submitted proxies for the Meeting; or (b) instrument in writing executed by the Shareholder or his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized and deposited at the head office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment(s) or postponement(s) thereof, at which the proxy is to be used, and upon such deposit, the proxy is revoked.

A Beneficial Shareholder who has given a proxy, in the manner prescribed above, has the power to revoke it by contacting their intermediary. If the intermediary provides the option of voting over the internet, a Beneficial Shareholder should be able to change their instructions by updating their voting instructions on the website provided by such intermediary, so long as the Beneficial Shareholder submits their new instructions before the intermediary's deadline.

PERSONS MAKING THE SOLICITATION

The solicitation is made on behalf of the Management of the Corporation. The costs incurred in the preparation and mailing of the form of proxy, Notice of Annual General and Special Meeting and this Information Circular will be borne by the Corporation. In addition to solicitation by mail, proxies may be solicited by personal interviews, telephone or other means of communication and by directors, officers and employees of the Corporation, who will not be specifically remunerated therefor. The Corporation may pay the reasonable costs incurred by persons who are the registered but not beneficial owners of Shares (such as brokers, dealers, other registrants under applicable securities laws, nominees and/or custodians) in sending or delivering copies of this Information Circular, the Notice of Annual General and Special Meeting and form of proxy to the beneficial owners of such Shares. The Corporation will provide, without cost to such persons, upon request to the Corporation, additional copies of the foregoing documents required for this purpose.

EXERCISE OF DISCRETION BY PROXY

The Shares represented by the form of proxy enclosed with the Notice of Annual General and Special Meeting and this Information Circular will be voted or withheld from voting in accordance with the instructions of the

Shareholder on any poll that may be called for. If the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly, but if no specification is made, the Shares will be voted in favour of the matters set forth in the proxy. If any amendments or variations are proposed at the Meeting or any adjournment(s) or postponement(s) thereof to matters set forth in the proxy and described in the accompanying Notice of Annual General and Special Meeting and this Information Circular, or if any other matters properly come before the Meeting or any adjournment(s) or postponement(s) thereof, the proxy confers upon the Shareholder's nominee discretionary authority to vote on such amendments or variations or such other matters according to the best judgment of the person voting the proxy at the Meeting. At the date of this Information Circular, Management of the Corporation knows of no such amendments or variations or other matters to come before the Meeting.

ADVICE TO BENEFICIAL HOLDERS OF SECURITIES

The information set forth in this section is of significant importance to many Shareholders of the Corporation, as a substantial number of the Shareholders of the Corporation do not hold Shares in their own name. Shareholders who do not hold their Shares in their own name (referred to in this Information Circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose name appears on the records of the Corporation as a registered holder of Shares can be recognized and acted upon at the Meeting. If Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Shares will not be registered in the Shareholder's name on the records of the Corporation. Such Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Shares held by brokers or their nominees can only be voted upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting Shares for their clients. The Corporation does not know and cannot determine for whose benefit the Shares registered in the name of CDS & Co. are held.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to registered Shareholders. However, its purpose is limited to instructing the registered Shareholders how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge. Broadridge typically mails a scannable Voting Instruction Form in lieu of the form of proxy. The Beneficial Shareholder is requested to complete and return the Voting Instruction Form to them by mail or facsimile. Alternatively, the Beneficial Shareholder can call a toll-free telephone number to vote the Shares held by the Beneficial Shareholder or the Beneficial Shareholder can complete an on-line voting form to vote their Shares. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of the Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Voting Instruction Form cannot use that Voting Instruction Form to vote Shares directly at the Meeting as the Voting Instruction Form must be returned as directed by Broadridge well in advance of the Meeting in order to have the Shares voted.** If a Beneficial Shareholder wishes to vote indirectly at the Meeting, the Beneficial Shareholder must insert its name in the space provided on the Voting Instruction Form, follow all applicable instructions provided by the Beneficial Shareholders intermediary AND the Beneficial Shareholder must be registered, as described below in Step 2. By doing so, the Beneficial Shareholder is instructing its intermediary to appoint the Beneficial Shareholder as proxyholder. It is important that the Beneficial Shareholder comply with the signature and return instructions provided by its intermediary. Please also see further instructions on accessing and voting at the virtual Meeting under the heading "*How to Participate at the Meeting*" below.

Registering the Beneficial Shareholder or another individual as proxyholder is an additional step to be completed AFTER the Beneficial Shareholder has submitted the Voting Instruction Form to its intermediary. Failure to register the proxyholder will result in the proxyholder not receiving a username that is required to vote at the Meeting.

Step 1: submit the Voting Instruction Form: To appoint the Beneficial Shareholder or someone other than the individuals named in the Voting Instruction Form as proxyholder, insert that person's name in the blank space provided in the Voting Instruction Form and follow the instructions for submitting such Voting Instruction Form. This must be completed before registering such proxyholder, which is an additional step to be completed once the Voting Instruction Form has been submitted.

Step 2: Register the proxyholder: To register a third-party proxyholder, the Beneficial Shareholder's intermediary must register such proxyholder at **www.computershare.com/AdvantageEnergy** at least 48 hours prior to the time of the Meeting or any adjournment or postponement thereof, so that Computershare may provide the proxyholder with an Invitation Code via e-mail. **Without an Invitation Code, proxyholders will not be able to vote at the Meeting but will be able to participate as guests.**

HOW TO PARTICIPATE AT THE MEETING

The Meeting is being held in a virtual, audio only, webcast format due to the COVID-19 pandemic to mitigate risks to public health and safety. Registered Shareholders and duly appointed proxyholders may only attend and participate in the Meeting virtually via live audio webcast, including by asking questions during the question and answer session and voting online, provided they follow the instructions herein.

- Registered Shareholders and duly appointed proxyholders who participate by attending online will be able to listen to the proceedings of the Meeting, ask questions and vote during the specified times, provided they remain connected to the internet.

- Beneficial Shareholders who wish to vote Shares online during the Meeting must follow the instructions above under "*Advice to Beneficial Holders of Securities*". Beneficial Shareholders who have not duly appointed themselves as proxyholders may still attend the Meeting virtually as guests, but will not be able to vote or ask questions.

- Guests, including Beneficial Shareholders who have not duly appointed themselves as proxyholder, will be able to login and listen to the proceedings of the Meeting but will not be able to vote or ask questions.

- Attendees can login to the Meeting by following the instructions below:

    - Login online at http://meetnow.global/MJCNGKP . The latest versions of Chrome, Safari, Microsoft Edge or Firefox will be needed. The Corporation recommends that attendees log in at least 15 minutes before the Meeting starts. Attendees should allow ample time to login to the Meeting to check compatibility and complete the related procedures.

    - For registered Shareholders and duly appointed proxyholders, select "*Login*" and enter the control number for registered Shareholders (see below) or the Invitation Code for duly appointed proxyholders (case sensitive).

      OR

    - Click "*Guest*" and then complete the online form to access the Meeting.

For registered Shareholders: The control number located on the form of proxy or in the e-mail notification delivered for the Meeting is the control number to login to the Meeting.

For duly appointed proxyholders: Computershare will provide the proxyholder with an invitation code by e-mail after the proxy voting deadline has passed provided that the proxyholder has been duly appointed and registered as described in this Information Circular.

To attend the Meeting, it is important to remain connected to the internet at all times in order to vote. It is your responsibility to ensure internet connectivity is maintained for the duration of the Meeting. If you lose connectivity once the Meeting has commenced, there may be insufficient time to resolve your issue before voting is completed. Therefore, even if your current plan is to access the Meeting and vote during the live webcast, you should consider voting your Common Shares in advance or by proxy so that your vote will be counted in the event you experience any technical difficulties or are otherwise unable to access the Meeting. Shareholders with questions regarding the virtual Meeting portal or requiring assistance accessing the Meeting website may contact Computershare via the following number(s): Local 888-724-2416 or International +1 781-575-2748.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Corporation is authorized to issue an unlimited number of Common Shares. As at March 25, 2022, an aggregate of 190,828,976 Common Shares were issued and outstanding. Each registered holder of Common Shares is entitled to one vote for each Common Share held.

The Board has fixed the Record Date for the Meeting at the close of business on March 25, 2022.

When any Share is held jointly by several persons, any one of them may vote at the Meeting in person or by proxy in respect of such Share, but if more than one of them shall be present at the Meeting in person or by proxy, and such joint owners of the proxy so present disagree as to any vote to be cast, the joint owner present or represented whose name appears first in the register of Shareholders maintained by the registrar and transfer agent shall be entitled to such vote.

To the best of the knowledge of the directors and executive officers of the Corporation as at March 25, 2022, there is no person or corporation that beneficially owns or controls or directs, directly or indirectly, Shares carrying more than 10% of the voting rights attached to the issued and outstanding Shares.

ADVANCE NOTICE BYLAW

On May 9, 2013, the Board approved the adoption by the Corporation of a By-law regarding advance notice of nominations of directors of the Corporation (the "**Advance Notice By-law**"), which was filed on SEDAR, and on Advantage's website, on May 17, 2013 and ratified by Shareholders at the Corporation's annual general and special meeting of Shareholders held on June 20, 2013. The Advance Notice By-law contains advance notice provisions, which provide Shareholders, the Board and Management of the Corporation with a clear framework for nominating directors to help ensure orderly business at Shareholder meetings by effectively preventing a Shareholder from putting forth director nominations from the floor of a Shareholder meeting without prior notice. Among other things, the Advance Notice By-law fixes a deadline by which Shareholders must submit notice of director nominations to the Corporation prior to any annual or special meeting of Shareholders. It also specifies the information that a nominating Shareholder must include in the notice to the Corporation regarding each director nominee and the nominating Shareholder for the notice to be in proper written form in order for any director nominee to be eligible for nomination and election at any annual or special meeting of Shareholders. These requirements are intended to provide all Shareholders with the opportunity to evaluate and review the proposed candidates and vote on an informed and timely manner regarding such nominees. The Advance Notice By-law does not affect nominations made pursuant to a "proposal" made in accordance with the *Business Corporations Act* (Alberta) ("**ABCA**") or a requisition of a meeting of Shareholders made pursuant to the ABCA. As of the date of this Information Circular, the Corporation has not received any nominations pursuant to the advance notice provisions contained in the Advance Notice By-law.

QUORUM FOR MEETING

At the Meeting, a quorum shall consist of persons present not being less than two (2) in number and holding or representing not less than twenty-five per cent (25%) of the Shares entitled to be voted at the Meeting.

APPROVAL REQUIREMENTS

All of the matters to be considered at the Meeting are ordinary resolutions requiring approval by more than 50% of the votes cast in respect of the resolution by or on behalf of Shareholders present in person or represented by proxy at the Meeting, other than the resolution in respect of the reduction of the stated capital of the Corporation, which is a special resolution requiring approval by a majority of not less than two-thirds of the votes cast in respect of the resolution by or on behalf of the Shareholders present in person or represented by proxy at the Meeting.

MATTERS TO BE ACTED UPON AT THE MEETING

Financial Statements

At the Meeting, the audited consolidated financial statements of the Corporation for the year ended December 31, 2021 and the Independent Auditor's Report on such statements will be placed before Shareholders, but no vote by the Shareholders with respect thereto is required or proposed to be taken.

Fixing the Number of Directors

At the Meeting, it is proposed that the number of directors of the Corporation to be elected at the Meeting be set at eight (8), as may be adjusted between Shareholders' meetings by way of resolution of the Board. Accordingly, unless otherwise directed, it is the intention of Management to vote proxies in the accompanying form in favour of fixing the number of directors of the Corporation to be elected at the Meeting at eight (8).

Appointment of Directors

Majority Voting for Directors

The Board has adopted a policy stipulating that if the "WITHHOLD" votes in respect of the election of a director nominee at the Meeting represent more than the "FOR" votes, the nominee will submit his or her resignation to the Board immediately after the Meeting, for the Governance Committee's (the "**Governance Committee**") consideration.

The Governance Committee will consider such resignation and will make a recommendation to the Board after reviewing the matter as to whether to accept it or not, having regard to all matters it deems relevant. The Board will consider the Governance Committee's recommendation within 90 days of the Meeting and will accept the directors resignation absent exceptional circumstances, having regard to all matters it deems relevant, and a news release (the "**News Release**") will be provided to the Toronto Stock Exchange (the "**TSX**" or the "**Exchange**") and promptly issued announcing the Board's determination in respect thereof. If the Board determines not to accept the resignation, the News Release will fully state the reasons for that decision.

A director who tenders his/her resignation pursuant to this policy will not participate in any meetings of the Board or Governance Committee at which such resignation is considered. The policy does not apply in circumstances involving contested director elections.

Board Renewal

Annually, the Governance Committee conducts a performance evaluation of the effectiveness of the Board, Board committees and the effectiveness and contribution of individual directors. As part of such evaluation, the Governance Committee evaluates the need for changes to Board and committee composition based on an analysis of the skills, expertise and industry experience necessary for the Corporation. The Governance Committee and the Board recognize the benefit that new perspectives, ideas and business strategies can offer and support periodic Board renewal. The Governance Committee and the Board also recognize that a director's experience and knowledge of the Corporation's business is a valuable resource. Accordingly, the Board believes that the Corporation and its

Shareholders are better served with the regular assessment of the effectiveness of the Board, Board committees and the effectiveness and contribution of individual directors together with periodic Board renewal, rather than on arbitrary age and tenure limits. Accordingly, the Board has not adopted a formal term limit policy for directors.

Election of Directors

At the Meeting, Shareholders will be asked to vote "FOR" or "WITHHOLD" on the proposed directors set forth below to hold office until the next annual meeting of Shareholders or until each directors' successor is duly elected or appointed in accordance with the ABCA. There are presently nine (9) directors of the Corporation, eight (8) of which have been nominated for re-election at the Meeting. Ronald McIntosh will not be standing for re-election to the Board.

It is the intention of the Management designees, if named as proxy, to vote "FOR" the election of the following persons to the Board unless otherwise directed. Management does not contemplate that any of such nominees will be unable to serve as a director. However, if for any reason any of the proposed nominees does not stand for election or is unable to serve as such, the Management designees, if named as proxy, reserve the right to vote for any other nominee in their sole discretion unless a Shareholder has specified in their proxy that their Common Shares are to be withheld from voting on the election of directors.

The names, provinces and countries of residence, age and independence of each of the persons nominated for election as directors of the Corporation, the period served as director and the principal occupation of each, the number of voting securities of the Corporation beneficially owned or controlled or directed, directly or indirectly, by such persons as at December 31, 2021 and March 25, 2022 and the value of such voting securities on such dates, are as follows:

Jill T. Angevine
CPA, CA, CFA, ICD.D

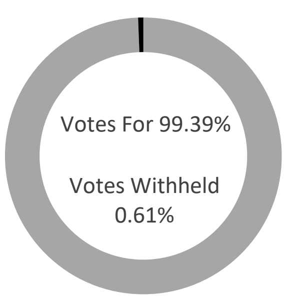
Alberta, Canada

Status: Independent

Age: 54

Director since:
May 27, 2015

Voting Results of 2021 AGM:



Ms. Angevine is a Corporate Director and President of Brownstone Asset Management. Ms. Angevine has over 25 years of professional experience in the investment management industry including portfolio management, capital markets and equity research. Ms. Angevine also serves on the board of Tourmaline Oil. Prior to her work as a Corporate Director, Ms. Angevine was a Portfolio Manager at two asset management companies and prior thereto was Vice President and Director, Institutional Research at FirstEnergy Capital Corp.

Ms. Angevine holds a Bachelor of Commerce degree from the University of Calgary and has earned the Chartered Public Accountant (CPA,CA), the Chartered Financial Analyst (CFA), and the Institute of Corporate Directors (ICD.D) designations.

Other Public Company Board Memberships:
Tourmaline Oil Corp.

Share Ownership:

	December 31, 2021	**March 25, 2022**
Shares Owned, Controlled or Directed and Share Equivalents(4) (5)	152,142	153,602
Total Market Value of Shares	$1,127,372 (1)	$1,296,401 (2)

Stephen E. Balog
P. Eng, B.Sc.

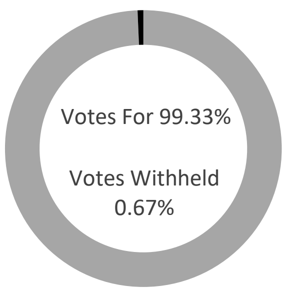
Alberta, Canada

Status: Independent

Age: 71

Director since:
August 16, 2007

Voting Results of 2021 AGM:



President of West Butte Management Inc., a private consulting company that provides business and technical advisory services to oil and gas operators. Formerly Principal of Alconsult International Ltd. and prior thereto, President & Chief Operating Officer and a Director of Tasman Exploration Ltd. from 2001 to 2007. Mr. Balog has extensive oil and gas industry experience in the management and operation of senior and junior production companies. Mr. Balog was a key contributor to the development and use of the Canadian Oil & Gas Evaluation Handbook as an industry standard for reserves evaluation, and has previously served on the Petroleum Advisory Committee, Alberta Securities Commission.

Mr. Balog is a registered Professional Engineer with the Association of Professional Engineersand Geoscientists of Alberta and holds a B.Sc. in Chemical Engineering from the University of Calgary. He is a member of the Society of Petroleum Evaluation Engineers and the Society of Petroleum Engineers.

Other Public Company Board Memberships:
None

Share Ownership:

	December 31, 2021	**March 25, 2022**
Shares Owned, Controlled or Directed and Share Equivalents(4) (5)	193,954	195,414
Total Market Value of Shares	$1,437,199 (1)	$1,649,294 (2)

Michael Belenkie
P.Eng., B.Sc.

Alberta, Canada

Status: Not Independent

President and Chief Executive Officer

Age: 47

Director since:
January 1, 2022

Voting Results of 2021 AGM:
N/A (6)

Mr. Belenkie joined Advantage in October 2018 as Chief Operating Officer, and was promoted to President and Chief Operating Officer in November 2019 and then to President and Chief Executive Officer in January 2022. From 2012 to 2018, Mr. Belenkie was founder and Vice President of Engineering of Modern Resources Inc., a successful private oil and gas company in Alberta's Deep Basin. Between 2008 and 2011, Mr. Belenkie held various roles at Painted Pony Energy Ltd., including Vice President of Reservoir Engineering and Corporate Development. Prior thereto, he held various roles at Talisman Energy (1995 to 2008) within their North American assets, including Team Lead of Montney and Northeast British Columbia. During 2006 and 2007, Mr. Belenkie also developed and implemented strategic realignment and operational excellence strategies with leadership teams in two major producers in Alaska and Canada while working with the management consulting firm, RLG International, during his tenure at Talisman.

Mr. Belenkie received his B.Sc. in Mechanical Engineering from University of Calgary in 1997 and is a registered professional engineer with the Association of Professional Engineers and Geoscientists of Alberta.

Other Public Company Board Memberships:
None

Share Ownership:

	December 31, 2021	**March 25, 2022**
Shares Owned, Controlled or Directed and Share Equivalents (5)	285,315	285,315
Total Market Value of Shares	$2,114,184 (1)	$2,480,059 (2)

Deirdre M. Choate
CPA, CA, ICD.D, BCL

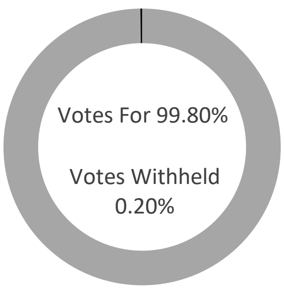
Alberta, Canada

Status: Independent

Age: 60

Director since:
May 6, 2021

Voting Results of 2021 AGM:



Ms. Choate is a corporate director with over 30 years of experience and knowledge on international tax, treasury, insurance, governance and risk management. From 2007 to March 2021, Ms. Choate was General Manager, VP Tax, and subsequently VP Tax & Treasurer at Husky Energy Inc. Prior thereto, Ms. Choate was an Associate Partner in International Tax Services at PricewaterhouseCoopers LLP.

Ms. Choate is a Chartered Professional Accountant in Alberta and Fellow Chartered Accountant in Ireland and obtained the Institute of Corporate Directors ICD.D designation in 2020. Ms. Choate holds a Bachelor of Civil Law degree from the University College Dublin.

Other Public Company Board Memberships:
None

Share Ownership:

	December 31, 2021	**March 25, 2022**
Shares Owned, Controlled or Directed and Share Equivalents(4) (5)	55,708	56,438
Total Market Value of Shares	$412,796 (1)	$476,337 (2)

Donald M. Clague
P.Geoph., B.Sc.

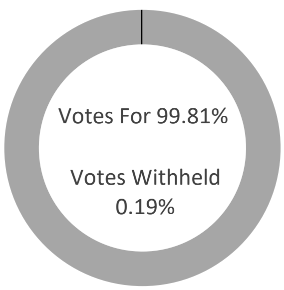
Alberta, Canada

Status: Independent

Age: 60

Director since:
June 16, 2020

Voting Results of 2021 AGM:



Mr. Clague has had an extensive 35 year working career in oil and gas, including diverse experience in North American domestic and frontier areas, as well as internationally in North Africa, Norway and the United Kingdom.

His experience includes a broad range of technical and leadership roles with Dome Petroleum, Amoco Canada, Alberta Energy, Amerada Hess Canada, Hardy Oil and Gas Canada, Petro-Canada and Suncor Energy. In 2002, he became VP, Production (North American Natural Gas) at Petro-Canada, responsible for the safe, efficient operations in all field locations across Alberta and British Columbia, including all engineering functions supporting those areas. He spent 3 years in Denver as President, Petro-Canada Resources (USA) focused on tight oil and coalbed methane assets. Upon returning to Canada, he became VP, In Situ Development and Operations, and after the merger with Suncor was appointed VP, Firebag Operations. In 2012, Mr. Clague became the Senior VP, In Situ Business Unit. He moved to the role of Senior VP, Oil Sands Technical and Upstream Services in 2015. In 2018, he retired as the Senior VP, Exploration and Production Business Unit, with personnel in Calgary, St. John's, Aberdeen, Tripoli, and Stavanger.

Mr. Clague graduated from the University of Calgary in 1983 with a B.Sc. in Geophysics. He remains active at the University, sitting on the Dean of Engineering's Schulich Industry Advisory Council and serves as Chair of the Dean of Science's Circle. He is a registered P.Geoph. with the Association of Professional Engineers and Geoscientists of Alberta, and has served on executive policy groups with the Canadian Association of Petroleum Producers (CAPP) and the Colorado Oil and Gas Association (COGA).

Other Public Company Board Memberships:
None

Share Ownership:

	December 31, 2021	**March 25, 2022**
Shares Owned, Controlled or Directed and Share Equivalents[4] [5]	108,086	109,546
Total Market Value of Shares	$800,917 [1]	$924,568 [2]

Paul G. Haggis
C.Dir., BA

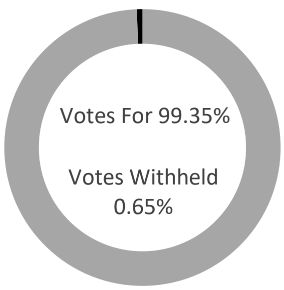
Ontario, Canada

Status: Independent

Age: 70

Director since:
November 7, 2008

Voting Results of 2021 AGM:



Mr. Haggis is a corporate director with extensive financial and operating experience. He is currently risk committee chair of Home Capital, Director of Alberta Teachers Retirement Fund, Director of Sunshine Village Corporation, and advisor and investor to the Balfour Pacific PE Fund. Past directorships include The Bank of Canada, Governance Chair of PIRET Income Trust, Investment Chair of Insurance Corporation of British Columbia, UBC Investment Management Trust, Canadian Tire Bank, Pargesa Corp Brussels, HR Chair of the Public Sector Pension Investment Board and interim CEO, and Chairman of the Canadian Pacific Railway. Past management experience includes EVP risk and strategy at Manulife Financial, Chief Operating Officer of MetLife Canadian operations, CEO of ATB Financial (formerly Alberta Treasury Branches) and CEO of Ontario Municipal Retirement System (OMERS), and Chairman and interim CEO of CABancorp Inc.

Mr. Haggis is a graduate of Western University, the Directors College of McMaster University and was commissioned in the Canadian Armed Forces.

Other Public Company Board Memberships:
Home Capital Group Inc.

Share Ownership:

	December 31, 2021	**March 25, 2022**
Shares Owned, Controlled or Directed and Share Equivalents(4) (5)	196,057	197,663
Total Market Value of Shares	$1,452,782 (1)	$1,668,276 (2)

Norman W. MacDonald
CFA, B.Comm.

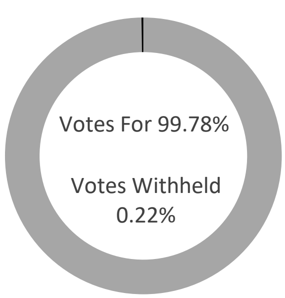
Ontario, Canada

Status: Independent

Age: 50

Director since:
May 6, 2021

Voting Results of 2021 AGM:



Mr. MacDonald is Partner, Natural Resources at Fort Capital. Mr. MacDonald has over 25 years of experience at natural resource focused institutional investment firms, including over 10 years as a Senior Portfolio Manager at Invesco. Mr. MacDonald began his investment career at Ontario Teachers Pension Plan Board, where he worked for three years in progressive roles from Research Assistant to Portfolio Manager. His next role was as a VP and Partner at Beutel, Goodman & Co. Ltd. Prior to joining Invesco, Mr. MacDonald was a VP and Portfolio Manager at Salida Capital.

Mr. MacDonald earned a Bachelor of Commerce Degree from the University of Windsor and is a CFA Charterholder.

Other Public Company Board Memberships:
G Mining Ventures Corp.

Share Ownership:

	December 31, 2021	**March 25, 2022**
Shares Owned, Controlled or Directed and Share Equivalents(4) (5)	107,419	108,149
Total Market Value of Shares	$795,975 (1)	$912,778 (2)

Andy J. Mah
P.Eng, B.Sc.

Alberta, Canada

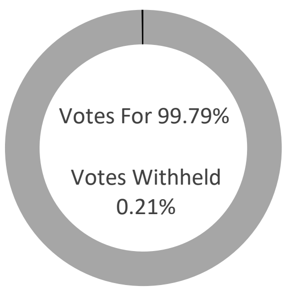
Status: Not Independent

Chief Executive Officer until December 31, 2021

Age: 63

Director since:
June 23, 2006

Voting Results of 2021 AGM:



Mr. Mah has over 40 years of experience in the oil and gas industry and recently retired as Chief Executive Officer of Advantage. He continues to serve on the Board and remains active with larger energy industry initiatives, advocacy and other Boards. Mr. Mah's significant executive level experience included all facets of the Canadian upstream oil and gas industry including U.S. and international assignments. Mr. Mah has transformed Corporations, led large successful capital investment programs including acquisitions & divestitures, fund raising and advanced innovation in all facets of the industry with large multinational and junior oil and gas companies. In addition to Advantage, his career included leadership positions at Ketch Resources Trust, Unocal Corporation, Northrock Resources Ltd., and BP Canada.

Mr. Mah is a graduate of the University of Saskatchewan, B. Sc. Chemistry in 1980 and B. Sc. Chemical Engineering in 1982. He is a member of APEGA and has served on the Board of Governors of the Canadian Association of Petroleum Producers (CAPP) and numerous volunteer associations including being a representative on the Canada Olympic Committee.

Other Public Company Board Memberships:
None

Share Ownership:

	December 31, 2021	**March 25, 2022**
Shares Owned, Controlled or Directed (4) (5)	650,826	651,556
Total Market Value of Shares	$4,822,621 (1)	$5,499,133 (2)

Notes:

(1) Calculated based on the number of Shares and deferred share units ("**DSU**") owned, controlled or directed as at December 31, 2021 multiplied by the closing price of the Shares on the TSX on December 31, 2021 of $7.41.

(2) Calculated based on the number of Shares and DSUs owned, controlled or directed as at March 25, 2022 multiplied by the closing price of the Shares on the TSX on March 25, 2022 of $8.44.

(3) Advantage does not have an executive committee of the Board.

(4) Share equivalents includes vested DSUs outstanding at the dates indicated.

(5) The Corporation's share ownership policy requires each non-executive Board member to maintain a minimum value of Shares representing at least three times the Board member's annual Board member cash retainer. As at December 31, 2021, as an executive officer of the Corporation, Mr. Belenkie was required to maintain a minimum value of Shares representing at least three times his annual base salary. Due to his appointment as Chief Executive Officer on January 1, 2022, Mr. Belenkie is now required to maintain a minimum value of Shares representing at least four times his annual base salary. The members of the Board were all in compliance at March 25, 2022 with the Corporation's share ownership policy.

(6) Mr. Belenkie was appointed to the Board on January 1, 2022.

As at March 25, 2022, the directors and officers of the Corporation, as a group, beneficially owned or controlled or directed, directly or indirectly, an aggregate of 4,628,404 Shares, being approximately 2.4% of the outstanding Shares. The information as to Shares beneficially owned or controlled or directed, directly or indirectly, is based upon information furnished to the Corporation by the respective nominees and officers as at March 25, 2022.

The table below outlines the members of each committee of the Board as of December 31, 2021, and each member's attendance at the meetings held in 2021.

Director [1]	Total Board & Committee Attendance	Board	Audit Committee	Compensation Committee	Independent Reserve Evaluation Committee	Governance Committee
Jill Angevine	33/33 (100%)	Member (23 of 23)	Member (4 of 4)	Chair (4 of 4)		Member (2 of 2)
Stephen Balog	35/35 (100%)	Member (23 of 23)	Member (4 of 4)	Member (4 of 4)	Chair (2 of 2)	Member (2 of 2)
Deirdre Choate [2]	14/14 (100%)	Member (11 of 11)	Member (2 of 2)			Member (1 of 1)
Donald Clague [4]	31/31 (100%)	Member (23 of 23)	Member (4 of 4)	Member (2 of 2)	Member (2 of 2)	
Paul Haggis	35/35 (100%)	Member (23 of 23)	Chair (4 of 4)	Member (4 of 4)	Member (2 of 2)	Member (2 of 2)
Norman MacDonald [3]	14/14 (100%)	Member (11 of 11)	Member (2 of 2)		Member (1 of 1)	
Andy Mah [5]	22/23 (96%)	Member (22 of 23)				
Ronald McIntosh [6]	27/27 (100%)	Chair (23 of 23)			Member (2 of 2)	Chair (2 of 2)

Notes:

(1) Mr. Belenkie was appointed to the Board on January 1, 2022.
(2) Ms. Choate was elected as a director of the Corporation on May 6, 2021 and attended 100% of the Board, Audit Committee and Governance Committee meetings following her election to the Board.
(3) Mr. MacDonald was elected as a director of the Corporation on May 6, 2021 and attended 100% of the Board, Audit Committee and Independent Reserve Evaluation Committee meetings following his election to the Board.
(4) Mr. Clague was appointed to the Compensation Committee on May 6, 2021 and attended 100% of the Compensation Committee meetings following his appointment.
(5) Mr. Mah was appointed to the Independent Reserve Evaluation Committee on February 3, 2022.
(6) Ronald McIntosh is not standing for re-election to the Board at the Meeting.

Cease Trade Orders or Bankruptcies

No proposed director of the Corporation is or within the ten years prior to the date of this Information Circular has been:

(a) a director, chief executive officer or chief financial officer of any issuer (including the Corporation) that while that person was acting in that capacity, was the subject of a cease trade order or similar order or an order that denied the issuer access to any statutory exemptions for a period of more than 30 consecutive days; or

(b) a director, chief executive officer or chief financial officer of any issuer (including the Corporation) that was the subject of a cease trade order or similar order or an order that denied the issuer access to any statutory exemptions for a period of more than 30 consecutive days, after the director ceased to be a director, chief executive officer or chief financial officer of the issuer and which resulted from an event that occurred while that person was acting in such capacity; or

(c) bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been 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 that person; or

(d) 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 the 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.

Penalties or Sanctions

No proposed director or any personal holding companies of a proposed director of the Corporation have been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

Reduction of Stated Capital

At the Meeting, Shareholders will be asked to consider and, if thought advisable, to pass, with or without variation, a special resolution reducing the stated capital of the Common Shares to $500 million, without any payment or distribution to the Shareholders, and adding the amount of such reduction to Advantage's contributed surplus account (the "**Reduction of Stated Capital Resolution**").

Reasons for the Reduction of Stated Capital

Under the ABCA, the corporate statute governing Advantage, a corporation is prohibited from taking certain actions, including making any payment to purchase or otherwise acquire shares issued by it, if, among other things, there are reasonable grounds for believing that the realizable value of its assets would, as a result of the repurchase of its common shares, be less than the aggregate of its liabilities and stated capital of all classes of its shares. The purpose of reducing the stated capital of the Common Shares is to increase the difference between the realizable value of Advantage's assets and the aggregate of Advantage's liabilities and the stated capital of the Common Shares, thereby providing Advantage with additional flexibility under the ABCA to repurchase Common Shares if, as and when the Board determines it appropriate to do so. The proposed reduction in stated capital will have no impact on our day-to-day operations and will not alter our financial condition.

Management believes that the Common Shares may, from time-to-time, be undervalued and may not reflect the financial strength and net asset value of the Corporation. As such, if the Reduction of Stated Capital Resolution is approved by the Shareholders at the Meeting, the Board may consider implementing a normal course issuer bid ("**NCIB**") under the policies of the TSX in the near future. All Common Shares purchased under an NCIB will be cancelled, increasing the respective proportionate share interests of all remaining Shareholders. The funding for any purchases of Common Shares pursuant to an NCIB would be expected to be financed out of working capital and/or the Corporation’s free cash flow.

Pursuant to the policies of the TSX, under an NCIB the Corporation would be permitted to acquire up to a maximum of the greater of: (i) 5% of the then issued and outstanding Common Shares, and (ii) 10% of the "public float" (the "**public float**" being the number of Common Shares issued and outstanding, less the number of Common Shares known to the Corporation after reasonable inquiry, to be beneficially owned, or over which control or direction is exercised by every senior officer and director of the Corporation and certain other persons).

The Corporation would also be subject to certain daily limits on the number of Common Shares purchased pursuant to an NCIB as prescribed by the rules of the TSX. Under an NCIB, the Corporation would pay the market price for the Common Shares on the TSX at the time of acquisition and, unless otherwise permitted by the rules of the TSX, no purchases would be made other than by means of open market transactions during the period an NCIB is in place.

The commencement of an NCIB is subject to receiving the approval of the TSX and the Board.

Limitation on the Reduction of Stated Capital under the ABCA

The ABCA provides that a corporation shall not reduce its stated capital if there are reasonable grounds for believing that: (i) the corporation is, or would after the reduction be, unable to pay its liabilities as they become due; or (ii) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.

Advantage does not have reasonable grounds to believe that: (i) it is, or would after the stated capital reduction contemplated by the Reduction of Stated Capital Resolution be, unable to pay its liabilities as they become due; or (ii) the realizable value of Advantage's assets would, as a result of the stated capital reduction contemplated by the Reduction of Stated Capital Resolution, be less than the aggregate of its liabilities.

Canadian Federal Income Tax Considerations with Respect to the Reduction of Stated Capital

The proposed reduction of the stated capital of the Common Shares will not result in any immediate Canadian income tax consequences to a Shareholder nor will it affect a Shareholder's adjusted cost base of the Common Shares for purposes of the *Income Tax Act* (Canada) (the "**Tax Act**"). However, the reduction in the stated capital will reduce the paid-up capital (as defined in the Tax Act) of the Common Shares by an amount equal to the reduction in stated capital. Although the reduction of the stated capital and the corresponding reduction of the paid-up capital of the Common Shares will not have any immediate Canadian income tax consequences, such reduction may have future Canadian federal income tax consequences to a Shareholder in certain circumstances. Such circumstances include, but are not limited to, if Advantage repurchases any Common Shares (other than Common Shares purchased by the Corporation in the manner in which shares would normally be purchased by the public in an open market, such as under an NCIB), if Advantage distributes assets to its Shareholders or if Advantage is wound-up. As a general rule, upon such transactions, a Shareholder will be deemed to have received a dividend to the extent that the amount paid or distributed exceeds the paid-up capital of the Common Shares.

United States Federal Income Tax Consequences

The proposed reduction of the stated capital of the Common Shares should not constitute a taxable event for the Shareholders of the Corporation for United States federal income tax purposes. As a result, Shareholders generally should not recognize a gain or loss upon the reduction of stated capital. Each Shareholder's tax basis in its Common Shares should remain unchanged, and each Shareholder's holding period in its Common Shares should include the holding period in the Common Shares held by such Shareholder prior to the reduction of stated capital.

Reduction of Stated Capital Resolution and Approval Requirement

At the Meeting, Shareholders will be asked to consider and, if thought advisable, to pass the following special resolution, being the Reduction of Stated Capital Resolution:

> "BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE SHAREHOLDERS OF ADVANTAGE ENERGY LTD. (THE "**CORPORATION**") THAT:
>
> 1. the stated capital account maintained in respect of the common shares of the Corporation be and is hereby reduced to $500 million and the amount of such reduction be and is hereby added to Advantage's contributed surplus account, all as more particularly described in the Corporation's management information circular – proxy statement dated March 25, 2022;
>
> 2. any director or officer of the Corporation is authorized and directed to do all such things and execute all such documents and instruments as may be necessary or desirable to give effect to the foregoing resolution; and

3. notwithstanding that this resolution has been duly passed by the shareholders of the Corporation, the directors of the Corporation are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Corporation, at any time if such revocation is considered necessary or desirable by the directors."

In order to be passed, the Reduction of Stated Capital Resolution requires the approval of not less than two-thirds of the votes cast thereon by or on behalf of Shareholders present in person or represented by proxy at the Meeting.

Unless otherwise directed, it is the intention of the persons named in the enclosed form of proxy, if named as proxy, to vote for approval of the foregoing resolution approving the reduction of the Corporation's stated capital account.

Appointment of Auditors

Shareholders will consider an ordinary resolution to appoint the firm of PricewaterhouseCoopers LLP, Chartered Professional Accountants, to serve as auditors of the Corporation until the next annual meeting of the Shareholders and to authorize the directors of the Corporation to fix their remuneration as such. The Board reviews the annual audit fees and considers the issue of auditor independence in the context of all services provided to the Corporation. PricewaterhouseCoopers LLP have been the auditors of the Corporation since September 18, 2007.

Certain information regarding the Corporation's Audit Committee that is required to be disclosed in accordance with National Instrument 52-110 of the Canadian Securities Administrators is contained in the Corporation's annual information form for the year ended December 31, 2021, an electronic copy of which is available on the internet on the Corporation's SEDAR profile at www.sedar.com and the Corporation's website at www.advantageog.com.

The following table discloses fees paid by the Corporation to its auditors, PricewaterhouseCoopers LLP, in the last two fiscal years.

Type of Service Provided	**2020**	**2021**
Audit Fees(1)	$242,500	$244,500
Audit-Related Fees(2)	$45,000	$45,000
Tax Fees(3)	-	-
Other Fees(4)	$3,294	-
Total	$290,794	$289,500

Notes:

(1) "Audit Fees" include fees necessary to perform the annual audit of the Corporation's consolidated financial statements.
(2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include quarterly reviews of the Corporation's consolidated financial statements.
(3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and general tax advice.
(4) “Other Fees” represent the assessment fee paid to have an audit completed by a Canadian Public Accountability Board participant firm pursuant to National Instrument – 52-108 *Auditor Oversight*.

Unless otherwise directed, it is the intention of the persons named in the enclosed form of proxy, if named as proxy, to vote in favour of the ordinary resolution to appoint the firm of PricewaterhouseCoopers LLP, Chartered Professional Accountants, to serve as auditors of the Corporation until the next annual meeting of the Shareholders and to authorize the directors of the Corporation to fix their remuneration as such.

DIRECTOR COMPENSATION

Effective January 1, 2018, annual total compensation for the Chair of the Board was set at $190,000, Chair of the Audit Committee at $137,500, and for all other Board members at $125,000. Each Board member annually elects the percentage of their total compensation to be received in cash and DSUs from 25% to 75%. Effective January 1, 2021, all directors except for Grant Fagerheim and Deirdre Choate elected to be paid their directors fees 50% in cash and 50% in DSUs. Mr. Grant Fagerheim and Ms. Deirdre Choate elected to be paid their director fees 75% in cash and 25% in DSUs. DSUs are notional securities granted to a director and are related directly to the Share price performance from grant date to the date on which the DSUs are redeemed. DSUs vest immediately upon grant but cannot be redeemed until the holder ceases to be a director. The granting of DSUs occurs monthly and the number granted is calculated by dividing the value of the awards by the amount that is the closing price for a Share on the TSX on the trading day immediately prior to the date of grant. On the date that a holder of DSUs ceases to be a director, the monetary amount represented by the DSUs shall be calculated and shall be paid to the director in cash not later than the end of the first calendar year after the calendar year which includes the termination date.

All directors are eligible to receive expense reimbursement for costs of attending Board and committee meetings. No meeting fees are paid to independent directors, as, absent exceptional circumstances, directors are not entitled to meeting fees.

Directors' Summary Compensation Table

The following table sets forth for the year ended December 31, 2021, information concerning the compensation paid to Advantage's directors, other than directors who are also Named Executive Officers [(2)] (as defined herein).

Name	Fees earned ($)	Share-based awards ($)[(1)]	Option-based awards ($)	All other compensation ($)	Total ($)
Ronald McIntosh	95,000	95,000	N/A	Nil	190,000
Paul Haggis	68,750	68,750	N/A	Nil	137,500
Stephen Balog	62,500	62,500	N/A	Nil	125,000
Grant Fagerheim [(3)]	32,813	10,937	N/A	Nil	43,750
Jill Angevine	62,500	62,500	N/A	Nil	125,000
Donald Clague	62,500	62,500	N/A	Nil	125,000
Deirdre Choate [(4)]	61,328	20,443	N/A	Nil	81,771
Norman MacDonald [(5)]	40,885	40,885	N/A	Nil	81,771

Notes:

(1) Represents the fair value of DSUs granted under the deferred share unit plan ("**DSU Plan**"). Specifically, the fair value of DSUs was based on the closing trading price on the TSX on the trading day immediately prior to the date of grant. Advantage uses this methodology as it is a commonly recognized means of calculating a meaningful and reasonable estimate of fair value. The actual value of Share-based awards on the date that a holder of DSUs ceases to be a director can fluctuate significantly from the grant date fair value method of valuation as a result of changes in the trading price of the Shares.

(2) Mr. Mah, a director of the Corporation, was the Chief Executive Officer of the Corporation for the year-ended December 31, 2021 and is therefore a NEO (as defined herein). See "*Executive Compensation – Compensation Discussion and Analysis – Summary Executive Compensation Tables*" for information with respect to Mr. Mah's compensation.

(3) Mr. Fagerheim did not stand for re-election to the Board at the May 6, 2021 annual general and special meeting of the Shareholders.

(4) Ms. Choate was elected as a director of the Corporation on May 6, 2021.

(5) Mr. MacDonald was elected as a director of the Corporation on May 6, 2021.

Directors' Outstanding Option-Based Awards and Share-based Awards

The following table sets forth for each of the directors, other than directors who are also NEOs (as defined herein) of Advantage, all option-based awards and share-based awards outstanding at the end of the year ended December 31, 2021. The Corporation does not have any outstanding option-based awards.

	Option-based Awards				**Share-based Awards**[1]		
Name	**Number of securities underlying unexercised Options (#)**	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money Options ($)**	**Number of shares that have not vested (#)**	**Market or payout value of share-based awards that have not vested ($)**	**Market or payout value of vested share-based awards not paid out or distributed ($)**[2]
Ronald McIntosh	Nil	N/A	N/A	N/A	Nil	Nil	1,483,934
Paul Haggis	Nil	N/A	N/A	N/A	Nil	Nil	1,076,095
Stephen Balog	Nil	N/A	N/A	N/A	Nil	Nil	972,600
Grant Fagerheim (3)	Nil	N/A	N/A	N/A	Nil	Nil	Nil
Jill Angevine	Nil	N/A	N/A	N/A	Nil	Nil	905,072
Donald Clague	Nil	N/A	N/A	N/A	Nil	Nil	252,577
Deirdre Choate (4)	Nil	N/A	N/A	N/A	Nil	Nil	27,476
Norman MacDonald (5)	Nil	N/A	N/A	N/A	Nil	Nil	54,975

Notes:

(1) Represents DSUs granted pursuant to the DSU Plan. DSUs vest immediately upon grant.
(2) The value is calculated by multiplying the number of vested DSUs granted pursuant to the DSU Plan and which were not paid out or distributed at December 31, 2021 by the market price of the Shares at December 31, 2021, being $7.41 per Share.
(3) Mr. Fagerheim did not stand for re-election to the Board at the May 6, 2021 annual general and special meeting of the Shareholders.
(4) Ms. Choate was elected as a director of the Corporation on May 6, 2021.
(5) Mr. MacDonald was elected as a director of the Corporation on May 6, 2021.

Directors' Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth for each of the directors other than directors who are also NEOs of Advantage, the value of option-based awards and share-based awards which vested during the year ended December 31, 2021. Applicable Canadian securities legislation defines a "non-equity incentive plan" as an incentive plan (being a plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period) that is not an incentive plan under which awards are granted and that falls within the scope of IFRS 2 Share based Payment (for example, a cash bonus plan). Advantage did not grant any non-equity incentive plan compensation to its directors during the year ended December 31, 2021 and does not have any outstanding option-based awards.

Name	**Option-based awards – Value vested during the year ($)**	**Share-based awards – Value vested during the year**[1] **($)**
Ronald McIntosh	N/A	95,000
Paul Haggis	N/A	68,750
Stephen Balog	N/A	62,500
Grant Fagerheim (2)	N/A	10,937

Name	Option-based awards – Value vested during the year ($)	Share-based awards – Value vested during the year(1) ($)
Jill Angevine	N/A	62,500
Donald Clague	N/A	62,500
Deirdre Choate (3)	N/A	20,443
Norman MacDonald (4)	N/A	40,885

Notes:

(1) The value is calculated by multiplying the number of vested DSUs by the market price of the Shares on the vesting date.
(2) Mr. Fagerheim did not stand for re-election to the Board at the May 6, 2021 annual general and special meeting of the Shareholders.
(3) Ms. Choate was elected as a director of the Corporation on May 6, 2021.
(4) Mr. MacDonald was elected as a director of the Corporation on May 6, 2021.

ADVISORIES

Forward-Looking Statements

This document contains forward-looking information and statements (collectively, "**forward-looking statements**"). These forward-looking statements relate to future events or our future performance. All information and statements other than statements of historical fact contained in this document are forward-looking statements. Such forward-looking statements may be identified by looking for words such as "approximately", "may", "believe", "measure", "stability", "depends", "expects", "will", "intends", "should", "could", "plan", "budget", "predict", "potential", "projects", "anticipates", "forecasts", "estimates", "objective", "ongoing", "continues", "sustainability" or similar words or the negative thereof or other comparable terminology. This document contains forward-looking statements including, but not limited to, the Corporation's plans, strategies and focus; benefits to be derived from the Corporation's financial strength; ability to reduce global emissions; that Advantage will be "net-zero" by 2025; Advantage's ability to grow adjusted funds flow per share while maintaining a strong balance sheet; that the Corporation will deliver clean, reliable, sustainable energy, and contribute to a reduction in global emissions by displacing high-carbon fuels; the Corporation's expectations that it will safely reduce emissions while achieving costs lower than current carbon prices; that the Corporation will implement an NCIB and the anticipated timing thereof and benefits to be derived therefrom; the anticipated source of funding for purchases under the Corporation's NCIB; the Corporation's expectations that Entropy will play a large role in the global effort to decarbonize; and the Board's targeted female representation and the anticipated timing thereof.

The forward-looking statements are based on certain key expectations and assumptions made by us, including expectations and assumptions concerning prevailing commodity prices, exchange rates, interest rates, applicable royalty rates and tax laws; the impact (and the duration thereof) that the COVID-19 pandemic will have on our business; the ability of OPEC+ nations and other major producers of crude oil to reduce crude oil production and thereby arrest and reverse the steep decline in world crude oil prices; future production rates and estimates of operating costs; performance of existing and future wells; reserve volumes; anticipated timing and results of capital expenditures; the success obtained in drilling new wells; the sufficiency of budgeted capital expenditures in carrying out planned activities; the state of the economy and the exploration and production business; business prospects and opportunities; the availability and cost of financing, labour and services; ability to efficiently integrate assets and employees acquired through acquisitions, ability to market oil and natural gas successfully; that Advantage will have sufficient resources in the future to acquire its Shares pursuant to an NCIB; and access to capital.

Although the expectations and assumptions on which such forward-looking statements is based are believed to be reasonable, undue reliance should not be placed on the forward-looking statements because no assurance can be given that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. These include, but are not limited to: the risks associated with the oil and gas industry in general such as operational risks in development, exploration and production; pandemics and epidemics; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates and projections relating to reserves, production, costs and expenses; health, safety and environmental risks; commodity price and exchange rate fluctuations; interest rate fluctuations; marketing and transportation; loss of markets; environmental risks; competition; incorrect assessment of the value of acquisitions; failure to complete or realize the anticipated benefits of acquisitions or dispositions; ability to access sufficient capital from internal and external sources; failure to obtain required regulatory and other approvals; reliance on third parties and pipeline systems; the risk that Advantage does not have sufficient financial resources in the future to acquire its Shares pursuant to an NCIB; that Advantage will not be "net-zero" by 2025; and changes in legislation, including but not limited to tax laws, production curtailment, royalties and environmental regulations. Actual results, performance or achievement could differ materially from those expressed in, or implied by, the forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that we will derive therefrom. The above summary of assumptions and risks related to forward-looking statements has been included in this document in order to provide security holders with a more complete perspective on future operations and such information may not be appropriate for other purposes.

The future acquisition by the Corporation of the Corporation's Shares pursuant to an NCIB, if any, and the level thereof is uncertain. Any decision to implement an NCIB or acquire Shares of the Corporation will be subject to the discretion of the Board and may depend on a variety of factors, including, without limitation, the Corporation's business performance, financial condition, financial requirements, growth plans, expected capital requirements and other conditions existing at such future time including, without limitation, contractual restrictions, satisfaction of the solvency tests imposed on the Corporation under applicable corporate law and receipt of regulatory approvals. There can be no assurance that the Corporation will acquire any Shares of the Corporation pursuant to an NCIB in the future.

Management has included the summary of assumptions and risks related to forward-looking statements in order to provide readers with a more complete perspective on Advantage's future operations and such information may not be appropriate for other purposes. Advantage’s actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that Advantage will derive therefrom. Readers are cautioned that the foregoing lists of factors are not exhaustive. The Corporation and management believe that the statements have been prepared on a reasonable basis, reflecting management's best estimates and judgments. However, because this information is highly subjective and subject to numerous risks including the risks discussed above, it should not be relied on as necessarily indicative of future results.

These forward-looking statements are made as of the date of this document and Advantage disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

Oil and Gas Information

Certain information contained in this Information Circular is based upon an evaluation (the "**Sproule Report**") of Advantage's light and medium crude oil, natural gas liquids and conventional natural gas reserves as at December 31, 2021, prepared by Sproule Associates Limited dated February 11, 2022 and effective December 31, 2021 and prepared in accordance with the standards contained in the Canadian Oil and Gas Evaluation Handbook and the reserves definitions contained in National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities* ("**NI 51-101**").

This Information Circular contains certain oil and gas metrics, including finding, development and acquisition ("**FD&A**") costs, capital efficiency, reserves replacement and recycle ratio, which do not have standardized meanings or standard methods of calculation and therefore such measures may not be comparable to similar measures used by other companies and should not be used to make comparisons. Such metrics have been included herein to provide readers with additional measures to evaluate the Corporation's performance; however, such measures are not reliable indicators of the future performance of the Corporation and future performance may not compare to the performance in previous periods and therefore such metrics should not be unduly relied upon.

The proved ("**1P**") FD&A cost for the year ended December 31, 2021 was $1.09/mcfe ($6.54/boe); (2020: $0.61/mcfe ($3.63/boe); (2019: $0.71/mcfe ($4.26/boe) and the proved plus probable ("**2P**") FD&A cost for the year ended December 31, 2021 was $0.97/mcfe ($5.82/boe) (2020: $0.47/mcfe ($2.80/boe); (2019: $0.99/mcfe ($5.94/boe); including the change in FDC. The proved developed producing FD&A cost for the year ended December 31, 2021 was $0.87/mcfe ($5.23/boe) (2020: $1.40/mcfe ($8.41/boe); 2019: $0.90/mcfe ($5.38/boe)), including the change in FDC.

"**mcf/d**", "**mmcf/d**", "**boe/d**", "**mmboe**" "**bbls/d**", "**bcfe**" and "**Tcfe**" mean thousand cubic feet per day, million cubic feet per day, barrels of oil equivalent per day, million barrels of oil equivalent, barrels per day, billion cubic feet equivalent, and trillion cubic feet equivalent of natural gas equivalent, respectively. A "**mcfe**" means thousand cubic feet of natural gas equivalent, using the ratio of six thousand cubic feet of natural gas being equivalent to one barrel of oil. The terms "**boe**" or barrels of oil equivalent and "mcfe" or thousand cubic feet equivalent may be misleading, particularly if used in isolation. A boe and mcfe conversion ratio of six thousand cubic feet of natural gas to one barrel of oil equivalent (6 Mcf: 1 bbl) is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. As the value ratio between natural gas and crude oil based on the current prices of natural gas and crude oil is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

References in this document to short-term production rates are useful in confirming the presence of hydrocarbons, however such rates are not determinative of the rates at which such wells will commence production and decline thereafter and are not indicative of long term performance or of ultimate recovery. Additionally, such rates may also include recovered "load oil" fluids used in well completion stimulation. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production of Advantage.

Specified Financial Measures

This Information Circular uses various "non-GAAP financial measures", "non-GAAP ratios", "supplementary financial measures" and "capital management measures" (as such terms are defined in National Instrument 52-112 – *Non-GAAP and Other Financial Measures Disclosure*). Such measures are not standardized financial measures under International Financial Reporting Standards ("**GAAP**") and might not be comparable to similar financial measures disclosed by other issuers. Such specified financial measures should not be considered as alternatives to, or more meaningful than measures determined in accordance with GAAP. Please refer to the Corporation's Management's Discussion and Analysis for the year-ended December 31, 2021 (the "**MD&A**"), which is available on Advantage's profile on SEDAR at www.sedar.com for additional information about such financial measures, including reconciliations to the nearest GAAP measures, where applicable.

Non-GAAP Financial Measures

In this Information Circular, adjusted funds flow, net capital expenditures, free cash flow and operating netback have been disclosed, which are non-GAAP financial measures. See the MD&A on pages 29 and 30 for the composition of such measures, an explanation of how such measures provide useful information to a reader and the additional purposes for which management uses such measures, and a reconciliation of such financial measures to the most directly comparable GAAP measure disclosed in the Corporation's financial statements, which information is incorporated by reference herein.

Non-GAAP Ratios

In this Information Circular, adjusted funds flow per share, payout ratio and net debt to adjusted funds flow ratio have been disclosed, which are non-GAAP ratios. See the MD&A on pages 31 and 32 for the composition of such measures and an explanation of how such measures provide useful information to a reader and the additional purposes for which management uses such measures, which information is incorporated by reference herein.

FD&A is calculated based on adding net capital expenditures and the net change in future development capital ("**FDC**"), divided by reserve additions for the year from the Sproule Report and Sproule's independent evaluation for the year ended December 31, 2020.

Capital efficiency is calculated by dividing net capital expenditures by the average production additions of the applicable year to replace the corporate decline rate and deliver production growth, expressed in $/boe/d. Capital efficiency is considered by management to be a useful performance measure as a common metric used to evaluate the efficiency with which capital activity is allocated to achieve production additions.

Recycle ratio is calculated by dividing Advantage’s fourth quarter operating netback by the calculated FD&A cost of the applicable year and expressed as a ratio. Management uses recycle ratio to relate the cost of adding reserves to the expected operating netback to be generated.

Capital Management Measures

In this Information Circular, working capital and net debt have been disclosed, which are capital management measures. See the MD&A on pages 32 and 33 for the composition of such measures, an explanation of how such measures provides useful information to a reader and the additional purposes for which management uses such measures, and a reconciliation of such financial measure to the most directly comparable GAAP measure disclosed in the Corporation's financial statements, which information is incorporated by reference herein.

Supplementary Financial Measures

In this Information Circular, the following supplementary financial measures have been disclosed:

Corporate decline rate is calculated by identifying the actual or forecasted production of all the wells onstream at the start of the year, then tracking their cumulative decline by the end of the year, expressed as a percentage.

Reserve additions replaced is calculated by dividing reserves net volume additions by the current annual production and expressed as a percentage. Management uses this measure to determine the relative change of its reserves base over a period of time.

Reserves life index is calculated by dividing the total volume of reserves by the fourth quarter production rate and expressed in years.

Operating expense per boe is comprised of operating expense, as determined in accordance with GAAP, divided by the Corporation's total production.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Executive Summary

Advantage experienced another extraordinary year highlighted by the exceptional performance of our staff. Although many local and global issues persisted, our business thrived as efforts in 2020 positioned Advantage to excel in 2021. North American natural gas prices that remained weak through 2020 improved dramatically in 2021 as demand strengthened and supply remained steady. Advantage and our staff were resilient through the year to achieve and exceed key milestones while enhancing our business as the pandemic endured.

Advantage continues to successfully execute its Montney development plan and believes that disciplined investment and balance sheet strength are crucial to maximize returns for Shareholders. Key achievements in 2021 include:

- Exceeded all key 2021 Budget metrics and broke corporate records for production, adjusted funds flow ("AFF") and free cash flow ("FCF")
- Increase Q4 2020 capital spending by $17 million which delivered a step change in 2021 AFF
- Reduced net debt by $86 million to $165 million while achieving a net debt to adjusted funds flow ratio of 0.7x, below our target of 1.0x
- Established Entropy (as defined herein)
- Differentiated Advantage as an emissions reduction leader with a 2025 “Net Zero Target”
- Received $20 million in carbon capture, usage and storage grant money from the Government of Alberta for the Glacier Phase 1 project
- Enhanced AFF through the optimization of our market diversification positions
- Operating expenses remained low at $2.49/boe
- Achieved top decile HS&E performance
- Delivered strong results despite challenges related to the COVID-19 pandemic

Results from Advantage's 2021 drilling program exceeded expectations both in costs and well performance, positively impacting 2021 reserves, our financial outlook and 2022 guidance. Drilling in 2021 was primarily gas-focused at Glacier and initial new well productivity continued to increase, resulting from enhanced execution strategies. Cycle times between completion and permanent production were reduced and the Corporation continues to expand its liquids-weighted core areas at Progress and Wembley.

Advantage achieved record annual average production of 49,445 boe/d (269.7 mmcf/d conventional natural gas, 1,945 bbls/d light crude oil and medium crude oil and condensate, and 2,548 bbls/d NGLs). Record annual liquids production was 4,493 bbls/d (up 2% over 2021). Annual 2021 cash provided by operating activities was $223 million and AFF was $235 million or $1.24/share. Year-end net debt to AFF ratio was 0.7x with bank debt of $167 million drawn on the Corporation's $350 million credit facility. Capital efficiency was $10,000/boe/d.

Proved developed producing ("**PDP**") reserve additions replaced 163% of 2021 total production, at an FD&A cost of $5.23/boe. 2P reserve additions were 218% of 2021 total production, at an FD&A cost of $5.82/boe. PDP reserves increased 10.4%, 1P reserves increased 1.8%, 2P reserves increased 4%.

Although commodity pricing was volatile, Advantage successfully exited 2021 in a stronger position than it entered. In order to maximize shareholder returns, Advantage’s priority is growing AFF per share while maintaining a strong balance sheet. With modern, low emissions-intensity assets and the Glacier carbon capture and sequestration asset, the Corporation continues to proudly deliver clean, reliable, sustainable energy, contributing to a reduction in global emissions by displacing high-carbon fuels.

General

This Compensation Discussion and Analysis describes the executive compensation program for the financial year ended December 31, 2021 applicable to Advantage's Chief Executive Officer ("**CEO**"), Chief Financial Officer ("**CFO**"), President and Chief Operating Officer ("**COO**"), Senior Vice President and Vice President, Marketing and Commercial representing the five most highly compensated executive officers of Advantage whose total compensation exceeds $150,000 (collectively referred to as the "**Named Executive Officers**" or "**NEOs**"). Advantage's NEOs for the financial year ended December 31, 2021 were:

- Mr. Andy Mah, CEO;

- Mr. Michael Belenkie, President and COO;
- Mr. Craig Blackwood, CFO;
- Mr. Neil Bokenfohr, Senior Vice President; and
- Mr. David Sterna, Vice President, Marketing and Commercial.

This Compensation Discussion and Analysis discusses the objectives of Advantage's executive compensation program, the roles and responsibilities of the Compensation Committee in determining and approving executive compensation, Advantage's philosophy and process for executive compensation, and the elements of compensation.

Compensation Objectives and Principles

The overall philosophy of Advantage is to provide a compensation program that rewards operating, financial and administrative performance, aligns with Shareholder interests and attracts and retains high quality and experienced executives and employees. Advantage believes that the compensation it pays should be fair and equitable as compared to compensation paid by its peers in the energy industry.

The principal objectives of Advantage's executive compensation program for the financial year ended December 31, 2021 were as follows:

(a) attract, motivate and retain the management talent needed to achieve Advantage's business objectives and create long-term value for Shareholders;

(b) motivate short and longer term performance of the Named Executive Officers and align the Named Executives' interests with those of the Shareholders;

(c) reward leadership and performance in the achievement of all business objectives and the creation of long-term Shareholder value; and

(d) provide compensation that is competitive in the market place.

The Compensation Committee used Mercer (Canada) Limited's ("**Mercer**") 2021 compensation survey data and considered the compensation practices of other companies operating in similar resource based developments in Western Canada, the Corporation's operating and financial performance in comparison to its peers, and its long-term development plan and objectives in determining the compensation to be paid to the Named Executive Officers.

Compensation Governance

General

The Compensation Committee is charged with, among other things, a periodic review of directors' and officers' compensation having regard to the Corporation's peers, various governance reports on current trends in directors' compensation and independently compiled compensation data for directors and officers of reporting issuers of comparable size to the Corporation. The Compensation Committee has the authority to hire experts and advisors, including executive search firms, if required.

Compensation Committee

The Compensation Committee is currently comprised of Jill Angevine (Chair), Stephen Balog, Donald Clague and Paul Haggis. All members of the Compensation Committee are independent, in accordance with applicable securities legislation. The skills and experience that enable the members of the Compensation Committee to make decisions on the suitability of the Corporation's compensation policies and practices is summarized below:

- *Jill Angevine (Chair)* – Ms. Angevine is a Corporate Director and President of Brownstone Asset Management. Ms. Angevine has over 25 years of professional experience in the investment management industry including portfolio management, capital markets and equity research. Ms. Angevine also serves on the board of Tourmaline Oil. Prior to her work as a Corporate Director, Ms. Angevine was a Portfolio Manager at two asset management companies and prior thereto was Vice President and Director, Institutional Research at FirstEnergy Capital Corp. Ms. Angevine holds a Bachelor of Commerce degree from the University of Calgary and has earned the Chartered Public Accountant (CPA,CA), the Chartered Financial Analyst (CFA), and the Institute of Corporate Directors (ICD.D) designations.

- *Stephen Balog* – President of West Butte Management Inc., a private consulting company that provides business and technical advisory services to oil and gas operators. Formerly Principal of Alconsult International Ltd. and prior thereto, President & Chief Operating Officer and a Director of Tasman Exploration Ltd. from 2001 to 2007. Mr. Balog has extensive oil and gas industry experience in the management and operation of senior and junior production companies. Mr. Balog was a key contributor to the development and use of the Canadian Oil & Gas Evaluation Handbook as an industry standard for reserves evaluation, and has previously served on the Petroleum Advisory Committee, Alberta Securities Commission. Mr. Balog is a registered Professional Engineer with the Association of Professional Engineers, Geologists and Geophysicists of Alberta and holds a B.Sc. in Chemical Engineering from the University of Calgary. He is a member of the Society of Petroleum Evaluation Engineers and the Society of Petroleum Engineers.

- *Donald Clague* – Mr. Clague has had an extensive 35 year working career in oil and gas, including diverse experience in North American domestic and frontier areas, as well as internationally in North Africa, Norway and the United Kingdom. His experience includes a broad range of technical and leadership roles with Dome Petroleum, Amoco Canada, Alberta Energy, Amerada Hess Canada, Hardy Oil and Gas Canada, Petro-Canada and Suncor Energy. In 2002, he became VP, Production (North American Natural Gas) at Petro-Canada, responsible for the safe, efficient operations in all field locations across Alberta and BC, including all engineering functions supporting those areas. He spent 3 years in Denver as President, Petro-Canada Resources (USA) focused on tight oil and coalbed methane assets. Upon returning to Canada, he became VP, In Situ Development and Operations, and after the merger with Suncor was appointed VP, Firebag Operations. In 2012, Mr. Clague became the Senior VP, In Situ Business Unit. He moved to the role of Senior VP, Oil Sands Technical and Upstream Services in 2015. In 2018, he retired as the Senior VP, Exploration and Production Business Unit, with personnel in Calgary, St. John’s, Aberdeen, Tripoli, and Stavanger. Mr. Clague graduated from the University of Calgary in 1983 with a B.Sc. in Geophysics. He remains active at the University, sitting on the Dean of Engineering’s Schulich Industry Advisory Council and serves as Chair of the Dean of Science’s Circle. He is a registered P.Geoph. with the Association of Professional Engineers and Geoscientists of Alberta, and has served on executive policy groups with the Canadian Association of Petroleum Producers (CAPP) and the Colorado Oil and Gas Association (COGA).

- *Paul Haggis* – Mr. Haggis is a corporate director with extensive financial and operating experience. He is currently risk committee chair of Home Capital, Director of Alberta Teachers Retirement Fund, Director of Sunshine Village Corporation, and advisor and investor to the Balfour Pacific PE Fund. Past directorships include The Bank of Canada, Governance Chair of PIRET Income Trust, Investment Chair of Insurance Corporation of British Columbia, UBC Investment Management Trust, Canadian Tire Bank, Pargesa Corp Brussels, HR Chair of the Public Sector Pension Investment Board and interim CEO, and Chairman of the Canadian Pacific Railway. Past management experience includes EVP risk and strategy at Manulife Financial, Chief Operating Officer of MetLife Canadian operations, CEO of ATB Financial (formerly Alberta Treasury Branches) and CEO of Ontario Municipal Retirement System (OMERS), and Chairman and interim CEO of

CABancorp Inc. Mr. Haggis is a graduate of Western University, the Directors College of McMaster University and was commissioned in the Canadian Armed Forces.

Mandate of the Compensation Committee

The Compensation Committee assists the Board in meeting their responsibilities by:

- reviewing and reporting to the Board concerning the overall compensation program and philosophy;
- reviewing and recommending to the Board the compensation program, remuneration levels and incentive plans and any changes therein for senior management, including the CEO;
- reviewing and approving corporate goals and objectives relevant to CEO compensation, evaluating the CEO's performance in light of those goals and objectives, and either, as a Committee or together with the independent directors (as determined by the Board), determining and approving the CEO's compensation based on this evaluation;
- making recommendations to the Board with respect to compensation of executive officers other than the CEO and incentive compensation and equity-based plans that are subject to Board approval;
- reviewing the adequacy and form of compensation to the directors ensuring it realistically reflects their responsibilities and risk and making recommendations to the Board;
- reviewing annually and recommending for approval to the Board the executive compensation disclosure and the "Statement of Executive Compensation" disclosure in the Corporation's information circular;
- reviewing annually the Compensation Committee's Terms of Reference;
- administering any incentive plans implemented by the Corporation, in accordance with their respective terms; and
- producing a report on executive officer compensation on an annual basis.

The following compensation advisor was retained by the Corporation in the last two most recently completed financial years:

Consultant	Year Retained	Mandate	Executive Compensation-Related Fees (includes GST)	All Other Fees
Mercer (Canada) Ltd.	2021	Total compensation benchmarking, long term incentive plan design and executive compensation benchmarking	$62,449	Nil
Mercer (Canada) Ltd.	2020	Total compensation benchmarking	$7,875	Nil

The Corporation originally retained Mercer (Canada) Ltd. in 2006.

Compensation Committee Review Process

The Compensation Committee reviewed the compensation of the Named Executive Officers for the year ended December 31, 2021 to ensure that such compensation attracted and retained a strong management team and recommended to the Board for approval the compensation of such Named Executive Officers. In making salary determinations, the Compensation Committee considers individual salaries paid to executives of other organizations within the energy industry. The Corporation participates in the annual Mercer Total Compensation Survey for the Energy Sector, the most recent survey dated April 1, 2021 (the "**Mercer Survey**"), to assist with benchmarking compensation as compared to peers that operate in business environments similar to Advantage and produce between 10,000 and 100,000 barrels of oil equivalent per day. In addition to the Mercer Survey, the Corporation reviews Named Executive Officer total compensation and pay practices disclosed in management information circulars for several specific industry peers. The Corporation generally targets each executive's total compensation at approximately the 50th percentile of comparable positions with the opportunity for the executive to increase total compensation through meeting and exceeding performance objectives that will impact at-risk compensation. The specific industry peer companies ("**2021 Peer Group**") utilized for compensation benchmarking were as follows:

2021 Peer Group	**Total Assets(1)(3) ($000)**	**Cash Flow From Operating Activities(2)(3) ($000)**	**Market Capitalization(1) ($000)**	**Gas Production(2)(3) %**
ARC Resources Ltd.	11,380,300	2,006,500	7,975,250	62
Baytex Energy Corp.	4,834,643	712,384	2,663,085	22
Birchcliff Energy Ltd.	2,959,967	515,369	1,660,233	79
Cardinal Energy Ltd.	1,075,828	125,121	792,829	12
Crescent Point Energy Corp.	9,171,200	1,495,800	4,745,974	14
Crew Energy Inc.	1,490,658	119,156	436,093	77
Enerplus Corporation	1,990,084	604,839	3,252,986	39
Headwater Exploration Inc.	488,807	111,656	1,121,057	10
Kelt Exploration Ltd.	913,497	159,714	911,770	63
NuVista Energy Ltd.	2,391,984	338,578	1,583,943	58
Peyto Exploration & Development Corp.	3,784,195	457,874	1,585,664	87
Pipestone Energy Corp.	886,168	157,864	744,725	55
Spartan Delta Corp.	1,742,414	279,766	914,688	67
Surge Energy Inc.	1,275,447	100,484	367,604	84
Tamarack Valley Energy Ltd.	2,328,153	297,894	1,566,711	31
Tourmaline Oil Corp.	15,292,093	2,847,117	13,512,322	78
Whitecap Resources Inc.	6,878,228	1,123,919	4,563,256	24
Median(4)	2,161,572	338,578	1,575,327	60
Advantage Energy Ltd.	1,994,990	223,152	1,414,043	91
Advantage's Percentile(4)	47**%**	31**%**	41**%**	100**%**

Notes:

(1) Represents the value at December 31, 2021.

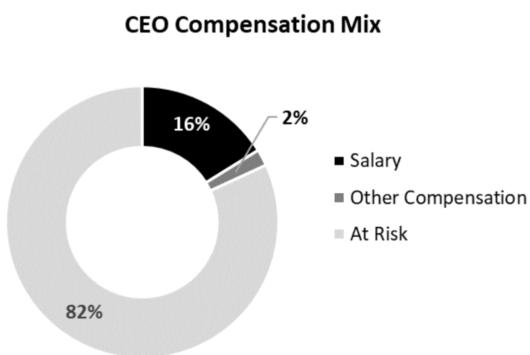
(2) Represents the value for the year ended December 31, 2021.

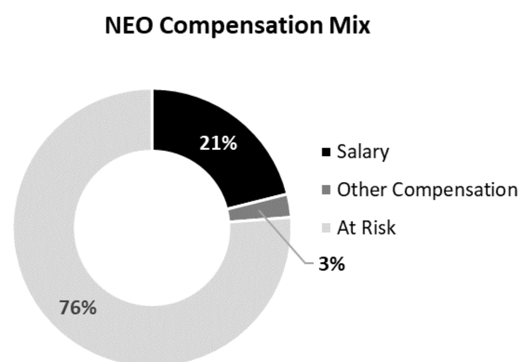
(3) Information was obtained from documents filed publicly by the 2021 Peer Group on their issuer profiles on SEDAR at www.sedar.com.

(4) Calculated including Advantage within the dataset. If there are an even number of peers the median will be calculated as an average of the two middle values within the dataset.

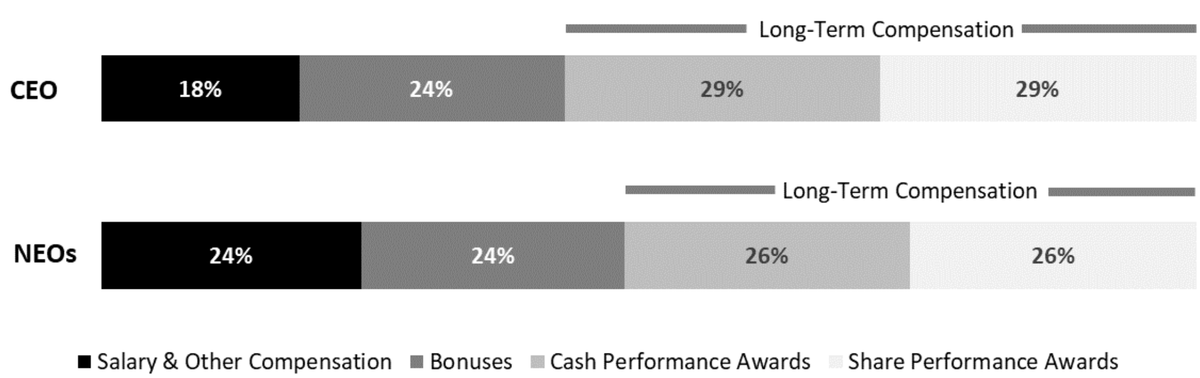
Components of Compensation

Total compensation for the Named Executive Officers in 2021 consisted of base salary, bonuses, certain perquisites and benefits including contributions to the employee share purchase plan of Advantage (the "**Purchase Plan**"), share-based performance awards ("**Share Performance Awards**") under the Corporation's restricted and performance award incentive plan (the "**Share Award Plan**") and cash-based performance awards ("**Cash Performance Awards**") under the Corporation's performance award incentive plan ("**Cash Award Plan**"). The 2021 compensation details for the CEO and all other NEOs are as follows:





Below is a further breakdown of CEO and all other NEOs compensation by component.



The Compensation Committee endeavours to find an appropriate balance between fixed and at-risk compensation and cash-based versus equity-based incentive compensation. Cash compensation (base salary, benefits and perquisites and a discretionary annual bonus) primarily rewards short-term internal and individual performance measures. Cash Performance Awards and Share Performance Awards are meant to align with market performance and encourages the Named Executive Officers to deliver improved corporate performance over a longer period of time so the Corporation's value continues to grow. The Compensation Committee reviews the compensation evaluation provided by Management and consults with the CEO before making a determination to recommend approval of or changes to compensation to the full Board.

In assessing individual executive performance, consideration is given to factors such as level of responsibility, experience and expertise, as well as more subjective factors such as leadership and performance in the Named Executive Officer's specific role. The Compensation Committee also considers quantitative factors in determining compensation of Named Executive Officers such as financial and operational results, reserves growth, staff development, corporate governance, environmental, health and safety and the vision and growth strategy of the Corporation. For annual long-term compensation awards, the Compensation Committee primarily considers a Named Executive Officer's potential for future high-quality performance and leadership as part of the executive management team, taking into account past performances as a key indicator.

Risk Adjusted Compensation

As part of its review of the Corporation's compensation program for the year ended December 31, 2021, the Compensation Committee considered whether the compensation program provided executive officers with adequate incentives to achieve both short-term and long-term objectives without motivating them to take inappropriate or excessive risks. This assessment was based on a number of considerations including, without limitation, the following:

- a total compensation program appropriately balanced between fixed and at-risk compensation and short-term and long-term compensation designed to reward individual performance and encourage delivery of favourable results over both a short and longer period of time;

- the terms of the Share Award Plan and Cash Award Plan provide that Share Performance Awards and Cash Performance Awards vest three years after the date of grant. This encourages executive officers to continue to create favourable results over a longer period of time, provides retention and reduces the risk of actions that may create unfavourable impacts in the short-term;

- a portion of executive compensation in the form of annual bonuses is not guaranteed and is at-risk year-over-year. The Board has discretion to pay bonuses to Named Executive Officers based on recommendations made by the Compensation Committee, which are based on internal corporate, administrative, operating and financial and reserve addition performance as compared to annual quantitative and qualitative targets;

- the Corporation's compensation program is structured consistently for all executive officers within the Corporation;

- the overall compensation program is market-based and aligned with the Corporation's business plan and long-term strategies; and

- certain share ownership guidelines and policies that have been implemented by the Corporation for the NEOs. See *"Executive Compensation – Share Ownership Policies"* in this Information Circular.

The Compensation Committee has not identified any risks that are reasonably likely to have a material adverse effect on the Corporation.

Salary

Named Executive Officers' salaries are reviewed annually and are established taking into consideration individual salaries of executives at comparable companies within the energy industry, including utilization of the Mercer Survey. Base salaries are designed to provide income certainty and to attract and retain executive management. The process undertaken by the Compensation Committee to determine the CEO's salary requires that the CEO receive an industry competitive salary, as approved by the Board. All NEO’s base salary levels were at the median range for energy issuers similar to Advantage in 2021.

Bonus Plan

The Board has discretion to pay bonuses to Named Executive Officers based upon recommendations made by the Compensation Committee. The Compensation Committee reviews and considers feedback from the CEO and makes a recommendation to the Board for approval. The payment of annual bonuses is designed to reward company and individual performance of the Named Executive Officers and is based on annual objectives and targets. The Compensation Committee and the Board will give appropriate consideration to a variety of quantitative and qualitative factors including, internal corporate, operating, financial, health, safety and environment, reserve additions and administration achievements.

Key accomplishments factored into the bonus determination for 2021 include the following:

	Key Accomplishments
Financial	✓ Exceeded all key 2021 Budget metrics and broke corporate records for production, AFF and FCF. ✓ Generated annual 2021 cash provided by operating activities of $223 million and AFF of $235 million or $1.24/share. ✓ Maintained a strong balance sheet with a 2021 year-end net debt of $165 million on a $350 million credit facility. ✓ Achieved a net debt to adjusted funds flow ratio of 0.7x, below our target of 1.0x. ✓ Achieved a low payout ratio of 0.6x. ✓ Maintained our position as a low cost Montney natural gas producer, including low operating expenses of $2.49/boe.
Operations	✓ Achieved record annual production of 49,445 boe/d, up 10% over 2021, including liquids production of 4,493 bbls/d, an increase of 2%. ✓ Captured strong AECO pricing through timed increase in gas production. ✓ Enhanced cash provided by operating activities through optimization of our market diversification positions. ✓ Drilled 25 gross (22.4 net) wells and completed 29 gross (26.4 net) across our properties. Average initial well performance continues to exceed previous programs. ✓ Increased drill rates by 17%. ✓ Started construction of the Phase 1 CCS project at the Glacier Gas Plant ✓ Maintained low operating cost structure ✓ Attracted additional third-party gas for processing at the Glacier Gas Plant utilizing spare processing capacity ✓ Added 12 net sections of land to our core assets, increasing total corporate Montney land holdings to 228 net sections
Reserves	✓ Realized a PDP FD&A cost of $5.23/boe for the year ended December 31, 2021 and a three-year average of $6.06/boe. ✓ Achieved a 1P FD&A cost of $6.54/boe for the year ended December 31, 2021 and a three-year average of $4.47/boe, including the change in FDC.

	Key Accomplishments
	✓ Achieved a 2P FD&A cost of $5.82/boe for the year ended December 31, 2021 and a three-year average of $4.40/boe, including the change in FDC. ✓ PDP reserves increase 10.4%, 1P reserves increased 1.8%, 2P reserves increase 4.0%. ✓ Reserves life index ("**RLI**") for PDP was 7 years, 1P was 23 years, 2P was 32 years based on the Corporation's average fourth quarter 2021 production rate of approximately 47,940 boe/d (consisting of 261,530 mcf/d of conventional natural gas, 1,828 bbls/d of light crude oil and medium crude oil and condensate and 2,524 bbls/d of NGLs). ✓ Replaced 163%, 138% and 218% of 2021 annual production on a PDP, 1P and 2P reserves basis, respectively, with a 4% increase in 2P reserves to 553 mmboe (3.32 Tcfe). 2021 recycle ratios of 3.5, 2.8 and 3.1 were achieved for PDP reserves additions, 1P reserve additions and 2P reserve additions, respectively. ✓ Achieved milestones in the Corporation's liquids-focused transition, demonstrated by its reserves additions and operating results. These enhanced the Corporation's portfolio of investment opportunities while preserving its low-cost prolific gas foundation.
Health, Safety and Environment	✓ Achieved a score of 100% in the Certificate of Recognition audit program, which is an independent provincially administered program that requires stringent quality standards and execution of the Corporation’s environment, health and safety management practices. ✓ Achieved a 25.7 rating on the Alberta Liability Management Rating as of December 31, 2021. ✓ Established Entropy, a commercial carbon capture and storage company. ✓ Received a $20 million grant from the Government of Alberta’s Industrial Energy Efficiency and Carbon Capture Utilization and Storage Program to partially fund the Glacier Phase 1 project.

In March 2021, Advantage introduced the creation of Entropy Inc. (“**Entropy**”), a global leader in post-combustion modular carbon capture and storage (“**MCCS**”) through exclusive energy efficient technology combined with a new patent-pending proprietary solvent. Entropy's collaborative partnership with experts in the field is expected to safely reduce emissions while achieving costs lower than current carbon prices. The MCCS technology can be retrofitted to most point-source industrial emissions, including sectors that are difficult to decarbonize like power generation, blue hydrogen, liquefied natural gas (“**LNG**”), oil and gas processing, and production of cement and steel.

Based on 2021 achievements, the Corporation had another year of strong performance in a challenging Canadian oil and gas industry environment. Advantage's key 2021 annual budget parameters were met while maintaining financial discipline and the overall results were determined by the Compensation Committee and Board to be above average performance. Bonuses were determined based on Mercer quartile rankings and peer group data relative to each Named Executive Officer's performance. Bonuses paid to the Named Executive Officers for the year ended December 31, 2021, totalled $2,102,000, an increase of 103% from 2020.

Long-Term Compensation

The Corporation's long-term compensation consists of both equity-based and cash-based incentive awards. This encourages executive officers to continue to create favourable results over a long period of time and reduces the risk of actions that may have only short-term advantages. The Corporation's equity-based incentive awards currently consist of Share Performance Awards granted pursuant to the Share Award Plan. In 2017 and 2018, the Compensation Committee granted 100% of long-term compensation in the form of Share Performance Awards to enhance the long-term alignment of such awards with multiple key performance metrics. Effective April 18, 2019, the Corporation implemented the Cash Award Plan under which Cash Performance Awards are granted. In 2019, 2020 and 2021, the Compensation Committee granted 50% of long-term compensation in the form of Share Performance Awards and 50% in the form of Cash Performance Awards to continue the long-term alignment of such awards with multiple key performance metrics. Total outstanding Share Performance Awards represent 2.6% of Advantage's total outstanding Shares as at December 31, 2021.

Share Award Plan

The Share Award Plan grants Share Performance Awards to persons who are employees or officers of the Corporation or any affiliate (as defined in the ABCA) of Advantage ("**Advantage Affiliate**") or who are consultants or other service providers to the Corporation or any Advantage Affiliate (collectively, "**Service Providers**"). Share Performance Awards granted in 2019, 2020 and 2021 represented 0.4%, 1.1% and 0.7% of Advantage's total outstanding Shares at December 31, 2019, December 31, 2020 and December 31, 2021. Share Performance Awards cliff vest (all at once) after three years from the date of grant. On the vesting date the number of Share Performance Awards is multiplied by a Payout Multiplier (as defined herein) applicable to the grant year and multiplied by the previous five day volume weighted average trading price on the TSX of the Shares to determine the Share Performance Award amount.

For the purposes of the Share Award Plan, "**Corporate Performance Measures**" for any grant that the Compensation Committee in its sole discretion shall determine, means the performance measures to be taken into consideration in granting Share Performance Awards under the Share Award Plan and determining the payout multiplier by the Compensation Committee (the "**Payout Multiplier**") which may include, without limitation, the following: (a) the percentile rank, expressed as a whole number, of, with respect to any period, the total return to Shareholders on the Common Shares calculated using cumulative dividends, if any, on a reinvested basis and the change in the trading price of the Common Shares on the TSX over such period (the "**Total Shareholder Return**") relative to returns calculated on a similar basis on securities of members of the 2021 Peer Group over the applicable period (the "**Relative Total Shareholder Return**" or "**Relative TSR**"); (b) annual cash flow per Common Share; (c) absolute or relative cost structure; (d) capital efficiency; (e) key leading and lagging indicators of health, safety and environmental performance; (f) the development and execution of the Corporation's strategic plan as determined by the Board; (g) reserves growth or reserves addition efficiencies; and (h) such additional measures as the Compensation Committee or the Board, in its sole discretion, shall consider appropriate in the circumstances.

The current Corporate Performance Measures by grant year along with the Payout Multiplier ranges is summarized below:

Corporate Performance Measures	2019 Grant	2020 Grant	2021 Grant
Relative Total Shareholder Return	33%	33%	25%
Relative Cost Structure	33%	33%	25%
Absolute Capital Efficiency	33%	33%	
Relative Recycle Ratio			25%
Absolute Free Cash Flow			25%
Health, Safety and Environment[(1)]	✓	✓	✓
Payout Multiplier Range	0 to 2.5	0 to 2.5	0 to 2.0

Note:

(1) In determining the amount of Share Performance Awards granted and the final Payout Multiplier by the Board, any incentive compensation is entirely dependent on the overall success of our health, safety and environmental program.

The 2018 grant of Share Performance Awards vested on April 12, 2021 and the Compensation Committee assessed the Corporate Performance Measures for 2018 to 2020, inclusive. Upon recommendation by the Compensation Committee, the Board of Directors approved a Payout Multiplier of 1.84, recognizing the outstanding achievement of the Corporate Performance Measures during such three-year period.

For further details see "*Restricted and Performance Award Incentive Plan Summary*" in Schedule "B" to this Information Circular.

Cash Award Plan

In 2019, 2020 and 2021, the Compensation Committee granted Cash Performance Awards to enhance the long-term alignment with key performance metrics. The terms of the Cash Award Plan provide that Cash Performance Awards vest three years after the date of grant and are settled in cash only.

The current Corporate Performance Measures by grant year along with the Payout Multiplier ranges is summarized below:

Corporate Performance Measures	**2019 Grant**	**2020 Grant**	**2021 Grant**
Relative Total Shareholder Return	25%	25%	25%
Relative Cost Structure	25%	25%	25%
Absolute Capital Efficiency	25%	25%	
Development and Execution of Strategic Plan	25%	25%	
Relative Recycle Ratio			25%
Absolute Free Cash Flow			25%
Health, Safety and Environment(1)	✓	✓	✓
Payout Multiplier Range	0 to 2.5	0 to 2.5	0 to 2.0

Burn Rates

The following table sets forth the annual burn rate for each of the three most recently completed fiscal years for the Corporation's equity-based incentive plan, the Share Award Plan. The burn rate has been calculated by dividing the number of awards granted under the Share Award Plan during the applicable fiscal year, by the weighted average number of Shares outstanding for the applicable fiscal year:

Plans	**2019**	**2020**	**2021**
Share Performance Awards(1)	0.89%	1.13%	0.65%
Total	0.89%	1.13%	0.65%

Note:

(1) Assuming a payout multiplier of 1.

Other Compensation

Employee Share Purchase Plan

Under the Purchase Plan, all full-time employees of Advantage may contribute an amount of their regular base salary ranging from a minimum of 0% to a maximum of 5% (in 1% increments), excluding bonuses, deferred compensation, overtime pay, statutory holiday pay or any special incentive compensation payments. Advantage will match the contribution on a 2:1 basis. Advantage uses the contributions to acquire Common Shares on behalf of the employees through open market purchases at the current market price on the TSX. Advantage's Named Executive Officers are eligible to participate in the Purchase Plan on the same basis as all other full-time employees of Advantage. For the year ended December 31, 2021, $165,000 was contributed by Advantage to match the contributions of the Named Executive Officers.

Perquisites and Benefits

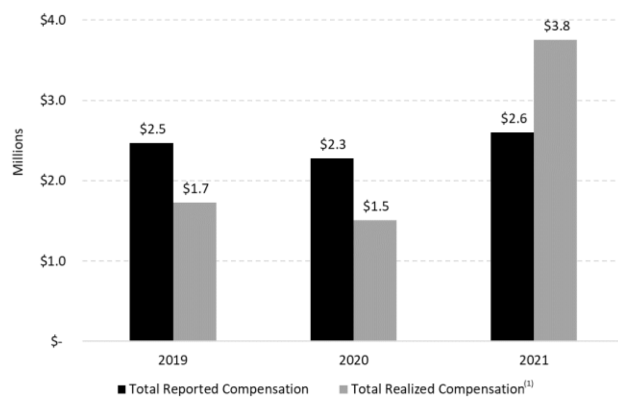
To attract and retain high quality executive talent and offer competitive levels of compensation, Advantage provides certain perquisites and benefits to the Named Executive Officers. Perquisites and benefits are reviewed periodically to ensure an appropriate benefit level is maintained. Executive officers are eligible for benefits paid by Advantage, including life insurance, accidental death and dismemberment insurance, short-term disability insurance, supplementary medical and dental benefits and paid parking.

Pension Plans and Retiring Allowances

Advantage does not currently provide its Named Executive Officers, including the CEO, with pension plan benefits or retiring allowances.

Reported versus Realized CEO Compensation

The Corporation is required to report total compensation in a format as prescribed by Form 51-102F6 (see "*Executive Compensation – Compensation Discussion and Analysis – Summary Executive Compensation Tables*"). However, such reported total compensation may be different from "realized" or "take-home" compensation for a given year as equity-based incentive awards generally vest three years after grant date and are therefore subject to change in Share price and determination of a Payout Multiplier, based on Corporate Performance Measures, at that time. The following chart summarizes the actual realized compensation received by the CEO in each of the last three years as compared to the reported total compensation.



Note:

(1) Total realized compensation includes salary, bonus and the value of Share Performance Awards that vested in the year.

This chart demonstrates the continued strong alignment of Advantage's compensation program with that of Shareholders. Mr. Mah's total realized compensation for 2019 through 2021 was approximately 95% of reported total compensation as a result of the fluctuations in Share price performance impacted mostly by macro-economic factors when Share Performance Awards vested.

Share Ownership Policies

The Board has a mandatory share ownership policy for executive officers, which required Mr. Mah to acquire and hold equity securities of the Corporation with a minimum aggregate market value or cost of four times his annual base salary. All other NEOs are required to acquire and hold equity securities of the Corporation with a minimum aggregate market value or cost of three times their annual base salary. All NEOs have a period of five (5) years from the date of the implementation of the policy, or from the date of their appointment, whichever is later, to acquire the value required. Compliance with the policy will be confirmed on December 31 of each year. The NEOs were all in compliance at December 31, 2021 with this mandatory share ownership policy as depicted in the following table:

Name	Actual Share Ownership (#)		Change in Share Ownership (%)	Actual Share Ownership value(1) ($)		Change in Share Ownership value (%)	Meets Share Ownership in 2021
	December 31, 2020	December 31, 2021		December 31, 2020	December 31, 2021		
Andy Mah(2)	1,452,245	650,826	-55%	2,483,339	4,822,621	94%	Yes
Michael Belenkie	103,245	284,315	175%	176,549	2,106,774	1093%	Yes
Craig Blackwood	719,650	857,614	19%	1,230,602	6,354,920	416%	Yes
Neil Bokenfohr	1,156,808	1,327,015	15%	1,978,142	9,833,181	397%	Yes
David Sterna	52,117	160,982	209%	89,120	1,192,877	1239%	Yes

Notes:

(1) The value is calculated based on the number of Shares owned at December 31, 2020 and December 31, 2021 multiplied by the market price of Shares at December 31, 2020, being $1.71 and at December 31, 2021, being $7.41 per Share.

(2) As announced by the Corporation in 2021, in connection with his pending retirement, Mr. Mah entered into an automatic securities disposition plan to facilitate selling Shares for estate planning purposes.

The Named Executive Officers have continued to increase their share ownership resulting in an overall rise of insider ownership. Increases in share ownership and value has been more significant for Messrs. Belenkie and Sterna whom joined the Corporation in 2018 and have exceeded the minimum Share Ownership Policy in 2021, earlier than the five (5) year timeframe from being named an NEO. For the NEOs that exceed the mandatory minimum share ownership policy, the NEOs may occasionally dispose of Shares or settle the vesting and exercise of equity-based incentive awards in cash for financial and estate planning purposes, portfolio diversification or to pay taxes, as applicable.

Clawback Policy

In order to ensure that policies and processes are in place to govern responsible and ethical behaviors amongst executive officers and to mitigate the risk of material fraud or misconduct by an executive officer, the Board has implemented an Executive Incentive Compensation Clawback Policy (the "**Clawback Policy**") applicable to the Corporation's executive officers whereby if:

- an executive officer engages in fraud or intentional illegal conduct which materially contributed to the need for a restatement of the Corporation's financial statements;
- the executive officer received incentive compensation calculated on the achievement of those financial results; and
- the amount of any such incentive compensation actually paid or awarded to an executive officer would have been a lower amount had it been calculated based on such financial statements,

then the Clawback Policy provides that the Compensation Committee may, at their sole discretion, subject to certain exceptions and taking into account such considerations as it deems appropriate, seek to recover for the benefit of the Corporation the excess of the incentive compensation (includes bonuses and other incentive and equity compensation awarded to each of the Corporation's executive officers) the executive officer would have received if the incentive compensation had been computed in accordance with the results as restated, calculated on an after-tax basis.

Hedging Restrictions

Pursuant to Advantage's Disclosure, Confidentiality and Trading Policy, directors and NEOs may not knowingly sell, directly or indirectly, a security of the Corporation if such person selling such security does not own or has not fully paid for the security to be sold. In addition, directors and NEOs may not, directly or indirectly, buy or sell a call or put in respect of a security of the Corporation. Notwithstanding these prohibitions, a director or NEO of the Corporation may sell a security which such person does not own if such person owns another security convertible into such security or an option or right to acquire such security sold, and within 10 days after the sale, such person: (i) exercises the conversion privilege, option or right and delivers the securities so associated to the purchaser; or (ii) transfers the convertible security, option or right, if transferable, to the purchaser.

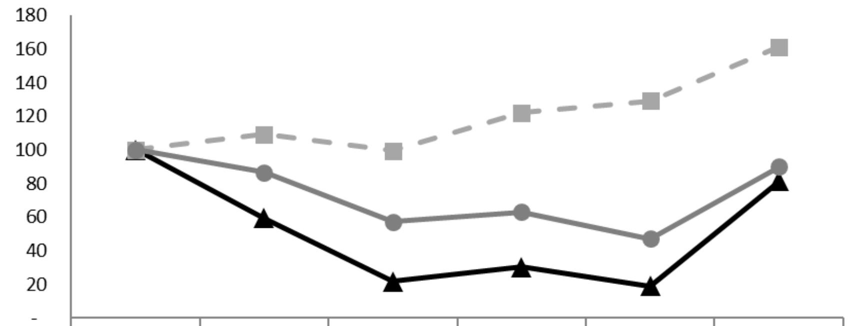
Other than as disclosed above, Advantage does not have any written policies that prohibit a director or NEO from purchasing other financial instruments, including, for greater certainty, forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the director or NEO.

Shareholder Outreach

The Corporation engages its Shareholders on an ongoing basis and in a variety of ways, tailored to the specific needs of each Shareholder group, including attending and participating in numerous investor conferences throughout the year, where members of the Corporation's senior management team meet with Shareholders. The Corporation also conducts numerous roadshows in a variety of cities to meet with Shareholders and potential shareholders. In fact, from 2019 through 2021, senior management have had more than 300 separate instances of engagement with current and potential Shareholders. In addition to the foregoing, information is also provided to investors through the Corporation's website at www.advantageog.com and investors may contact the Investor Relations department by mail, email (ir@advantageog.com) or phone (1-866-393-0393).

Performance Graph

The following graph illustrates Advantage's five-year cumulative Shareholder return, as measured by the closing price of the Common Shares at the end of each financial year, assuming an initial investment of $100 on December 31, 2016, compared to the S&P/TSX Composite Index and the S&P/TSX Oil & Gas Exploration & Production GICS Sub Industry Index.



	2016-12-31	2017-12-31	2018-12-31	2019-12-31	2020-12-31	2021-12-31
Advantage Energy Ltd.	100	59	22	30	19	81
S&P/TSX Composite Index Total Return Index Value	100	109	99	122	129	161
S&P/TSX Oil & Gas Exploration & Production GICS Sub Industry Total Return Index Value	100	86	57	63	47	90

Advantage is a pure Montney development company with a clearly defined strategy that it has successfully and systematically executed. Advantage has grown Montney production at a compound annual growth rate of approximately 14% in the last 10 years to 49,445 boe/d for 2021, increased liquids production to 9% of total corporate production (38% compound annual growth rate in the last 5 years), maintained the Corporation' position as a leading low cost Montney producer, grown reserves efficiently with a three-year average 2P FD&A cost of $4.40/boe (including the change in FDC) and replaced over 218% of 2021 annual production, strategically expanded key infrastructure including the Glacier Gas Plant and the Valhalla and Wembley liquids handling hubs to accommodate liquids development, all while reducing leverage with net debt to adjusted funds flow ratio of 0.7 at December 31, 2021.

Advantage's Share price increased significantly to 2016 in conjunction with its strategic execution of its pure Montney development, exceeding both the S&P/TSX Composite Index and the S&P/TSX Oil & Gas Exploration & Production GICS Sub Industry Index total return. Although Advantage's Share price remained strong through much of 2017, beginning in the third quarter Advantage's Share price was dramatically impacted as Alberta natural gas prices experienced significant volatility and downward pressure due to third party pipeline maintenance and lagging expansion activities that resulted in producer curtailments and transportation restrictions. Capital markets reacted harshly to all producers, creating an unprecedented loss of investment into the sector as political wavering weighed on the ability of pipeline capacity to meet supply growth's need for access out of the basin to alternative markets. These events continued through 2018 and 2019 and Advantage's Share price remained within a narrow trading range. Although Alberta natural gas prices improved in 2020 with more relative strength and stability as compared to crude oil, the COVID-19 pandemic introduced new significant global uncertainty and investor apprehension regarding commodity supply and demand that resulted in considerable volatility through the year and negative share price performance for the entire industry, including Advantage. With aggressive vaccination distribution and emerging from some of the tightest COVID-19 restrictions, we entered 2021 with renewed enthusiasm for commodity demand recovery and supply restraint. Natural gas prices increased significantly in 2021 with some of the strongest prices realized by Advantage in years leading to higher cash flows, considerable debt reductions, and a tremendous 2021 Share price increase of 333% to $7.41.

Advantage continues to remain acutely focused on its strategy through such markets and has recognized substantial achievements. However, with the decrease in Share price performance during the last several years, total compensation paid to the NEOs has similarly decreased with an 8% reduction in 2020 as compared to 2019, an 8% reduction in 2019 as compared to 2018, and a 12% reduction in 2018 as compared to 2017, excluding Messrs. Belenkie and Sterna whom are recent new executive's having joined the Corporation in 2018. With the significant accomplishments of the business in 2021 and the 333% increase in Share price, total compensation for the five NEOs increased 19% in 2021 as compared to 2020.

Management Service Agreement

Advantage entered into a Management Service Agreement ("**MSA**") with Entropy, a subsidiary of Advantage, effective May 5, 2021 where Advantage agreed to share its personnel to perform, among other things, certain administrative, accounting, financial, strategic, planning and management services in favour of Entropy. Advantage invoices Entropy on a monthly basis for the performance of services and the personnel supplied by Advantage based on rates agreed to on an annual basis for each personnel. Such personnel remain as employees of Advantage and are not employees of Entropy.

Summary Executive Compensation Tables

The following table sets forth information concerning the compensation paid to the NEOs for the years ended December 31, 2019, 2020 and 2021:

Name and principal position	Year	Salary(1) ($)	Share-based awards(2) ($)	Option-based awards(5) ($)	Non-equity incentive plan compensation ($)		Pension value ($)	All other compensation (6)(7)(8) ($)	Total compensation ($)
					Annual incentive plans(3)	Long-term incentive plans(4)			
Andy Mah Chief Executive Officer(9)	2021 2020 2019	420,000 420,000 420,000	750,000 749,999 749,999	Nil Nil Nil	630,000 308,750 500,000	750,000 750,000 750,001	Nil Nil Nil	93,299 50,790 51,036	2,643,299 2,279,539 2,471,036
Michael Belenkie President and Chief Operating Officer(10)	2021 2020 2019	355,000 355,000 340,000	575,000 575,000 500,000	Nil Nil Nil	532,000 243,750 350,000	575,000 575,000 500,000	Nil Nil Nil	198,849 43,774 42,754	2,235,849 1,792,524 1,732,755
Craig Blackwood Chief Financial Officer	2021 2020 2019	295,000 295,000 285,000	350,000 349,999 375,001	Nil Nil Nil	375,000 169,000 240,000	350,000 350,000 374,999	Nil Nil Nil	115,417 37,656 37,061	1,485,417 1,201,655 1,312,061
Neil Bokenfohr Senior Vice President	2021 2020 2019	310,000 310,000 310,000	425,000 425,000 425,000	Nil Nil Nil	340,000 185,250 300,000	425,000 425,000 425,000	Nil Nil Nil	81,875 39,387 39,649	1,581,875 1,384,637 1,499,649
David Sterna Vice President, Marketing and Commercial	2021 2020 2019	270,000 270,000 268,333	250,000 250,000 225,000	Nil Nil Nil	225,000 130,000 200,000	250,000 250,000 225,000	Nil Nil Nil	62,601 34,207 39,242	1,057,601 934,207 957,574

Notes:

(1) The total salary amount includes amounts related to the performance of services for Entropy through the MSA in 2021 being $8,700 for Mr. Mah, $138,880 for Mr. Belenkie, $141,329 for Mr. Blackwood, $16,275 for Mr. Bokenfohr and $0 for Mr. Sterna, which amounts are invoiced by Advantage to Entropy on a monthly basis and paid by Entropy to Advantage.

(2) Represents the grant date fair value of Share Performance Awards granted under the Share Award Plan (there have been no grants of Restricted Awards). Specifically, the fair value of the Share Performance Awards was based on the closing trading price on the TSX on the trading day immediately prior to the date of grant at a Payout Multiplier of one times. Advantage uses this methodology as it is a commonly recognized means of calculating a meaningful and reasonable estimate of fair value. The actual value of Share-based awards vesting can fluctuate significantly from the grant date fair value method of valuation as a result of changes in the trading price of the Shares and determination of the Payout Multiplier.

(3) Reflects cash bonuses earned in 2019 and paid in 2020, cash bonuses earned in 2020 and paid in 2021 and cash bonuses earned in 2021 and paid in 2022.

(4) Represents the grant date fair value of Cash Performance Awards granted under the Cash Award Plan. Specifically, the fair value of the Cash Performance Awards was based on a Payout Multiplier of one times. The actual value of Cash Performance Awards can fluctuate significantly from the grant date fair value as a result of changes in the Payout Multiplier.

(5) Advantage did not grant any Options to the NEOs in the years ended December 31, 2019, 2020 and 2021 and Advantage does not provide pension plan compensation.

(6) Perquisites received by each of the NEOs including property or other personal benefits provided to the NEOs include: life insurance; parking allowance; fitness allowance, the Purchase Plan and the value of option-based awards granted by Entropy to the NEOs (see note 8 below). These benefits (other than the Entropy options) are intended to be comparable with those that the NEOs would receive if employed elsewhere in the industry.

(7) Other compensation includes contributions made by Advantage on behalf of NEOs pursuant to the matching provisions of the Purchase Plan. Advantage contributed under the Purchase Plan for the NEOs an aggregate of $167,333 in 2019, $164,584 in 2020 and $165,000 in 2021.

(8) In 2021, each of the NEOs received option-based awards issued by Entropy. Options were valued using the Black-Scholes model at the time of grant. Value included in all other compensation for each of the NEOs includes $42,120 for Mr. Mah, $154,440 for Mr. Belenkie, $77,220 for Mr. Blackwood, $42,120 for Mr. Bokenfohr and $28,080 for Mr. Sterna.

(9) Mr. Mah's title with the Corporation changed from President and Chief Executive Officer to Chief Executive Officer on November 11, 2019. Mr. Mah retired from his role as Chief Executive Officer on December 31, 2021.

(10) In addition to having the title of Chief Operating Officer, Mr. Belenkie was promoted to President of the Corporation on November 11, 2019. Mr. Belenkie was appointed to the role of President and Chief Executive Officer effective January 1, 2022.

Incentive Plan Awards

Outstanding Share-based Awards and Option-based Awards

The following table sets forth for each Named Executive Officer share-based awards outstanding at the end of the year ended December 31, 2021. The Corporation did not have any option-based awards outstanding at the end of the year ended December 31, 2021.

	Option-based Awards(1)				**Share-based Awards**(2)			
Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money options ($)**	**Share vesting date**	**Number of Shares that have not vested (#)**	**Market or payout value of share-based awards that have not vested(3) ($)**	**Market or payout value of vested share-based awards not paid out or distributed(4) ($)**
Andy Mah	Nil	N/A	N/A	N/A	April 8, 2022 April 20, 2023 April 12, 2024	350,467 431,034 247,525	2,596,960 3,193,962 1,834,160	Nil
Michael Belenkie	Nil	N/A	N/A	N/A	April 8, 2022 April 20, 2023 April 12, 2024	233,645 330,460 189,769	1,731,309 2,448,709 1,406,188	Nil
Craig Blackwood	Nil	N/A	N/A	N/A	April 8, 2022 April 20, 2023 April 12, 2024	175,234 201,149 115,512	1,298,484 1,490,514 855,944	Nil
Neil Bokenfohr	Nil	N/A	N/A	N/A	April 8, 2022 April 20, 2023 April 12, 2024	198,598 244,253 140,264	1,471,611 1,809,915 1,039,356	Nil
David Sterna	Nil	N/A	N/A	N/A	April 8, 2022 April 20, 2023 April 12, 2024	105,140 143,678 82,508	779,087 1,064,654 611,384	Nil

Notes:

(1) Share options were issued by Entropy to the NEOs on June 30, 2021 as follows:

Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money options (i) ($)**
Andy Mah	27,000	5.00	June 30, 2031	Nil
Michael Belenkie	99,000	5.00	June 30, 2031	Nil
Craig Blackwood	49,500	5.00	June 30, 2031	Nil
Neil Bokenfohr	27,000	5.00	June 30, 2031	Nil
David Sterna	18,000	5.00	June 30, 2031	Nil

Notes:

i. Entropy is a private company and its shares are not traded on a public stock exchange. Therefore the value of the options cannot be ascertained as at December 31, 2021.

(2) Represents Share Performance Awards granted pursuant to the Share Award Plan.

(3) The value is calculated by multiplying the number of Shares issuable pursuant to unvested Share Performance Awards (assuming a Payout Multiplier of one times) by the market price of the Shares at December 31, 2021, being $7.41 per Share.

(4) There were no Share Performance Awards that were vested and not paid out or distributed at December 31, 2021.

Value Vested or Earned During the Year

The following table sets forth for each Named Executive Officer, the value of share-based awards which vested during the year ended December 31, 2021 and the value of non-equity incentive plan compensation earned during the year ended December 31, 2021. The vesting terms are subject to the Share Award Plan, as applicable. The Corporation did not have any option-based awards outstanding during the year ended December 31, 2021.

Name	Option-based awards – Value vested during the year ($)	Share-based awards – Value vested during the year[1] ($)	Non-equity incentive plan compensation – Value earned during the year[2] ($)
Andy Mah	N/A	2,620,199	630,000
Michael Belenkie	N/A	949,346	532,000
Craig Blackwood	N/A	1,164,531	375,000
Neil Bokenfohr	N/A	1,455,668	340,000
David Sterna	N/A	613,410	225,000

Notes:

(1) The value is calculated by multiplying the number of Shares issuable pursuant to vested Share Performance Awards by the Payout Multiplier and the market price of the Shares on the vesting date.

(2) Reflects cash bonuses earned in 2021 and paid in 2022.

(3) None of the options issued by Entropy to the NEOs vested during the year-ended December 31, 2021.

Securities Authorized for Issuance under Equity Compensation Plans

The following sets forth information in respect of securities authorized for issuance under the Corporation's equity compensation plans as at December 31, 2021.

Equity Compensation 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)) (c)
Equity compensation plans approved by securityholders Share Award Plan[1]	4,880,684 Common Shares	N/A	4,660,765 Common Shares
Equity compensation plans not approved by securityholders	-	-	-
Total	4,880,684 Common Shares	N/A	4,660,765 Common Shares

Notes:

(1) See Schedule "B" to this Information Circular for a description of the terms of the Share Award Plan. As at December 31, 2021, the Share Award Plan provided for the rolling grant of Restricted Awards and Performance Awards equal to up to five percent (5%) of the issued and outstanding Common Shares. Any increase in the issued and outstanding Common Shares will result in an increase in the available number of Restricted Awards and Performance Awards issuable under the Share Award Plan, and any vesting of Restricted Awards and Performance Awards and issuance of Shares pursuant to such Restricted Awards and Performance Awards will make new grants available under the Share Award Plan.

(2) As at December 31, 2021, there were 190,828,976 Shares issued and outstanding.

Termination and Change of Control Benefits

Each of the Named Executive Officers has an executive employment contract with Advantage. These contracts provide for participation by the Named Executive Officers in the Share Award Plan, the Cash Award Plan, in any bonus plan in place, participation in any benefit plans in place and further provide for certain payments to be made where the executive is terminated without "just cause", without "good reason" or upon a "change of control". The Named Executive Officer may terminate their employment with Advantage for any reason upon thirty (30) days written notice.

If the executive is terminated without "just cause", without "good reason" or upon a "change of control", the agreements provide that in respect of Mr. Mah, he would have been entitled to 1.5 times the executive's then annual salary (the "**Retirement Allowance**") plus an amount equal to 15% of the Retirement Allowance as well as 1.5 times the average cash bonus (if any) paid to the executive by the Corporation under the cash bonus plan during the prior two year period, in each case less the required withholdings or deductions. For Messrs. Belenkie, Blackwood, Bokenfohr and Sterna, the entitlements are the same except that such executive officers are only entitled to one times the executive's then annual salary and one times the average cash bonus (if any) paid during the prior two year period. In the event of a change of control, Share Performance Awards and Cash Performance Awards do not vest immediately. On a change of control, the Board may in its sole discretion determine to accelerate vesting of the Share Performance Awards and/or Cash Performance Awards after taking into consideration whether the executive's employment or service relationship is or is to be terminated or such executive is constructively dismissed or offered to continue employment or service on terms that are not a material adverse change. If the Share Performance Awards and/or Cash Performance Awards are vested at the Board's sole discretion, the Board will additionally evaluate the Corporate Performance Measures.

Estimated Incremental Compensation on
Termination Without "Just Cause", Without "Good Reason", or Upon a "Change of Control"
(based on hypothetical termination as at December 31, 2021 and assuming no withholdings or deductions)

	Compensation Components						
Name	**Retirement Allowance ($)**	**15% of Retirement Allowance ($)**	**Bonus ($)**	**Option Vesting (1) ($)**	**Share Performance Awards Vesting (2) ($)**	**Cash Performance Awards Vesting (3) ($)**	**TOTAL ($)**
Andy Mah (5)(6)	630,000	94,500	704,063	Nil	7,625,083	2,250,001	11,303,646
Michael Belenkie (4)(7)	355,000	53,250	387,875	Nil	5,586,206	1,650,000	8,032,331
Craig Blackwood (5)	295,000	44,250	272,000	Nil	3,644,942	1,074,999	5,331,191
Neil Bokenfohr (5)	310,000	46,500	262,625	Nil	4,320,882	1,275,000	6,215,007
David Sterna (4)	270,000	40,500	177,500	Nil	2,455,126	725,000	3,668,126

Notes:

(1) There are no outstanding Options.
(2) The Share Performance Awards vesting value was calculated by multiplying the number of Shares underlying the Share Performance Awards by the market price of the Shares at December 31, 2021, being $7.41 per Share, multiplied by a Payout Multiplier of one times. On a change of control, Share Performance Awards only vest at the discretion of the Board.
(3) The Cash Performance Awards vesting value was calculated based on a Payout Multiplier of one times. On a change of control, Cash Performance Awards only vest at the discretion of the Board.
(4) On a change of control, Mr. Belenkie and Mr. Sterna are entitled to the retirement allowance, 15% of retirement allowance and the bonus amount only if they are not offered a similar position and compensation (constructively dismissed) after the change of control.
(5) On a change of control, Mr. Mah, Mr. Blackwood and Mr. Bokenfohr are entitled to the retirement allowance, 15% of retirement allowance and the bonus amount only if they are not offered a similar position and compensation (constructively dismissed) after the change of control or if they unilaterally terminate their employment within 3 months of the change of control.
(6) Mr. Mah retired from his role as Chief Executive Officer on December 31, 2021.
(7) Mr. Belenkie was appointed to the role of President and Chief Executive Officer effective January 1, 2022. In accordance to his new

executive employment agreement, he would be entitled to 1.5 times the executive's then annual salary (the "**Retirement Allowance**") plus an amount equal to 15% of the Retirement Allowance as well as 1.5 times the average cash bonus (if any) paid to the executive by the Corporation under the cash bonus plan during the prior two year period, in each case less the required withholdings or deductions.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors, executive officers, employees, or former directors, officers or employees of the Corporation nor any of its associates or affiliates is now or has been indebted to the Corporation or any of its subsidiaries since the commencement of the last completed fiscal year, nor is, or at any time since the beginning of the most recently completed financial year has, any indebtedness of any such person been subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**") requires reporting issuers to disclose their corporate governance practices with reference to a series of guidelines for effective corporate governance set forth in National Policy 58-201 – *Corporate Governance Guidelines*.

Set out below is a description of the Corporation's corporate governance practices.

Director Independence

The Corporation currently has nine directors, a majority of which are independent directors within the meaning of NI 58-101. Jill T. Angevine, Stephen E. Balog, Deirdre Choate, Donald M. Clague, Paul G. Haggis, Norman MacDonald and Ronald A. McIntosh are all independent within the meaning of NI 58-101. Michael Belenkie is not independent within the meaning of NI 58-101 as he is currently the President and CEO of the Corporation. Andy J. Mah is not independent within the meaning of NI 58-101 as he was the CEO of the Corporation until his retirement from such position on December 31, 2021. The Audit Committee, Compensation Committee and the Governance Committee of the Board are all comprised entirely of independent directors. Other than Andy J. Mah, the Independent Reserve Evaluation Committee is comprised of entirely independent directors. See also "*Matters to be Acted Upon at the Meeting – Election of Directors*".

On at least an annual basis, the Board conducts an analysis and makes a determination as to the "independence" of each member of the Board. The mandate of the Board is attached hereto as Schedule "A".

The independent directors hold regularly scheduled in-camera sessions, without non-independent directors and members of management present either before or after each meeting of the Board and otherwise as required. During 2021, 22 of such meetings were held by the Board.

The chair of the board (the "**Chair**"), Ronald A. McIntosh, is an independent director within the meaning of NI 58-101, and has the following role and responsibilities:

- when present, to preside at all meetings of the Board and, unless otherwise determined by the directors, at all meetings of Shareholders;
- endeavour to provide overall leadership to the Board without limiting the principle of collective responsibility and the ability of the board to function as a unit;
- to the extent that is reasonably practicable, provide advice, counsel and mentorship to the CEO, committee Chairs, and fellow directors;

- responsible to ensure that Board meetings function satisfactorily and that the tasks of the Board are handled in the most reasonable fashion under the circumstances. In this connection, it is recommended that the Chair attempt to ensure that the individual director's particular knowledge and competence are used as best as possible in the Board work for the benefit of the Corporation. The Chair shall endeavour to encourage full participation and discussion by individual directors, stimulate debate, facilitate consensus and ensure that clarity regarding decisions is reached and duly recorded;

- endeavour to ensure that the Board's deliberations take place when all of the directors are present and, to the extent that is reasonably practicable, to ensure that all essential decisions are made when all of the directors are present;

- encourage Board members to ask questions and express view points during meetings;

- deal effectively with dissent and work constructively towards arriving at decisions and achieving consensus;

- endeavour to ensure that the independent members of the Board meet in separate, regularly scheduled, non-management closed sessions with internal personnel or outside advisors, as needed or appropriate;

- endeavour to establish a line of communication with the CEO of the Corporation to ensure that Board meetings can be scheduled to deal with important business that arises outside of the regular quarterly meetings;

- endeavour to fulfill his or her Board leadership responsibilities in a manner that will ensure that the Board is able to function independently of management. The Chair shall consider, and provide for meetings of all of the independent directors without management being present. The Chair shall endeavour to ensure reasonable procedures are in place to allow for directors to engage outside advisors at the expense of the Corporation in appropriate circumstances, subject to the approval of the Governance Committee;

- endeavour to ensure that the Board meets at least four times annually and as many additional times as necessary to carry out its duties effectively and shall endeavour to ensure that the Shareholders meet at least once annually and as many additional times as required by law;

- with respect to meetings of directors or Shareholders, it is the duty of the Chair to enforce the Rules of Order. The Chair shall liaise with the Corporate Secretary of the Corporation to ensure that a proper notice and agenda has been disseminated, and that appropriate accommodations have been made for all Board and Shareholder meetings and shall also liaise with the committee Chairs, other directors, the CEO and outside advisors, as appropriate, to establish the agenda for each Board meeting;

- endeavour to:

    - ensure that the boundaries between the Board and Management responsibilities are clearly understood and respected and that relationships between the Board and Management are conducted in a professional and constructive manner;

    - facilitate effective communication between directors and Management, both inside and outside of Board meetings;

    - actively participate and oversee the administration of the annual evaluation of performance and effectiveness of the Board, Board Committees, all individual directors, committees chairs (other than the board Chair or any committee upon which the Board Chair sits as the Chair) and CEO;

- when appropriate, assist directors in their transition from the Board and to support the orientation of new directors and the continuing education of current directors; and

- to ensure that an annual performance evaluation of the board Chair (and any committee upon which the Board Chair sits as the Chair) is conducted, soliciting input from all directors and appropriate members of Management and to carry out any other appropriate duties and responsibilities as may be assigned by the Board from time to time.

Other Board Committees and Position Descriptions

The Corporation has established the Audit Committee, the Compensation Committee, the Independent Reserve Evaluation Committee and the Governance Committee of the Board. Each of the Audit Committee, Compensation Committee and Governance Committees are comprised entirely of independent directors. Other than Andy J. Mah, the Independent Reserve Evaluation Committee is comprised entirely of independent directors. The Board has developed mandates for each of the Committees of the Board which detail the composition, duties and responsibilities of the Committees, as well as position descriptions for the Chair of each of the Committees. Certain information regarding the Audit Committee, including the mandate of the Audit Committee, is contained in the Corporation's annual information form for the year ended December 31, 2021, an electronic copy of which is available on the Corporation's profile on SEDAR at www.sedar.com and website at www.advantageog.com.

The Compensation Committee generally assumes responsibility for developing the approach of the Corporation to matters concerning compensation and, from time to time, reviews and make recommendations to the Board as to such matters. See "*Executive Compensation – Compensation Discussion and Analysis – Compensation Governance – Mandate of the Compensation Committee*" in this Information Circular for a description of the mandate of the Compensation Committee.

The Independent Reserves Evaluation Committee of the Board is comprised of Stephen E. Balog (Chair), Donald Clague, Paul G. Haggis, Norman MacDonald and Ronald McIntosh, all whom are independent directors, as well as Andy J. Mah, who is not an independent director. The Independent Reserve Evaluation Committee assists the Board in meeting its responsibilities to review the qualifications, experience, reserve evaluation approach and costs of the independent engineering firm that performs Advantage's reserve evaluation and to review the annual independent engineering report. The committee reviews and recommends for approval by the Board on an annual basis the statements of reserve data and other information specified in NI 51-101. The committee also reviews any other oil and gas reserve report prior to release by the Corporation to the public and reviews all of the disclosure in the annual information form of the Corporation related to the oil and gas activities of the Corporation.

The Governance Committee of the Board is currently comprised of Ronald A. McIntosh (Chair), Jill T. Angevine, Stephen E. Balog, Deirdre M. Choate and Paul G. Haggis, all of whom are independent directors. The Governance Committee assists the Board in fulfilling its oversight responsibilities with respect to reviewing the effectiveness of the Board and its committees, developing and reviewing the Corporation's approach to corporate governance matters, and reviewing, developing and recommending to the Board for approval, procedures designed to ensure that the Board can function independently of management. In addition to corporate governance matters, the Governance Committee generally assumes responsibility for developing the approach of the Corporation to health, safety and environmental matters, corporate social responsibility and sustainability matters.

The Board has developed a written position description for the CEO, the Chair and the chair of each committee of the Board. See "*Director Independence*" above for a summary of the written position description for the Chair.

Compensation

The Compensation Committee is comprised of only independent directors. The Compensation Committee annually conducts a review of directors' and officers' compensation having regard to the Corporation's peers, various governance reports on current trends in directors' compensation and independently complied compensation data for directors and officers of reporting issuers of comparative size to the Corporation. See "*Executive Compensation – Compensation Discussion and Analysis – Compensation Governance – Mandate of the Compensation Committee*" in this Information Circular for a description of the mandate of the Compensation Committee.

Nomination of Directors

The Governance Committee is comprised of entirely independent directors and is responsible for identifying new candidates for Board nomination having regard to the strengths and constitution of the Board members and their perception of the needs of the Corporation. The Governance Committee has the authority to hire experts and advisors, including executive search firms, if deemed appropriate.

Committees Responsibilities and Risk Oversight

Audit Committee

- Reviews risk management policies and procedures of the Corporation.
- Recommends the appointment and provides oversight of the Corporation's internal and external auditors, including qualifications and independence.
- Provides risk oversight of financial reporting and compliance.

Compensation Committee

- Reviews compensation program and philosophy, including incentive programs.
- Conducts annual performance review of CEO and the alignment with corporate goals and objectives and determines CEO compensation.
- Reviews and recommends directors' and officers' compensation.

Independent Reserves Evaluation Committee

- Reviews reserve evaluation approach and ensures all disclosures of oil and gas activities are in compliance with regulations.
- Reviews and ensures compliance of the annual independent qualified reserves report and the statements of reserve data.
- Reviews and appoints the independent qualified reserves evaluator or auditor to prepare a report of an evaluation of reserves data.

Governance Committee

- Provides risk oversight in Corporate Social Responsibility and sustainability areas, including environmental, social and governance (ESG) factors.
- Provides oversight and compliance in regards to health, safety, and environmental protection.
- Assesses and manages risks related to succession plan and executive capacity.

The Governance Committee is also responsible for the oversight of information security including cybersecurity and ensures the Corporation meets industry standards. Advantage manages cybersecurity risk by regularly monitoring the network and implementing proactive enterprise level defense systems including enterprise class firewalls, anti-malware systems and a secure segmented network infrastructure. Business continuation planning such as quarterly Enterprise Risk Planning exercises and Disaster Recovery procedures are performed to ensure everyone are well prepared. Advantage also engages third party experts to perform internal and external vulnerability assessments in order to proactively identify potential security risks. A cybersecurity insurance program is maintained in case of a breach. All staff and board members are mandated to participate in cybersecurity training programs to raise awareness and reduce risk. The Board is updated annually on information security matters.

Board of Directors Skills Matrix

The following table outlines the experience and background of, but not necessarily the technical expertise of, the individual members of the Board as of December 31, 2021 based on information provided by such individuals.

Skill / Experience	**Jill Angevine**	**Stephen Balog**	**Michael Belenkie**	**Deirdre Choate**	**Donald Clague**	**Paul Haggis**	**Norman MacDonald**	**Andy Mah**	**Ronald McIntosh**
Executive Leadership	●	●	●	●	●	●	●	●	●
Strategic Planning & Execution	●	●	●	●	●	●	●	●	●
Business Development & Value Creation	●	●	●	●	●	●	●	●	●
Enterprise Risk Assessment & Management	◍	●	●	●	●	●	◍	●	●
Industry Experience & Knowledge	●	●	●	●	●	◍	●	●	●
Natural Gas & Liquids Operations	◍	●	●	○	●	○	◍	●	●
Reserves & Resource Evaluation	◍	●	●	○	●	○	●	●	●
Marketing	◍	◍	●	◍	◍	◍	◍	◍	◍
Financial Literacy & Accounting	●	◍	●	●	◍	●	●	◍	●
Legal, Regulatory & Governmental	◍	◍	●	●	◍	◍	○	●	◍
Capital Markets & Investor Relations	●	◍	●	●	○	●	●	●	●
Health, Safety & Environment	◍	●	●	◍	●	◍	◍	●	●
Sustainability & Social	◍	●	●	●	●	◍	◍	●	◍
Corporate Governance	●	◍	●	●	◍	●	●	◍	●
Compensation & Human Resources	●	●	●	●	●	●	○	●	●
Information Security	◍	◍	●	◍	◍	●	○	○	●

● = Direct experience as senior executive or management with clear responsibility in this area
◍ = General experience and knowledge in this area
○ = Some familiarity with limited specific experience in this area

The following are the skills/experience and competencies desired for Directors of the Board of Advantage. The list set forth below is not exhaustive and is intended to be modified from time to time in order to satisfy changes in Advantage's business, the industry in which it operates and the regulatory requirements applicable to it.

Skill/ Experience	**Competency**
Executive Leadership	Experience in service on boards/senior management and leadership of a public or private company.
Strategic Planning & Execution	Experience with planning, evaluation, and implementation of a strategic plan. This includes a demonstrated ability to focus on longer term goals and strategic outcomes, as separate from day-to-day management and operational experience.
Business Development & Value Creation	Experience in evaluating, and executing on, value creation opportunities through acquisitions, divestiture, mergers or developmental opportunities.
Enterprise Risk Assessment & Management	Experience in the process of identifying principal corporate risks and to ensure that management has implemented the appropriate system to manage risk.
Industry Experience & Knowledge	Understanding of oil, gas and NGL industry dynamics, commodity pricing, corporate performance, financial, regulatory, commercial aspects of the business, gained through executive or management experience in an operating company or a company providing services and advice to the industry.
Natural Gas & Liquids Operations	Experience in oil and natural gas operations and technological solutions. This may include an understanding of particular operational techniques, trends, challenges and opportunities, or unique dynamics within the industry that are relevant.
Reserves & Resource Evaluation	Experience with oil and natural gas reserve and resource evaluation and reporting.
Marketing	Experience with oil, gas and NGL marketing strategy including pricing and/or transportation logistics.
Financial Literacy & Accounting	Financial literacy (expertise, in the case of the Chair of the Audit Committee) in reading and understanding financial statements, financial accounting and operational accounting experience as well as corporate financial knowledge and expertise. This may include analyzing and interpreting financial statements, evaluating organizational budgets and understanding financial reporting.
Legal, Regulatory & Governmental	Experience in compliance for a publicly listed company and/or experience providing legal/regulatory advice and guidance within a complex regulatory regime. Includes corporate, securities, land tenure and oil and natural gas law, regulatory regimes in Western Canada and governmental royalty, incentive and taxation policies usually through management experience or a legal background.
Capital Markets & Investor Relations	Understanding of capital markets, corporate finance, investor relations and banking matters usually from experience in the corporate finance or banking industry or significant experience in management position dealing directly with such matters.
Health, Safety & Environment	Experience with environmental compliance, industry regulations and workplace health and safety in the oil and natural gas industry.
Sustainability & Social	Understanding and experience with corporate responsibility practices and the constituents involved in sustainable development practices including risks and opportunities related to environmental, social and shareholder communications.
Corporate Governance	Broad understanding of good corporate governance.

Compensation & Human Resources	Understanding of human resource and personnel considerations and issues for executive recruitment, succession planning, compensation structures, and performance reviews.
Information Security	Understanding and experience with good information security practices, standards and controls to protect assets, systems, hardware, software, data and networks from damage and unauthorized access.

Board Assessments

The effectiveness of the Board, its committees and the individual Board members is reviewed annually through a comprehensive self-assessment and inquiry questionnaire.

Director Term Limits

As discussed under "*Matters to be Acted Upon at the Meeting – Appointment of Directors – Board Renewal*" in this Information Circular, the Corporation has not adopted term limits for the directors or the Board or other mechanisms of Board renewal. The Governance Committee and the Board recognize the benefit that new perspectives, ideas and business strategies can offer and support periodic Board renewal. The Governance Committee and the Board also recognize that a director's experience and knowledge of the Corporation's business is a valuable resource. Accordingly, the Board believes that the Corporation and its Shareholders are better served with the regular assessment of the effectiveness of the Board, Board committees and the effectiveness and contribution of individual directors together with periodic Board renewal, rather than on arbitrary age and tenure limits.

Board and Management Diversity

The Corporation has adopted a written Board and Management diversity and renewal policy (the "**Diversity Policy**"), which provides that Board nominations and executive officer appointments should be made on the basis of the skills, knowledge, experience and character of individual candidates and the requirements of the Board and management at the time. The Corporation is committed to a meritocracy and believes that considering the broadest group of individuals who have the skills, knowledge, experience and character required to provide the leadership needed to achieve the business objectives, without reference to their age, gender, race, sexual orientation, ethnicity or religion, is in the best interests of the Corporation and all of its stakeholders. The Board recognizes benefits of diversity within the Board and within management of the Corporation. The Board also encourages the consideration of women who have the necessary skills, knowledge, experience and character for promotion or hiring into an executive officer position within the Corporation and is committed to increasing gender diversity on the Board.

To measure the effectiveness of the Diversity Policy, the Governance Committee will review annually the composition and diversity of the Board, including women candidates brought forth as potential nominees for Board positions to ensure that women candidates are being fairly considered relative to other candidates. The Committee will do a similar review of appointments of executive officer positions to ensure that women with the appropriate skills, knowledge, experience and character are being fairly considered as opportunities become available. The Committee will also review the number of women actually appointed and serving on the Board or in management to evaluate whether it is desirable to adopt additional requirements or policies with respect to the diversity of the Board and management.

The Committee has set a 30% target for female representation on the Board by the date of the annual general meeting of shareholders of the Corporation in 2023. While the Corporation has implemented the Diversity Policy and recognizes the benefits of diversity and believes that considering the broadest group of individuals who have the skills, knowledge, experience and character required to provide the leadership needed to achieve the business objectives of the Corporation is in the best interests of the Corporation and all of its stakeholders, the Corporation does not currently have any rules or formal policies that specifically require the identification, consideration, nomination or appointment of a targeted number of female candidates for executive management positions. In accordance with the Diversity Policy described above, the Board encourages the consideration of women who have the necessary skills, knowledge, experience and character for promotion or hiring into an executive officer position within the Corporation; however, the Board will not compromise the principles of a meritocracy by imposing quotas or targets.

Currently, Advantage does not have any women on its executive management team and 2 out of 9 or 22.2% of the directors of the Corporation are women. Assuming all of the directors nominated for election at the Meeting are elected as directors of the Corporation, 2 out of 8 directors or 25% of the directors of the Corporation will be women.

Ethical Business Conduct

The Board has adopted a written Code of Business Conduct and Ethics and Code of Ethics for Senior Officers (collectively, the "**Code**"). All executives and employees are required to annually acknowledge understanding of the Code thereby confirming their ethical conduct. The Code is located on Advantage's profile on SEDAR at www.sedar.com and is also available on Advantage's website at www.advantageog.com.

The Board monitors compliance with the Code by requiring periodic reporting by its senior officers as to their compliance with the Code (and the Board requests immediate notification of any departures from the Code). The Corporation's "whistleblower" policy, which is available on Advantage's website at www.advantageog.com, provides a procedure for the submission of information by any employee relating to possible violations of the Code.

The Corporation has not filed any material change reports since its inception that pertains to any conduct of a director or executive officer that constitutes a departure from the Code.

Conflicts of Interest

To address conflicts of interest, Board members and executive officers are required to declare the nature and extent of any material interest in any transactions or agreements and may not vote in relation to any such matter. In certain cases an independent committee may be formed to deliberate on such matters in the absence of the interested party.

Due to the fact that the Corporation has the Code, a reporting process pursuant to such Code, a Board Mandate and Terms of Reference for the Governance Committee, the Corporation sees no need to implement additional procedures related to conflicts of interest at this time.

Orientation and Continuing Education of Directors

The Governance Committee is responsible for the recruitment of new directors and ensuring adequate orientation in order for new directors to fully understand the roles and mandates of the Board and its committees. The Board provides new directors with access to all background documents of the Corporation, including all corporate records and prior board materials, and new Board members are offered access to all officers of the Corporation for orientation as to the nature and operations of Advantage's business.

All of Advantage's directors have significant experience in the oil and natural gas industry and the majority are members of professional organizations, which have continuing education standards that apply to their members. The Corporation will consider any request for it to pay for any education courses for any members of the Board relating to corporate governance, financial literacy or technical literacy. In addition, Management of the Corporation is available to members of the Board to discuss operational and other matters.

Succession Planning

The Board is responsible for succession planning and in particular, for choosing the Corporation's executive officers. The Governance Committee reviews succession planning issues on a regular basis, including, specifically, succession planning in relation to the positions of the Named Executive Officers. In this regard, the Governance Committee periodically discusses a succession plan for senior leadership positions that includes a description of the potential successors for such senior leadership positions in the organization. Such discussion identifies potential successors for each executive, as well as other senior positions in the organization, and highlights personal development areas that require enhancement in order for each candidate to be fully prepared for opportunities of higher responsibility. The Governance Committee also periodically discusses any candidates who could assume critical leadership roles in the short-term in the event an unexpected circumstance arises and an executive leaves a role earlier than anticipated. The Board or the Governance Committee will meet with the CEO at least annually to review the performances of senior management in their current roles and discuss future capabilities and development plans for these individuals.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

The Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer since the beginning of the most recently completed financial year or nominee for director of the Corporation, or of any associate or affiliate of the foregoing, in respect of any matter to be acted on at the Meeting, other than the election of directors and the appointment of auditors.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed herein, since the beginning of the most recently completed financial year, none of the directors or executive officers of the Corporation or the proposed directors of the Corporation, or any person or company that is the direct or indirect owner of, or exercises control or direction, more than 10% of the Common Shares, or any associate or affiliate of any of the foregoing persons or companies, has or had any material interest, direct or indirect, in any transaction or any proposed transaction that has materially affected or will materially affect the Corporation or any of its subsidiaries.

OTHER MATTERS

The Corporation knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Annual General and Special Meeting. However, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgment of the person or persons voting the proxy.

ADDITIONAL INFORMATION

Additional information respecting the Corporation is available on SEDAR at www.sedar.com. Financial information respecting the Corporation is provided in the Corporation's comparative consolidated financial statements and management's discussion and analysis for its most recently completed financial year. Shareholders can access this information on SEDAR, on Advantage's website at www.advantageog.com or by request to the Chief Financial Officer of the Corporation at the following address:

Advantage Energy Ltd.
Suite 2200, 440 – 2nd Avenue S.W.
Calgary, Alberta T2P 5E9

SCHEDULE "A"
MANDATE OF THE BOARD OF DIRECTORS

ADVANTAGE ENERGY LTD.

The Board of Directors (the "**Board**") of the Corporation is responsible for the stewardship of the Corporation. In discharging its responsibility, the Board will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances and will act honestly and in good faith with a view to the best interests of Advantage. In general terms, the Board will endeavour to:

(a) define the principal objective(s) of the Corporation based upon the recommendations of the chief executive officer of the Corporation (the "**CEO**") and others deemed appropriate for such purpose;

(b) monitor the management of the business and affairs of Advantage with the goal of achieving Advantage's principal objective(s) as defined by the Board;

(c) discharge the duties imposed on the Board by applicable laws; and

(d) for the purpose of carrying out the foregoing responsibilities, take all such actions as the Board deems necessary or appropriate.

Without limiting the generality of the foregoing, the Board will endeavor to perform the following duties.

Strategic Operating, Capital Plans and Financing Plans

- require the CEO to present annually to the Board a longer range strategic plan and a shorter range business plan for Advantage's business, which plans must
    - be designed to achieve Advantage's principal objectives;
    - identify the principal strategic and operational opportunities and risk of Advantage's business; and
    - be approved by the Board as a pre-condition to the implementation of such plans;
- review progress towards the achievement of the goals established in the strategic, operating and capital plans;
- review the principal risks of the Corporation's business identified by the CEO and review management's implementation of the appropriate systems to manage these risks;
- approve the annual operating and capital budgets and plans and subsequent revisions thereof;
- approve property acquisitions and dispositions in excess of $5 million;
- approve the establishment of credit facilities and borrowings; and
- approve issuances of additional shares or other securities to the public.

Monitoring and Acting

- monitor Advantage's progress towards its goals, and to revise and alter its direction through management in light of changing circumstances;
- monitor overall human resource policies and procedures, including compensation and succession planning;

- appoint the CEO and determine the terms of the CEO's employment with Advantage;
- approve the distribution policy of Advantage;
- review the systems implemented by management and the Board which are designed to maintain or enhance the integrity of Advantage's internal control and management information systems;
- monitor the "good corporate citizenship" of Advantage, including compliance by Advantage with all applicable environmental laws;
- in consultation with the CEO, establish the ethical standards to be observed by all officers and employees of Advantage and use reasonable efforts to ensure that a process is in place to monitor compliance with those standards;
- require that the CEO institute and monitor processes and systems designed to ensure compliance with applicable laws by Advantage and its officers and employees; and
- approve all matters relating to a takeover bid of Advantage.

Compliance Reporting and Corporate Communications

- review the procedures implemented by Management and the Board which are designed to ensure that the financial performance of Advantage is properly reported to shareholders, other security holders and regulators on a timely and regular basis;
- recommend to shareholders of Advantage a firm of chartered accountants to be appointed as Advantage's auditors;
- review the procedures designed and implemented by management and the independent auditors to ensure that the financial results are reported fairly and in accordance with generally accepted accounting principles;
- review the procedures implemented by Management and the Board which are designed to ensure the timely reporting of any other developments that have a significant and material impact on the value of Advantage;
- review, consider and where required, approve, the reports required under National Instrument 51 101 of the Canadian Securities Administrators;
- report annually to shareholders on the Board's stewardship for the preceding year; and
- where required, approve any policy designed to enable Advantage to communicate effectively with its shareholders and the public generally.

Governance

- in consultation with the Chairman of the Board, develop a position description for the Chairman of the Board;
- facilitate the continuity, effectiveness and independence of the Board by, amongst other things,
  - selecting nominees for election to the Board;
  - appointing a Chairman of the Board who is not a member of management;

  - appointing from amongst the directors an audit committee and such other committees of the Board as the Board deems appropriate;
  - defining the mandate or terms of reference of each committee of the Board;
  - ensuring that processes are in place and are utilized to assess the effectiveness of the Chairman of the Board, the Board as a whole, each committee of the Board and each director; and
  - establishing a system to enable any director to engage an outside adviser at the expense of Advantage; and

- review annually the adequacy and form of the compensation of directors.

Delegation

- The Board may delegate its duties to and receive reports and recommendations from any committee of the Board.

Composition

- A majority of Board members should be "independent" Directors as such term is defined in National Instrument 52-110 – *Audit Committees*.
- On at least an annual basis, the Board shall conduct an analysis and make a positive affirmation as to the "independence" of a majority of its Board members.
- Members should have or obtain sufficient knowledge of Advantage and the oil and gas business to assist in providing advice and counsel on relevant issues.

Meetings

- The Board shall meet at least four times per year and/or as deemed appropriate by the Board Chair.
- Minutes of each meeting shall be prepared by the Secretary to the Board.
- The Chief Executive Officer or his designate(s) may be present at all meetings of the Board.
- Vice-Presidents and such other staff as appropriate to provide information to the Board shall attend meetings at the invitation of the Board.

Reporting / Authority

- Following each meeting, the Secretary will promptly report to the Board by way of providing draft copies of the minutes of the meetings.
- Supporting schedules and information reviewed by the Board at any meeting shall be available for examination by any Director upon request to the Chief Executive Officer.
- The Board shall have the authority to review any corporate report or material and to investigate activity of the Corporation and to request any employees to cooperate as requested by the Board.

- The Board may retain persons having special expertise and/or obtain independent professional advice to assist in fulfilling its responsibilities at the expense of Advantage.

SCHEDULE "B"
RESTRICTED AND PERFORMANCE AWARD INCENTIVE PLAN SUMMARY

Share-Based Awards

Applicable Canadian securities legislation defines a "share-based award" as an award under an equity incentive plan of equity-based instruments that do not have option-like features, including common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units and stock.

The Share Award Plan grants share-based awards to Grantees (as defined below) and for the year ended December 31, 2021, Advantage granted Share Performance Awards to certain Service Providers.

Restricted and Performance Award Incentive Plan

On April 14, 2014, the Board approved the adoption by the Corporation of the Share Award Plan, as amended on April 24, 2015 and April 20, 2018, which Share Award Plan was approved by Shareholders on May 27, 2015, May 29, 2018 and May 6, 2021 respectively. On May 6, 2021, Shareholders approved an amendment to the Share Award Plan to provide that the maximum number of Common Shares issuable pursuant to outstanding Incentive Awards and all other security based compensation arrangements, cannot exceed 5.0% of the Common Shares outstanding from time to time, rather than 3.0% of the Common Shares. On May 6, 2021, the Share Award Plan was further amended by the Board to include provisions related to the retirement of a Grantee (as defined below) and other housekeeping amendments, which amendments did not require Shareholder approval under the terms of the Share Award Plan.

The Share Award Plan allows the Board or the Compensation Committee to grant Share Performance Awards and/or Restricted Awards to Service Providers. Share Performance Awards granted under the Share Award Plan are meant to further align with shareholder interests as the magnitude of the Share Performance Awards received by Service Providers on the vesting date will be determined based on the achievement of various corporate performance measures during a multi-year period as set by the Board. The terms of the Share Award Plan provides that Share Performance Awards vest three years after the date of grant.

Eligibility and Grants of Incentive Awards

Incentive Awards may be granted only to Service Providers; provided, however, that the participation of a Service Provider in the Share Award Plan is voluntary. The Share Award Plan will be administered by the Board or the Compensation Committee. The Compensation Committee has the authority in its sole discretion to administer the Share Award Plan and to exercise all the powers and authorities either specifically granted to it under the Share Award Plan or necessary or advisable in the administration of the Share Award Plan. In determining the Service Providers to whom Incentive Awards may be granted ("**Grantees**") and the number of Incentive Awards granted, the Compensation Committee may take into account such factors as it shall determine in its sole discretion, including, but not limited to, compensation data for comparable benchmark positions among the group of public Canadian oil and gas issuers determined by the Compensation Committee, from time to time in their discretion (the "**Peer Comparison Group**"), the Corporate Performance Measures (as defined below) for the applicable period, and such other factors as the Compensation Committee shall deem relevant in its sole discretion in connection with accomplishing the purposes of the Share Award Plan.

For the purposes of the Share Award Plan, "**Corporate Performance Measures**" for any period that the Compensation Committee in its sole discretion shall determine, means the performance measures to be taken into consideration in granting Incentive Awards under the Share Award Plan and determining the Payout Multiplier determined by the Compensation Committee pursuant to the Share Award Plan in respect of any Share Performance Award, which may include, without limitation, the following: (a) the percentile rank, expressed as a whole number, of, with respect to any period, the Total Shareholder Return relative to returns calculated on a similar basis on securities of members of the Peer Comparison Group over the applicable period; (b) annual cash flow per Common Share; (c) absolute or relative cost structure; (d) capital efficiency; (e) key leading and lagging indicators of health, safety and environmental performance of the Corporation and the Advantage Affiliates; (f) the development and execution of the Corporation's strategic plan as determined by the Board; (g) reserves growth or reserves addition efficiencies; and (h) such additional measures as the Compensation Committee or the Board, in its sole discretion, shall consider appropriate in the circumstances.

Further, for the purposes of the Share Award Plan, "**Fair Market Value**" means, for so long as the Common Shares are listed and posted for trading on the TSX (or, if the Common Shares are not then listed and posted for trading on the TSX or are then listed and posted for trading on more than one stock exchange, on such stock exchange on which the Common Shares are then listed and posted for trading), the volume weighted average of the prices at which the Common Shares traded on the said exchange for the five (5) trading days immediately preceding such date.

Limits on Issuance

Notwithstanding any other provision of the Share Award Plan:

(a) the maximum number of Common Shares issuable pursuant to outstanding Incentive Awards and all other Security Based Compensation Arrangements, shall not exceed 5.0% of the Common Shares outstanding from time to time;

(b) the number of Common Shares reserved for issuance to any one Service Provider under all security based compensation arrangements will not exceed 4.5% of the issued and outstanding Common Shares;

(c) the number of Common Shares issuable to insiders, at any time, under all security based compensation arrangements, cannot exceed 4.5% of the issued and outstanding Common Shares;

(d) the number of Common Shares issued to insiders, within any one year period, under all security based compensation arrangements, cannot exceed 4.5% of the issued and outstanding Common Shares; and

(e) the number of Common Shares issuable pursuant to Incentive Awards to non-management directors is limited to the lesser of: (a) 1.0% of the issued and outstanding Common Shares, in aggregate, for all non-management directors; and (b) an annual equity award value for each non-management director of $100,000, with the value of each Incentive Award calculated at the Grant Date.

Restricted Awards

Subject to the provisions of the Share Award Plan, the Corporation shall pay to each Grantee an amount equal to the number of Incentive Awards (as such number may be adjusted in accordance with the terms of the Share Award Plan) multiplied by the Fair Market Value of the Common Shares (the "**Award Value**") to which the Grantee is entitled pursuant to such Incentive Award, which amount shall be payable (each a "**Payment Date**"), unless otherwise determined by the Compensation Committee, as to one-third of the Award Value underlying such Restricted Awards on each of the first, second and third anniversaries of the grant date of the Restricted Awards; provided that the Grantee remains in continuous employment or service with the Corporation or an Advantage Affiliate through the applicable Payment Date.

Share Performance Awards

Subject to the provisions of the Share Award Plan, with respect to any Share Performance Awards, the Payment Dates thereunder shall be the third anniversary of the grant date of the Share Performance Awards unless otherwise determined by the Compensation Committee, provided that the Grantee remains in continuous employment or service with the Corporation or an Advantage Affiliate through the Payment Date.

Leave of Absence

Unless otherwise by the Board in its sole direction, where a Grantee is on a Leave of Absence (as defined in the Share Award Plan), the Payment Date or Payment Dates for any Incentive Awards held by such Grantee shall be suspended until such time as such Grantee returns to active employment or active service, provided that where the period of the Leave of Absence exceeds three (3) months, a Payment Date for any Incentive Award that occurs during or subsequent to the period of the Leave of Absence shall be extended by, and no adjustments shall be made for dividends, if any, that are paid during, that portion of the Leave of Absence that exceeds three (3) months. Further, if any such extension would cause the Payment Date or Payment Dates to extend beyond December 31 of the third year following the year in which the Incentive Award was granted (the "**Expiry Date**"), the rights to receive payments on such Payment Date or Payment Dates will be forfeited by the Grantee.

Black Out Periods

Where a Payment Date occurs on a date when a Grantee is subject to a period of time imposed by the Board pursuant to the Insider Trading and Disclosure Policy of Advantage upon certain designated persons during which those persons may not trade in any securities of Advantage ("**Black-Out Period**"), such Payment Date shall be extended to a date which is within three business days following the end of such Black-Out Period, and further provided that if any such extension would cause the Payment Date or Payment Dates to extend beyond the Expiry Date, the amounts to be paid on such Payment Date or Payment Dates will be paid on the Expiry Date notwithstanding the Black-out Period.

Change of Control

In the event of an Change of Control (as defined in the Share Award Plan) prior to the Payment Dates determined in accordance with the Share Award Plan, the Board may, in its sole discretion (including taking into consideration whether the Grantee's employment or service relationship is or is to be terminated or such Grantee is constructively dismissed or offered to continue employment or service with the successor entity on terms that are not a material adverse change in the Grantee's salary, title, lines of reporting, city or field work location), by Board resolution, determine to accelerate the Payment Date in respect of any Incentive Awards so designated by the Board.

Adjustments

Immediately prior to each Payment Date, the Award Value payable pursuant to the applicable Incentive Awards on such Payment Date shall be adjusted by multiplying the number of Incentive Awards for which payment remains to be made by the Adjustment Ratio (as defined in the Share Award Plan) applicable, if any, in respect of such Incentive Awards.

Acceleration of the Payment Date

Notwithstanding the foregoing, the Board may, in its sole discretion, accelerate the Payment Date for all or any portion of previously granted Incentive Awards.

Determination of the Payout Multiplier

Prior to the Payment Date in respect of any Share Performance Award, the Compensation Committee will assess the performance of the Corporation for the applicable period. The individual measures, weighting of the individual measures comprising the Corporate Performance Measures shall be determined by the Compensation Committee in its sole discretion having regard to the principal purposes of the Share Award Plan and, upon the assessment of the Corporate Performance Measures, the Compensation Committee shall determine the Corporation's ranking. The applicable Payout Multiplier in respect of this ranking shall be determined by the Board in its sole discretion.

Payment in Respect of Incentive Awards

On the Payment Date, the Corporation, at its sole and absolute discretion, shall have the option of settling the Award Value payable in respect of an Incentive Award by payment in cash, payment in Common Shares acquired by the Corporation on the TSX, or payment in Common Shares issued from treasury of the Corporation.

Termination of Relationship as Service Provider

Unless otherwise determined by the Compensation Committee or unless otherwise provided in a written agreement between the Corporation and a Grantee (an "**Incentive Award Agreement**") pertaining to a particular Incentive Award or any written employment or consulting agreement governing a Grantee's role as a Service Provider:

(a) if a Grantee ceases to be a Service Provider as a result of the Grantee's death, the Payment Date for all Incentive Awards awarded to such Grantee under any outstanding Incentive Award Agreements shall be accelerated to the Cessation Date (as defined in the Share Award Plan), provided that the Compensation Committee, taking into consideration the performance of such Grantee and the performance of the Corporation since the date of grant of the Incentive Award, may determine in its sole discretion the Payout Multiplier to be applied to any Share Performance Awards held by the Grantee;

(b) if a Grantee ceases to be a Service Provider as a result of termination for cause, effective as of the Cessation Date all outstanding Incentive Award Agreements under which Incentive Awards have been made to such Grantee, whether Restricted Awards or Share Performance Awards, shall be immediately terminated and all rights to receive payments thereunder shall be forfeited by the Grantee;

(c) if a Grantee ceases to be a Service Provider as a result of a voluntary resignation (other than a voluntary resignation in connection with the Grantee's retirement), effective as of the day that is thirty (30) days after the Cessation Date, all outstanding Incentive Award Agreements under which Incentive Awards have been made to such Grantee, whether Restricted Awards or Share Performance Awards, shall be terminated and all rights to receive payments thereunder shall be forfeited by the Grantee;

(d) if before the Expiry Date or Payment Date, as applicable, of an Incentive Award in accordance with the terms thereof a Grantee ceases to be an executive officer of the Corporation as a result of the Grantee's Retirement, then the terms, including, with restriction, the Cessation Date, of all Incentive Awards held by such Grantee, whether Restricted Awards or Performance Awards, shall not change as a result of such Retirement, subject to the terms of the Retirement Agreement entered into by the Grantee and the Corporation, other than the Grantee shall be entitled to any payments under Incentive Awards (including, for greater certainty, any Incentive Awards for which the Payment Date has been accelerated by the Board pursuant to certain provisions of the Share Award Plan) which have a Payment Date during the period which is the earlier of: (i) 12 months from the date of such Grantee's Retirement or such other date as may be determined by the Board; and (ii) the Expiry Date, and at the end of such period, all outstanding Incentive Award Agreements under which Incentive Awards have been made to such Grantee, whether Restricted Awards or Performance Awards, shall be terminated and all rights to receive payments thereunder shall be forfeited by the Grantee. For the purposes of the Share Award Plan, "**Retirement**" means the date that a Grantee who is an executive officer of the Corporation reaches the age of fifty-five (55) and voluntarily ceases to be an executive officer of the Corporation, provided that the Grantee: (i) has, at such time, provided continuous services to the Corporation for a minimum of ten (10) years; (ii) has provided the Corporation with six (6) months prior written notice of the Grantee's intention to retire; and (iii) is offered by the Corporation the opportunity to and enters into an agreement (which shall include non-competition and non-solicitation covenants and the consequences of breaching such covenants including the immediate termination of all outstanding Incentive Awards) with the Corporation respecting such Grantee's retirement from any employment with the Corporation in a form that is acceptable to the Corporation (a "**Retirement Agreement**"); or such other meaning as the Board may determine from time to time; and

(d) if a Grantee ceases to be a Service Provider for any reason other than as provided for in (a), (b), (c) and (d) above, effective as of the date that is sixty (60) days after the Cessation Date and notwithstanding any other severance entitlements or entitlement to notice or compensation in lieu thereof, all outstanding Incentive Award Agreements under which Incentive Awards have been made to such Grantee, whether Restricted Awards or Share Performance Awards, shall be terminated and all rights to receive payments thereunder shall be forfeited by the Grantee.

Transferability

Subject to the terms of the Share Award Plan, the right to receive payment pursuant to an Incentive Award granted to a Service Provider is held only by such Service Provider personally. Except as otherwise provided in the Share Award Plan, no assignment, sale, transfer, pledge or charge of an Incentive Award, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Incentive Award whatsoever in any assignee or transferee and, immediately upon any assignment, sale, transfer, pledge or charge or attempt to assign, sell, transfer, pledge or charge, such Incentive Award will terminate and be of no further force or effect.

Merger and Sale

If the Corporation enters into any transaction or series of transactions, other than a transaction that is a Change of Control and to which certain sections of the Share Award Plan apply, whereby the Corporation or all or substantially all of the Corporation's undertaking, property or assets become the property of any other trust, body corporate, partnership or other person (a "**Successor**") whether by way of take-over bid, acquisition, reorganization, consolidation, amalgamation, arrangement, merger, transfer, sale or otherwise, then prior to or contemporaneously with the consummation of such transaction, the Corporation and the Successor shall execute such instruments and do such things as are necessary to establish that upon the consummation of such transaction the Successor will have assumed all the covenants and obligations of the Corporation under the Share Award Plan and the Incentive Award Agreements outstanding on consummation of such transaction in a manner that substantially preserves and does not impair the rights of the Grantees thereunder in any material respect, or, if the Incentive Awards (and the covenants and obligations of the Corporation under this Plan and the Incentive Award Agreements outstanding on consummation of such transaction) are not so assumed by the Successor, then the Payment Date for all Incentive Awards and underlying Award Value that has yet to be paid as of such time shall be the date which is immediately prior to the date upon which the transaction is consummated.

Amendments

The Compensation Committee may not, without the approval of the shareholders, make any amendments to: (a) increase the aggregate number or the percentage of Common Shares reserved for issuance pursuant to Incentive Awards in excess of the limits contained in item (a) under "*Limits on Issuance*" above; (b) change any of the limitations on Incentive Awards contained in items (b), (c), (d) and (e) under "*Limits on Issuance*" above; (c) extend the Payment Date of any Incentive Awards issued under the Share Award Plan beyond the latest Payment Date specified in the Incentive Award Agreement (other than as permitted by the terms and conditions of the Share Award Plan) or extend the term beyond the original Expiry Date (other than as permitted by the terms and conditions of the Share Award Plan); (d) permit a Grantee to transfer or assign Incentive Awards to a new beneficial holder other than for estate settlement purposes; and (e) amend the amendment provisions of the Share Award Plan.

Except as restricted by the foregoing, the Compensation Committee may amend or discontinue the Share Award Plan or Incentive Awards granted thereunder at any time without Shareholder approval provided that any amendment to the Share Award Plan that requires approval of any stock exchange on which the Common Shares are listed for trading may not be made without approval of such stock exchange. In addition, no amendment to the Share Award Plan or Incentive Awards granted pursuant to the Share Award Plan may be made without the consent of the Grantee, if it adversely alters or impairs any Incentive Awards previously granted to such Grantee under the Share Award Plan.