



ENERGY LTD. 

Q3

2025 Third Quarter Report

For the three and nine months ended September 30, 2025 and 2024



Advantage Announces Third Quarter 2025 Financial and Operating Results

Advantage Energy Ltd. (“Advantage” or the “Corporation”) is pleased to report 2025 third quarter financial and operating results.

2025 Third Quarter Financial Highlights

- Cash provided by operating activities of \$80.1 million.
- Adjusted funds flow (“AFF”)^(a) of \$72.4 million or \$0.43 per basic share for Advantage^(b).
- Cash used in investing activities of \$102.3 million.
- Net capital expenditures^(a) were \$71.6 million for Advantage^(b).
- Net debt^(a) of \$572.3 million for Advantage^(b), essentially unchanged quarter-over-quarter.

During the third quarter, Advantage was effectively free cash flow (“FCF”)^(a) neutral while average AECO prices were the lowest in history. This highlights our unique ability to fully fund a steady, efficient annual capital program of about \$300 million throughout the commodity price cycle.

2025 Third Quarter Operating Highlights

- Average production was 71,482 boe/d (356.1 mmcf/d natural gas, 12,139 bbls/d liquids), a decrease of 4% versus the third quarter of 2024. Advantage aggressively curtailed production during periods of extremely weak/negative AECO pricing, prioritizing value over volumes.
- Liquids production was 12,139 bbls/d (8,483 bbls/d crude oil, 684 bbls/d condensate and 2,972 bbls/d NGLs), a decrease 5% over the third quarter of 2024.
- Operating costs in the third quarter were \$5.82/boe^(a) compared to \$5.46/boe in the third quarter of 2024, mainly due to significantly curtailed natural gas production. With production now returned to normal levels, we remain firmly on track to achieve our annual guidance range (\$4.95/boe to \$5.30/boe) as we move into the fourth quarter.
- At Glacier, Advantage drilled a three-well pad which is now being brought on production with exceptional results. Based on publicly available data, the first well has the highest initial production rate of raw natural gas ever delivered in the Alberta Montney, producing 31.7 mmcf/d over the last 7 days. The second well has been producing at a restricted rate of 20.0 mmcf/d over the last 7 days, and the third well has yet to be brought on production, awaiting pipeline capacity. This outstanding performance reflects a combination of high-quality Montney reservoir in the Glacier region, Advantage’s operated infrastructure and the advanced strategies and dedication of our technical team.

Proactive Response to AECO Prices

Poor NGTL system reliability and maintenance on key export pipelines continued through the third quarter, resulting in both the weakest quarter and the weakest month (September) on record for AECO cash prices.

Consistent with our strategic priority of maximizing cumulative FCF^(a), Advantage curtailed significant volumes of dry natural gas production when cash prices were exceptionally weak or negative. Gas curtailments averaged 60 mmcf/d for the quarter, with certain days in September exceeding 300 mmcf/d. On those days, Advantage purchased spot gas at negative prices to satisfy physical delivery commitments to downstream markets while preserving our natural gas resource.

Our curtailment strategy directly resulted in a \$2 million net increase to third-quarter AFF^(a) from purchasing gas at negative prices and about \$5 million of reduced depletion expense, which will translate to lower development capital during the next six months. Financial hedging gains, which are independent of physical production, accounted for 47% of the quarter’s AFF^(a).

Marketing Update

Advantage has hedged 43% of its forecasted natural gas production for the fourth quarter of 2025, as well as 28% in 2026 and 8% in 2027. Advantage has also hedged 45% of its forecasted crude oil and condensate production for the fourth quarter of 2025, as well as 17% for the first half of 2026.

Executive Update

Advantage is pleased to announce that Geoff Keyser has been appointed to the expanded role of Vice President, Development. Mr. Keyser joined Advantage in November 2020 and has been serving as Vice President, Corporate Development since January 2022. His new title formalizes the key role he plays across all aspects of the business including capital allocation, planning, development execution, reserves, business development and integration of artificial intelligence.

Looking Forward

Advantage's corporate strategy remains focused on maximizing AFF per share growth without compromising our balance sheet.

Western Canadian natural gas market fundamentals remain encouraging, with oversupplied conditions easing as LNG Canada continues to ramp up and export pipelines return to full service. This rebalancing increases the likelihood that AECO prices will exceed levels currently implied by the futures market. However, even at current strip pricing Advantage expects to generate more than \$500 million of FCF^(a) over our three-year plan (2025 to 2027), while continuing to grow production 5% to 10% annually.

Voluntary production curtailments ended in early October and corporate production was restored to full capacity. We expect fourth quarter production to average between 79,000 and 83,000 boe/d, resulting in full-year 2025 production of 78,100 to 79,100 boe/d (previously 80,000 to 83,000 boe/d).

As a result of the aggressive shut-ins during the third quarter, development capital for the remainder of the year is expected to be modestly lower than budgeted and, pending budgetary approval in December, we expect to reduce capital for 2026 by approximately \$10 million. At strip pricing, Advantage expects our 2026 capital program reinvestment rate to be amongst the lowest in industry, helping amplify our 2026 share buyback program. With net debt forecast to fall rapidly this winter, we are shifting to a net debt target range, between \$400 million and \$500 million (midpoint target remaining at \$450 million), providing flexibility around the timing of accelerated share buybacks.

Advantage is strongly positioned to benefit from the Canadian political outlook by virtue of our low carbon natural gas and ownership of Entropy Inc. Our strategy remains centered on disciplined capital allocation, high-return investments, and measured, sustainable AFF per share growth. This strategy presents shareholders with a transformative opportunity for long-term value creation.

Advantage wishes to thank our employees, board of directors and shareholders for their ongoing support.

(a) Specified financial measure which is not a standardized measure under International Financial Reporting Standards ("IFRS") and may not be comparable to similar specified financial measures used by other entities. Please see "Specified Financial Measures" for the composition of such specified financial measure, an explanation of how such specified financial measure provides useful information to a reader and the purposes for which Management of Advantage uses the specified financial measure, and where required, a reconciliation of the specified financial measure to the most directly comparable IFRS measure.

(b) "Advantage" refers to Advantage Energy Ltd. only and excludes its subsidiary Entropy Inc.



CONSOLIDATED MANAGEMENT'S DISCUSSION & ANALYSIS

For the three and nine months ended September 30, 2025 and 2024

CONSOLIDATED MANAGEMENT'S DISCUSSION & ANALYSIS

The following Management's Discussion and Analysis ("MD&A"), dated as of October 28, 2025, provides a detailed explanation of the consolidated financial and operating results of Advantage Energy Ltd. ("Advantage", the "Corporation", "us", "we" or "our") for the three and nine months ended September 30, 2025 and should be read in conjunction with the unaudited condensed consolidated financial statements for the three and nine months ended September 30, 2025 and the audited consolidated financial statements for the year ended December 31, 2024 (together, the "consolidated financial statements"). The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards" or "IFRS"), representing generally accepted accounting principles ("GAAP") for publicly accountable enterprises in Canada. All references in the MD&A and consolidated financial statements are to Canadian dollars unless otherwise indicated. All dollar per boe figures herein forth only include the results of Advantage's natural gas and liquids operations and exclude the results of its subsidiary, Entropy Inc. ("Entropy").

This MD&A contains specified financial measures such as non-GAAP financial measures, non-GAAP ratios, capital management measures, supplementary financial measures and forward-looking information. Readers are advised to read this MD&A in conjunction with both the "Specified Financial Measures" and "Forward-Looking Information and Other Advisories" sections found at the end of this MD&A.

Financial Highlights

	Three months ended September 30		Nine months ended September 30	
(\$000, except as otherwise indicated)	2025	2024	2025	2024
Consolidated Financial Statement Highlights				
Natural gas and liquids sales	130,805	139,840	517,188	379,818
Net income (loss) and comprehensive income (loss) ⁽⁴⁾	(43)	(6,490)	43,435	4,589
per basic share ⁽²⁾	-	(0.04)	0.26	0.03
per diluted share ⁽²⁾	-	(0.04)	0.25	0.03
Basic weighted average shares (000)	166,968	166,972	166,990	162,941
Diluted weighted average shares (000)	166,968	166,972	170,405	166,116
Cash provided by operating activities	80,100	46,719	283,133	161,183
Cash provided by (used in) financing activities	(33,040)	(1,097)	20,676	458,288
Cash used in investing activities	(102,338)	(52,765)	(305,487)	(626,523)
Segmented Financial Highlights ⁽¹⁾				
<u>Advantage Energy Ltd.</u>				
Adjusted funds flow	72,422	54,662	282,439	165,722
per basic share ⁽²⁾	0.43	0.33	1.69	1.02
per diluted share ⁽³⁾	0.42	0.32	1.66	1.00
Net capital expenditures	71,594	54,936	214,605	616,310
Free cash flow - surplus (deficit)	828	(475)	63,834	(5,314)
Bank indebtedness	411,895	469,551	411,895	469,551
Net debt	572,310	621,890	572,310	621,890
<u>Entropy Inc.</u>				
Adjusted funds flow	(3,244)	(2,402)	(9,372)	(5,715)
per basic share ⁽²⁾	(0.02)	(0.02)	(0.06)	(0.04)
per diluted share ⁽³⁾	(0.02)	(0.01)	(0.05)	(0.04)
Net capital expenditures	48,446	11,791	86,710	21,439
Free cash flow - deficit	(26,521)	(14,193)	(70,913)	(27,154)
Net debt	203,413	72,069	203,413	72,069

⁽¹⁾ Specified financial measures which are not standardized measures under IFRS and may not be comparable to similar specified financial measures used by other entities. Please see "Specified Financial Measures" for the composition of such specified financial measures, an explanation of how such specified financial measures provides useful information to a reader and the purposes for which Management of Advantage uses the specified financial measures, and/or where required, a reconciliation of the specified financial measures to the most directly comparable IFRS measures.

⁽²⁾ Based on basic and diluted weighted average shares outstanding, as applicable.

⁽³⁾ Based on adjusted diluted weighted average shares outstanding.

⁽⁴⁾ Net income (loss) and comprehensive income (loss) attributable to Advantage Shareholders.

Operating Highlights ⁽¹⁾

	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Operating				
Production				
Crude oil (bbls/d)	8,483	8,144	8,199	4,615
Condensate (bbls/d)	684	1,055	850	1,162
NGLs (bbls/d)	2,972	3,621	3,377	3,042
Total liquids (bbls/d)	12,139	12,820	12,426	8,819
Natural gas (Mcf/d)	356,059	369,306	391,900	360,791
Total production (boe/d)	71,482	74,371	77,743	68,951
Average realized prices (including realized derivatives)				
Natural gas (\$/Mcf)	2.37	1.65	2.81	2.10
Liquids (\$/bbl)	78.13	85.05	81.67	83.74
Operating Netback (\$/boe) ⁽²⁾				
Natural gas and liquids sales	19.89	20.44	24.37	20.10
Realized gains on derivatives	5.19	2.44	2.84	1.62
Processing and other income	0.14	0.15	0.12	0.25
Net sales of purchased natural gas	0.26	-	0.08	-
Royalty expense	(1.87)	(2.83)	(2.20)	(1.88)
Operating expense	(5.82)	(5.46)	(5.13)	(4.58)
Transportation expense	(4.21)	(3.88)	(4.10)	(3.94)
Operating netback	13.58	10.86	15.98	11.57

⁽¹⁾ Operating highlights are for Advantage's natural gas and liquids operations.

⁽²⁾ Specified financial measure which is not a standardized measure under IFRS and may not be comparable to similar specified financial measures used by other entities. Please see "Specified Financial Measures" for the composition of such specified financial measure, an explanation of how such specified financial measure provides useful information to a reader and the purposes for which Management of Advantage uses the specified financial measure, and/or where required, a reconciliation of the specified financial measure to the most directly comparable IFRS measure.

2025 Guidance

During the third quarter of 2025, Advantage proactively curtailed dry natural gas production in response to persistently low or negative AECO benchmark pricing (see "Production"). This disciplined response resulted in lower operating expense, higher adjusted funds flow, reduced depreciation expense and deferral of capital expenditures amid volatile market conditions. With fourth quarter production expected to average between 79,000 and 83,000 boe/d, subject to AECO pricing, we are revising our full-year 2025 production guidance from 80,000 to 83,000 boe/d to a range of 78,100 to 79,100 boe/d.

The table below summarizes Advantage's 2025 guidance as at October 28, 2025:

	Original Guidance as at March 4, 2025 ⁽⁵⁾	Revised Guidance as at August 6, 2025 ⁽⁶⁾	Revised Guidance as at October 28, 2025
Forward Looking Information ⁽¹⁾⁽²⁾			
Cash Used in Investing Activities (\$ millions) ⁽³⁾	270 to 300	270 to 300	270 to 300
Production			
Total Production (boe/d)	80,000 to 83,000	80,000 to 83,000	78,100 to 79,100
Natural Gas (%)	84 to 85	84 to 85	84 to 85
Crude Oil and Condensate (%)	11 to 12	11 to 12	11 to 12
NGLs (%)	~4	~4	~4
Expenses			
Royalty Rate (%)	8 to 10	8 to 10	8 to 10
Operating Expense (\$/boe) ⁽⁴⁾	5.20 to 5.90	4.95 to 5.30	4.95 to 5.30
Transportation Expense (\$/boe) ⁽⁴⁾	3.95 to 4.25	3.95 to 4.25	3.95 to 4.25
G&A Expense (\$/boe) ⁽⁴⁾	0.75 to 0.85	0.75 to 0.85	0.75 to 0.85
Finance Expense (\$/boe) ⁽⁴⁾	1.50 to 1.95	1.50 to 1.95	1.50 to 1.95

⁽¹⁾ Forward-looking statements and information representing Management estimates. Please see "Forward-Looking Information and Other Advisories".

⁽²⁾ Guidance numbers are for Advantage Energy Ltd. only and exclude its subsidiary, Entropy Inc.

⁽³⁾ Cash Used in Investing Activities is the same as Net Capital Expenditures as no change in non-cash working capital is assumed between years and other differences are immaterial.

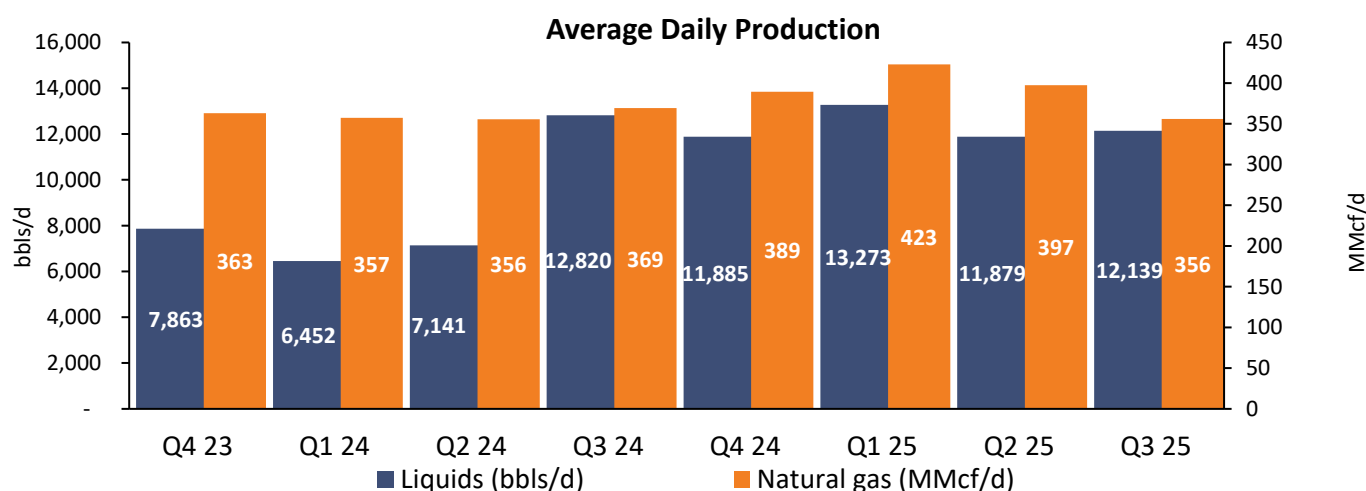
⁽⁴⁾ \$/boe are specified financial measures which may not be comparable to similar specified financial measures used by other entities. Please see "Specified Financial Measures".

⁽⁵⁾ See December 31, 2024 MD&A dated March 4, 2025.

⁽⁶⁾ See June 30, 2025 MD&A dated August 6, 2025.

Production

Average Daily Production	Three months ended September 30			Nine months ended September 30		
	2025	2024	% Change	2025	2024	% Change
Crude oil (bbls/d)	8,483	8,144	4	8,199	4,615	78
Condensate (bbls/d)	684	1,055	(35)	850	1,162	(27)
NGLs (bbls/d)	2,972	3,621	(18)	3,377	3,042	11
Total liquids (bbls/d)	12,139	12,820	(5)	12,426	8,819	41
Natural gas (Mcf/d)	356,059	369,306	(4)	391,900	360,791	9
Total production (boe/d)	71,482	74,371	(4)	77,743	68,951	13
Liquids (% of total production)	17	17		16	13	
Natural gas (% of total production)	83	83		84	87	



For the three and nine months ended September 30, 2025, Advantage's total production averaged 71,482 and 77,743 boe/d, reflecting a 4% decrease and a 13% increase, respectively, compared to the same periods in 2024. The third quarter decline was primarily due to strategic curtailments of dry natural gas production in response to persistently weak AECO prices, as well as a brief maintenance outage at the Glacier Gas Plant. Advantage maintained its disciplined capital allocation strategy by overproducing during strong pricing in the first quarter and curtailing gas production in the second and third quarters during weak AECO prices. Ongoing poor NGTL system reliability and maintenance on key export pipelines continued throughout the third quarter, contributing to the weakest quarter and the weakest month (September) on record for AECO benchmark pricing. During the third quarter, production curtailments averaged 60 MMcf/d, with some days in September exceeding 300 MMcf/d of shut-in dry gas. On certain days, Advantage "purchased" spot gas at negative prices to meet physical commitments, which increased net revenue while preserving future resource value (see "Net Sales of Purchased Natural Gas"). Voluntary curtailments were suspended in early October, with production restored to full capacity. For the nine months ended September 30, 2025, production growth was driven by the successful integration of the June 2024 acquisition of high-quality Charlie Lake and Montney assets (the "Acquired Assets"), which contributed meaningfully to both natural gas and liquids production.

Natural gas production for the three and nine months ended September 30, 2025 averaged 356.1 and 391.9 MMcf/d, respectively, a decrease of 4% for the three-month period and an increase of 9% for the nine-month period when compared to the same periods of the prior year. The quarterly decrease was attributable to the strategic curtailments and infrastructure maintenance, while the year-to-date increase reflects contributions from the Acquired Assets and continued development at Glacier and Valhalla, including 7.0 net Montney wells brought onstream during the period (see "Cash Used in Investing Activities and Net Capital Expenditures").

Production (continued)

Liquids production for the three and nine months ended September 30, 2025, averaged 12,139 bbls/d and 12,426 bbls/d, a decrease of 5% for the three-month period and an increase of 41% for the nine-month period. The quarterly decrease was due to the timing of new well completions and both planned and unplanned infrastructure downtime. The year-to-date increase was primarily driven by production from the Acquired Assets.

Advantage expects 2025 annual production to average between 78,100 and 79,100 boe/d based on the Corporation's planned 2025 capital program and subject to AECO pricing (see "2025 Guidance").

Commodity Prices and Marketing

	Three months ended			Nine months ended		
	September 30		%	September 30		%
Average Realized Prices ⁽²⁾	2025	2024	Change	2025	2024	Change
Natural gas						
Excluding derivatives (\$/Mcf)	1.44	1.20	20	2.36	1.81	30
Including derivatives (\$/Mcf)	2.37	1.65	44	2.81	2.10	34
Liquids						
Crude oil (\$/bbl)	84.34	95.72	(12)	87.39	96.37	(9)
Condensate (\$/bbl)	84.76	95.39	(11)	89.88	97.88	(8)
NGLs (\$/bbl)	45.58	54.50	(16)	52.34	57.78	(9)
Total liquids excluding derivatives (\$/bbl)	74.87	84.05	(11)	78.04	83.26	(6)
Total liquids including derivatives (\$/bbl)	78.13	85.05	(8)	81.67	83.74	(2)
Average Benchmark Prices						
Natural gas ⁽¹⁾						
AECO daily (\$/Mcf)	0.63	0.69	(9)	1.49	1.46	2
Empress daily (\$/Mcf)	0.63	0.70	(10)	1.69	1.49	13
Henry Hub (\$US/MMbtu)	3.07	2.08	48	3.39	2.19	55
Emerson daily (\$US/MMbtu)	0.52	0.68	(24)	1.69	1.34	26
Dawn daily (\$US/MMbtu)	2.79	1.70	64	3.18	1.87	70
Chicago Citygate (\$US/MMbtu)	2.79	1.76	59	3.16	2.07	53
Liquids						
WTI (\$US/bbl)	64.95	75.16	(14)	66.67	77.54	(14)
MSW Edmonton (\$/bbl)	86.42	97.94	(12)	88.58	98.57	(10)
Average Exchange rate (\$US/\$CAD)	0.7260	0.7333	(1)	0.7152	0.7352	(3)

⁽¹⁾ Converted on the basis of 1 Mcf = 1.055056 GJ and 1 Mcf = 1 MMbtu.

⁽²⁾ Average realized prices are considered specified financial measures which may not be comparable to similar specified financial measures used by other entities. Please see "Specified Financial Measures".

Natural gas

Advantage's realized natural gas prices excluding derivatives for the three and nine months ended September 30, 2025, were \$1.44/Mcf and \$2.36/Mcf, respectively, representing increases of 20% and 30% compared to the same periods in 2024. These improvements were driven by stronger benchmark prices in several markets where Advantage has physical delivery and market diversification exposure. Eastern Canada and US natural gas benchmark prices increased in 2025, supported by higher liquefied natural gas demand and a colder winter. In contrast, Alberta markets remained weak due to elevated production and inventory levels ahead of anticipated LNG Canada demand. Additionally, ongoing poor NGTL system reliability and maintenance on key export pipelines persisted throughout the third quarter, contributing to the weakest quarter and the weakest month (September) on record for AECO cash prices. Despite this, Advantage improved its average realized AECO price by strategically curtailing production on

Commodity Prices and Marketing (continued)

days with particularly low or negative pricing, preserving volumes for future sale at stronger prices. On negative AECO days, Advantage also opportunistically "purchased" spot gas to fulfill physical commitments while maintaining the value of its natural gas resource (see "Net Sales of Purchased Natural Gas").

Advantage's natural gas exposure consists of the AECO, Empress, Emerson, Dawn, and Chicago markets. Additionally, the Corporation delivers 25,000 MMbtu/d under a long-term natural gas supply agreement and receives a PJM electricity-based spark-spread price, less Alliance tolls. Advantage incurs additional transportation expense to deliver production beyond AECO to the Empress, Emerson, Dawn and Chicago markets (see "Transportation Expense").

The following table outlines the Corporation's 2025 forward-looking natural gas market exposure, and the nine months ended September 30, 2025, actual natural gas market exposure, excluding hedging.

Sales Markets	Nine months ended September 30, 2025		Forward-looking 2025 ⁽²⁾	
	Production (MMcf/d) ⁽¹⁾	Percentage of Natural Gas Production (%)	Effective production (MMcf/d) ⁽¹⁾	Percentage of Natural Gas Production (%)
AECO	124.0	32%	135.7	34%
AECO Other ⁽⁴⁾	49.6	13%	48.7	13%
Empress	91.0	23%	88.4	22%
Emerson	32.2	8%	30.9	8%
Dawn	52.7	14%	52.7	13%
Chicago	17.4	4%	17.1	4%
PJM electricity price ⁽⁵⁾	25.0	6%	25.0	6%
Total	391.9	100%	398.5 ⁽³⁾	100%

⁽¹⁾ All volumes contracted converted to Mcf on the basis of 1 Mcf = 1.055056 GJ and 1 Mcf = 1 MMbtu.

⁽²⁾ Natural gas market exposure based on contracts in-place at September 30, 2025.

⁽³⁾ Represents the midpoint of our 2025 guidance for natural gas production volumes (see "2025 Guidance").

⁽⁴⁾ Transactions that are priced at AECO but may include either a premium or discount to AECO as negotiated with counterparties.

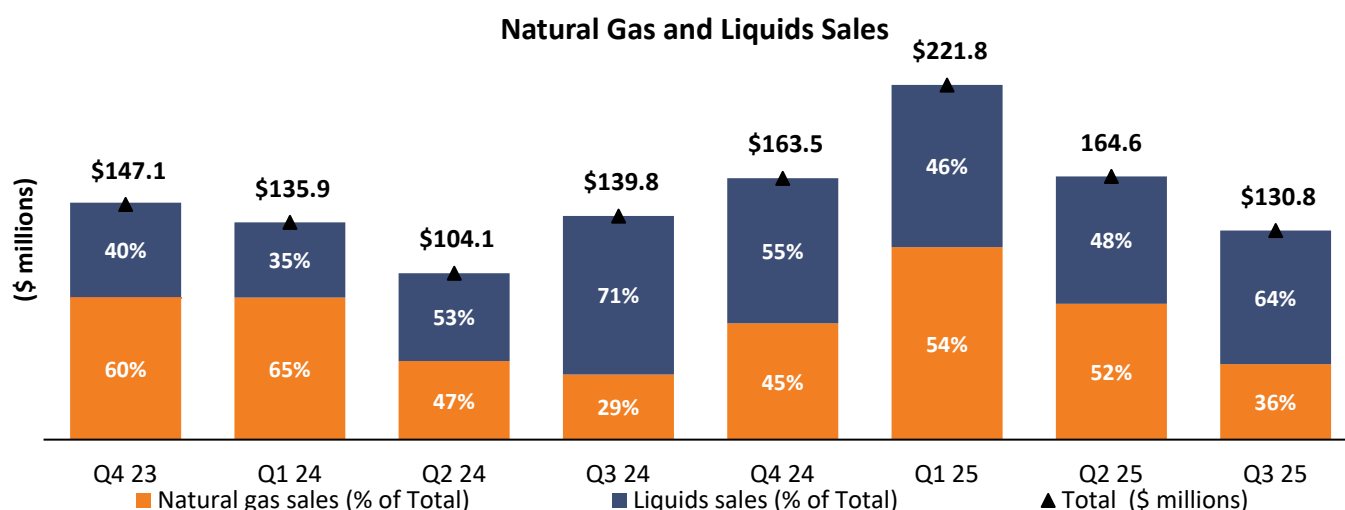
⁽⁵⁾ Sales are based upon a spark-spread price, providing Advantage exposure to PJM electricity prices, back-stopped with a natural gas price collar.

Liquids

Advantage's realized liquids prices excluding derivatives for the three and nine months ended September 30, 2025, were \$74.87/bbl and \$78.04/bbl, respectively, declines of 11% and 6% compared to the same periods in 2024. The decrease in realized prices across crude oil, condensate, and NGLs was primarily driven by elevated global supply including increased OPEC+ production. Broader market dynamics also contributed to the pricing pressure, including softening demand in key regions, evolving trade policies and tariffs, and seasonal consumption shifts. The prices that Advantage receives for crude oil and condensate production are largely influenced by global supply and demand fundamentals and the Edmonton light sweet oil and condensate price differentials. Approximately 84% of our liquids production is comprised of crude oil, condensate and pentanes, which typically command higher market prices than other NGLs. The quality of our liquids production has increased significantly from the prior year due to the Acquired Assets.

Natural Gas and Liquids Sales

(\$000, except as otherwise indicated)	Three months ended September 30			Nine months ended September 30		
	2025	2024	% Change	2025	2024	% Change
Crude oil	65,819	71,717	(8)	195,607	121,860	61
Condensate	5,334	9,259	(42)	20,856	31,165	(33)
NGLs	12,463	18,155	(31)	48,255	48,156	-
Liquids	83,616	99,131	(16)	264,718	201,181	32
Natural gas	47,189	40,709	16	252,470	178,637	41
Natural gas and liquids sales	130,805	139,840	(6)	517,188	379,818	36
per boe	19.89	20.44	(3)	24.37	20.10	21



Natural gas and liquids sales for the three months ended September 30, 2025 totaled \$130.8 million, a decrease of \$9.0 million or 6% compared to the same period in 2024. This decline was driven by a 16% reduction in liquids sales, which fell by \$15.5 million due to a combination of 11% lower realized liquids prices and a 5% decrease in production volumes (see "Commodity Prices and Marketing" and "Production"). In contrast, natural gas sales increased by \$6.5 million or 16%, supported by a 20% improvement in realized natural gas prices, partially offset by a 4% decline in production volumes (see "Commodity Prices and Marketing" and "Production"). This pricing uplift was achieved despite record-low AECO cash prices in September, as Advantage strategically curtailed production on weak pricing days and leveraged market diversification to higher-priced regions.

Natural gas and liquids sales for the nine months ended September 30, 2025, rose by \$137.4 million or 36%, reaching \$517.2 million. Natural gas sales increased by \$73.8 million or 41%, while liquids sales grew by \$63.5 million or 32%. These gains were driven by a 9% increase in natural gas production and a 41% increase in liquids volumes, largely attributable to the successful integration of the Acquired Assets (see "Production"). Additionally, realized natural gas prices improved by 30%, while realized liquids prices declined by 6%, reflecting broader market dynamics and global supply trends (see "Commodity Prices and Marketing").

Financial Risk Management

The Corporation's financial results and condition are impacted primarily by the prices received for natural gas, crude oil, condensate and NGLs production. Natural gas, crude oil, condensate and NGLs prices can fluctuate widely and are determined by supply and demand factors, including available access to transportation, weather, general economic conditions in consuming and producing regions and political factors. Additionally, certain commodity prices are transacted and denominated in US dollars. Advantage has been proactive in commodity risk management to reduce the volatility of cash provided by operating activities, supporting our organic development by diversifying sales to different physical markets and entering into financial commodity and foreign exchange derivative contracts. Advantage's Credit Facilities (as defined herein) allow us to enter derivative contracts on up to 75% of total estimated production over the first three years and up to 50% over the fourth and fifth years. In addition, the Credit Facilities allow us to enter basis swap arrangements to any natural gas price point in North America for up to 100,000 MMBtu/d with a maximum term of seven years. Basis swap arrangements are excluded from hedged production limits.

The Corporation enters into financial risk management derivative contracts to manage its exposure to commodity price risk, foreign exchange risk and interest rate risk. A summary of realized and unrealized derivative gains and losses for the three and nine months ended September 30, 2025, and 2024 are as follows:

	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Realized gains (losses) on derivatives				
Natural gas	26,108	16,345	41,531	31,473
Crude oil	3,640	1,175	12,345	1,175
Foreign exchange	185	74	14	78
Natural gas embedded derivative	4,227	(889)	6,476	(2,179)
Total	34,160	16,705	60,366	30,547
Unrealized gains (losses) on derivatives				
Natural gas	(5,146)	5,534	(10,586)	18,774
Crude oil	(4,236)	22,468	(1,227)	17,557
Foreign exchange	(360)	766	877	(173)
Natural gas embedded derivative	3,621	(21,646)	(12,712)	(30,526)
Unsecured debentures derivative	769	(530)	1,262	(798)
Total	(5,352)	6,592	(22,386)	4,834
Gains (losses) on derivatives				
Natural gas	20,962	21,879	30,945	50,247
Crude oil	(596)	23,643	11,118	18,732
Foreign exchange	(175)	840	891	(95)
Natural gas embedded derivative	7,848	(22,535)	(6,236)	(32,705)
Unsecured debentures derivative	769	(530)	1,262	(798)
Total	28,808	23,297	37,980	35,381

Financial Risk Management (continued)

Natural gas

For the three and nine months ended September 30, 2025, Advantage realized gains on natural gas derivatives of \$26.1 million and \$41.5 million, respectively, due to the settlement of contracts with average derivative contract prices that were above average market prices.

Advantage recognized an unrealized loss on natural gas derivatives of \$5.1 million and \$10.6 million, respectively, for the three and nine months ended September 30, 2025. Unrealized gains and losses are a result of changes in the fair value of outstanding natural gas derivative contracts accompanied with the settlement of contracts in their respective periods. The change in the fair value of our outstanding natural gas derivative contracts was primarily due to the settlement of contracts during the period.

Crude oil

For the three and nine months ended September 30, 2025, Advantage realized gains on crude oil derivatives of \$3.6 million and \$12.3 million, respectively, due to the settlement of contracts with average derivative contract prices that were above average market prices.

Advantage recognized an unrealized loss on crude oil derivatives of \$4.2 million and \$1.2 million for the three and nine months ended September 30, 2025. The change in the fair value of our outstanding crude oil derivative contracts was primarily due to the settlement of contracts during the period.

Foreign exchange

For the three and nine months ended September 30, 2025, Advantage realized a gain on foreign exchange derivatives of \$0.2 million and nil, respectively, while recognizing an unrealized loss of \$0.4 million and a gain of \$0.9 million for the three and nine months ended September 30, 2025. The unrealized gains and losses are a result of a change in fair value of outstanding contracts and the settlement of contracts during the period.

Natural gas embedded derivative

Advantage has a long-term natural gas supply agreement under which Advantage will supply 25,000 MMbtu/d of natural gas for a 10-year period. Commercial terms of the agreement are based upon a spark-spread price, providing Advantage exposure to PJM electricity prices, back-stopped with a natural gas price collar. The contract contains an embedded derivative as a result of the spark-spread price and the natural gas price collar. The Corporation defined the host contract as a natural gas sales arrangement with a fixed price of US\$2.50/MMbtu. The Corporation will have realized gains (losses) on the embedded derivative when the realized settlement price differs from US\$2.50/MMbtu, resulting in a realized gain of \$4.2 million and \$6.5 million for the three and nine months ended September 30, 2025, respectively (three and nine months ended September 30, 2024 – realized loss of \$0.9 million and \$2.2 million). The Corporation will have unrealized gains (losses) on the embedded derivative based on movements in the forward curve for PJM electricity prices. For the three and nine months ended September 30, 2025, the Corporation recognized an unrealized gain on the natural gas embedded derivative of \$3.6 million and an unrealized loss of \$12.7 million, respectively, as a result of changes in the forward curve for PJM electricity prices.

Financial Risk Management (continued)

Unsecured debentures derivative

Entropy has issued and outstanding unsecured debentures that have exchange features that meet the definition of a derivative liability, as the exchange features allow the unsecured debentures to be potentially exchanged for a variable number of Entropy common shares (see "Unsecured Debentures"). The Corporation will record unrealized gains (losses) as the valuation of the conversion option changes. For the three and nine months ended September 30, 2025, the Entropy unsecured debentures derivative liability resulted in an unrealized gain of \$0.8 million and \$1.3 million, respectively, due to changes in the value of the conversion option.

The fair value of derivative assets and liabilities is the estimated value to settle the outstanding contracts as at a point in time. As such, unrealized derivative gains and losses do not impact adjusted funds flow and the actual gains and losses realized on eventual cash settlement can vary materially due to subsequent fluctuations in commodity prices, foreign exchange rates and interest rates as compared to the valuation assumptions. Remaining derivative contracts will settle between October 1, 2025 and March 31, 2028, apart from the natural gas embedded derivative which is expected to be settled between the years 2025 and 2033.

As at September 30, 2025 and October 28, 2025, the Corporation had the following commodity and foreign exchange derivative contracts in place:

Description of derivative	Term	Volume	Price
Natural gas - AECO			
Fixed price swap	October 2025	135,064 Mcf/d	\$2.62/Mcf
Fixed price swap	November 2025 to March 2026	142,173 Mcf/d	\$3.54/Mcf
Fixed price swap	April 2026 to October 2026	75,825 Mcf/d	\$3.15/Mcf ⁽¹⁾
Fixed price swap	November 2026 to March 2027	94,782 Mcf/d	\$3.39/Mcf
Fixed price swap	April 2027 to March 2028	14,217 Mcf/d	\$3.23/Mcf
Natural gas - Chicago			
Fixed price swap	October 2025	4,739 Mcf/d	\$5.10/Mcf
Natural gas - Dawn			
Fixed price swap	October 2025	47,391 Mcf/d	\$4.04/Mcf
Fixed price swap	November 2025 to March 2026	28,435 Mcf/d	\$4.65/Mcf
Fixed price swap	April 2026 to October 2026	28,435 Mcf/d	\$4.52/Mcf
Fixed price swap	November 2026 to March 2027	9,478 Mcf/d	\$4.25/Mcf
Crude oil – WTI NYMEX			
Fixed price swap	October 2025 to December 2025	4,000 bbls/d	US \$71.89/bbl
Fixed price swap	January 2026 to June 2026	1,500 bbls/d	US \$63.47/bbl

Description of derivative	Term	Notional Amount	Rate
Forward rate - CAD/USD			
Average rate currency swap	October 2025 to December 2025	US \$ 1,000,000/month	1.4320

(1) Contains contracts entered into subsequent to September 30, 2025.

Net Sales of Purchased Natural Gas

(\$000, except as otherwise indicated)	Three months ended			Nine months ended		
	September 30		%	September 30		%
	2025	2024	Change	2025	2024	Change
Sales of purchased natural gas	1,121	-	nm	1,121	-	nm
Natural gas purchases	556	-	nm	556	-	nm
Net sales of purchased natural gas	1,677	-	nm	1,677	-	nm
per boe	0.26	-	nm	0.08	-	nm

During the third quarter of 2025, Advantage proactively curtailed natural gas production amid weak AECO prices. On certain days, Advantage "purchased" spot gas at negative prices to meet physical commitments, effectively being paid to take volumes for \$0.6 million and selling into other markets for \$1.1 million. This strategic approach allowed Advantage to optimize its marketing portfolio to realize higher operating netbacks relative to AECO.

Processing and Other Income

(\$000, except as otherwise indicated)	Three months ended			Nine months ended		
	September 30		%	September 30		%
	2025	2024	Change	2025	2024	Change
Advantage processing and other income	922	1,060	(13)	2,515	4,811	(48)
per boe	0.14	0.15	(7)	0.12	0.25	(52)
Entropy engineering services	-	-	-	2,625	375	nm
Total processing and other income	922	1,060	(13)	5,140	5,186	(1)

Advantage earns processing income from contracts whereby the Corporation charges third-parties to utilize excess capacity at its facilities. For the three and nine months ended September 30, 2025, Advantage generated \$0.9 million and \$2.5 million, respectively, in processing and other income, a decrease of 13% and 48% compared to the same periods of the prior year. The decrease for the nine-month period is a result of less third-party throughput at the Glacier Gas Plant as Advantage acquired production in 2024 that was previously being charged natural gas processing fees.

Entropy generated \$2.6 million in other income for the nine months ended September 30, 2025, associated with front-end engineering and design studies for third-parties.

Royalty Expense

(\$000, except as otherwise indicated)	Three months ended			Nine months ended		
	September 30		%	September 30		%
	2025	2024	Change	2025	2024	Change
Royalty expense	12,309	19,338	(36)	46,644	35,488	31
per boe	1.87	2.83	(34)	2.20	1.88	17
Royalty rate (%) ⁽¹⁾	9.4	13.8	(4.4)	9.0	9.3	(0.3)

⁽¹⁾ Percentage of natural gas and liquids sales.

Advantage pays royalties to the owners of mineral rights from which we have mineral leases. The Corporation has mineral leases with provincial governments, individuals and other companies. Our current average royalty rates are determined by various royalty regimes that incorporate factors including well depths, completion data, well production rates, and commodity prices. Royalties also include the impact of Gas Cost Allowance ("GCA") which is a reduction of royalties payable to the Alberta Provincial Government (the "Crown") to recognize capital and operating expenditures incurred by Advantage in the gathering and processing of the Crown's share of our natural gas production.

Royalty Expense (continued)

Royalty expense decreased for the three-month period ended September 30, 2025, by \$7.0 million due to lower natural gas and liquids sales from lower production (see "Production") and liquids prices (see "Commodity Prices and Marketing"). The royalty rate decreased from the prior period due to lower liquids benchmark prices.

The increase in royalty expense for the nine-month period ended September 30, 2025, was due to significantly higher natural gas and liquids sales, particularly from liquids production (see "Production") and natural gas prices (see "Commodity Prices and Marketing"). The average royalty rate was comparable to the prior year.

Advantage expects royalty rates to range from 8% to 10% in 2025 (see "2025 Guidance").

Operating Expense

(\$000, except as otherwise indicated)	Three months ended September 30			Nine months ended September 30		
	2025	2024	% Change	2025	2024	% Change
Advantage operating expense	38,258	37,335	2	108,922	86,549	26
per boe	5.82	5.46	7	5.13	4.58	12
Entropy operating expense	332	644	(48)	1,682	1,662	1
Operating expense	38,590	37,979	2	110,604	88,211	25

Operating expense for the three and nine months ended September 30, 2025, increased by \$0.9 million and \$22.4 million, respectively, increases of 2% and 26%. Operating expense per boe for the three and nine months ended September 30, 2025, was \$5.82/boe and \$5.13/boe, respectively. Operating expense for the three-month period was comparable to the prior year while higher per boe attributed to lower production volumes due to the strategic production curtailments during extremely low natural gas pricing and infrastructure maintenance. The higher operating expense in the nine-month period is primarily due to higher production volumes associated with the Acquired Assets, which are more liquids-weighted and generate stronger operating netbacks but also carry higher operating costs per boe. Operating costs have continued to be significantly better than our expectations, primarily driven by a reduction of over 25% in operating costs per boe on the Acquired Assets and a deferral of third-party processing commitments.

Advantage expects 2025 annual operating expense per boe to be approximately \$4.95 to 5.30 (see "2025 Guidance"), which includes new third-party processing commitments during the second half of 2025.

Transportation Expense

(\$000, except as otherwise indicated)	Three months ended September 30			Nine months ended September 30		
	2025	2024	% Change	2025	2024	% Change
Natural gas	21,627	20,978	3	70,416	62,200	13
Liquids	6,075	5,598	9	16,512	12,307	34
Transportation expense	27,702	26,576	4	86,928	74,507	17
per boe	4.21	3.88	9	4.10	3.94	4

Transportation expense represents the cost of transporting our natural gas and liquids production to the sales points, including associated fuel costs. Transportation expense for the three and nine months ended September 30, 2025, increased by \$1.1 million and \$12.4 million, respectively, increases of 4% and 17%. The increase in transportation expense for the nine-month period is a result of additional production from the Acquired Assets and additional physical natural gas transportation to downstream markets (see "Commodity Prices and Marketing").

Transportation Expense (continued)

Transportation expense per boe for the three- and nine-month period ended September 30, 2025, increased by 9% and 4%, respectively. The increase in transportation cost per boe for the three-month period was primarily due to lower production as firm transportation commitments were incurred with lower associated production due to the Corporation's strategic natural gas curtailments ("Production").

Advantage expects 2025 annual transportation expense per boe to be approximately \$3.95 to \$4.25/boe (see "2025 Guidance").

Operating Income and Operating Netback

	Three months ended September 30			
	2025		2024	
	\$000	per boe	\$000	per boe
Natural gas and liquids sales	130,805	19.89	139,840	20.44
Realized gains on derivatives	34,160	5.19	16,705	2.44
Processing and other income	922	0.14	1,060	0.15
Net sales of purchased natural gas	1,677	0.26	-	-
Royalty expense	(12,309)	(1.87)	(19,338)	(2.83)
Operating expense	(38,258)	(5.82)	(37,335)	(5.46)
Transportation expense	(27,702)	(4.21)	(26,576)	(3.88)
Operating income and operating netback⁽¹⁾	89,295	13.58	74,356	10.86

	Nine months ended September 30			
	2025		2024	
	\$000	per boe	\$000	per boe
Natural gas and liquids sales	517,188	24.37	379,818	20.10
Realized gains on derivatives	60,366	2.84	30,547	1.62
Processing and other income	2,515	0.12	4,811	0.25
Net sales of purchased natural gas	1,677	0.08	-	-
Royalty expense	(46,644)	(2.20)	(35,488)	(1.88)
Operating expense	(108,922)	(5.13)	(86,549)	(4.58)
Transportation expense	(86,928)	(4.10)	(74,507)	(3.94)
Operating income and operating netback⁽¹⁾	339,252	15.98	218,632	11.57

⁽¹⁾ Specified financial measure which may not be comparable to similar specified financial measures used by other entities. Please see "Specified Financial Measures".

For the three and nine months ended September 30, 2025, Advantage's operating income increased by 20% and 55%, respectively, or \$2.72/boe and \$4.41/boe. The increase in operating netback per boe for the three-month period was primarily due to higher realized gains on derivatives (see "Financial Risk Management"). The increase in operating netback per boe for the nine-month period was primarily driven by higher natural gas and liquids sales, particularly from increased liquids associated with the Acquired Assets (see "Production") and stronger natural gas prices (see "Commodity Prices and Marketing"). These gains were further supported by realized gains on derivatives, partially offset by higher royalty expense associated with elevated commodity prices (see "Royalty Expense") and increased operating expenses related to the Acquired Assets (see "Operating Expense").

General and Administrative Expense

(\$000, except as otherwise indicated)	Three months ended			Nine months ended		
	September 30		%	September 30		%
	2025	2024	Change	2025	2024	Change
Advantage G&A	4,956	5,647	(12)	20,739	21,327	(3)
Capitalized	(470)	(1,677)	(72)	(3,489)	(4,756)	(27)
Advantage G&A expense	4,486	3,970	13	17,250	16,571	4
per boe	0.68	0.58	17	0.81	0.88	(8)
Entropy G&A expense	3,786	2,726	39	13,482	7,098	90
General and administrative expense	8,272	6,696	24	30,732	23,669	30
Employees at September 30				98	83	18

Advantage general and administrative ("G&A") expense for the three and nine months ended September 30, 2025, increased by \$0.5 million and \$0.7 million, respectively. On a per boe basis, G&A expense increased in the three-month period due to lower volumes from curtailed production (see "Production"), while the nine-month period saw a decrease, reflecting efficiency gains from higher production and increased scale.

Entropy G&A expense incurred for the three and nine months ended September 30, 2025, increased by \$1.1 million and \$6.4 million, respectively. The increase is primarily attributable to expenditures incurred for completing front-end engineering and design studies for emitters. These studies are undertaken with the expectation that either Entropy and the emitters will subsequently approve a final investment decision for the project, or Entropy will receive compensation for the studies (see "Processing and Other Income"). In addition, Entropy has expanded its staffing levels to support ongoing business growth and operational scalability.

Share-based Compensation Expense

(\$000, except as otherwise indicated)	Three months ended			Nine months ended		
	September 30		%	September 30		%
	2025	2024	Change	2025	2024	Change
Share-based compensation	3,231	3,033	7	8,448	4,698	80
Capitalized	(575)	(686)	(16)	(1,492)	(1,017)	47
Share-based compensation expense	2,656	2,347	13	6,956	3,681	89
per boe	0.40	0.34	18	0.33	0.19	74

Advantage's long-term compensation plan for staff consists of a cash-based performance award incentive plan (see "General and Administrative Expense") and a share-based Restricted and Performance Award Incentive Plan. Under the Restricted and Performance Award Incentive Plan, service providers of Advantage are granted Performance Share Units that vest over three years from grant date. Capitalized share-based compensation is attributable to staff involved with the development of capital projects.

Advantage's share-based compensation expense for the three and nine months ended September 30, 2025, increased by \$0.3 million and \$3.3 million, or 13% and 89%, respectively. This increase reflects the unusually modest expense levels in 2024, which were driven by a reduced performance multiplier, downward revisions to estimates for outstanding Performance Share Units, and forfeitures related to employee retirements.

Finance Expense

(\$000, except as otherwise indicated)	Three months ended			Nine months ended		
	September 30		%	September 30		%
	2025	2024	Change	2025	2024	Change
Advantage interest expense	11,964	14,757	(19)	36,747	29,884	23
per boe	1.82	2.16	(16)	1.73	1.58	9
Advantage accretion expense	1,402	1,790	(22)	4,005	2,914	37
Advantage finance expense	13,366	16,547	(19)	40,752	32,798	24
Entropy finance expense	1,900	1,234	54	5,202	2,919	78
Finance expense	15,266	17,781	(14)	45,954	35,717	29

Advantage realized lower interest expense during the three months ended September 30, 2025, primarily due to reduced average outstanding bank indebtedness and lower interest rates. Advantage realized higher interest expense during the nine months ended September 30, 2025, primarily due to financing of the Acquired Assets through a combination of bank indebtedness and convertible debentures. The trend of declining bank indebtedness and associated interest expense over the last year demonstrates Advantage's continued execution of its post-acquisition strategy to reduce net debt. Interest on bank indebtedness is based on short-term loans plus fees and determined by net debt to the trailing four quarters earnings before interest, taxes, depreciation and amortization ("EBITDA") ratio as calculated pursuant to our Credit Facilities (see "Bank Indebtedness, Credit Facilities and Working Capital"). Advantage recognized \$1.8 million and \$5.4 million of interest expense related to the convertible debentures and incurred incremental associated accretion expense for the three and nine months ended September 30, 2025, due to the accounting treatment for convertible debentures (see "Convertible Debentures").

Entropy finance expense increased during the three and nine months ended September 30, 2025, due to an increased average outstanding aggregate principal amount of unsecured debentures associated with investors continued financing of the ongoing Glacier Phase 2 CCS project and the acquisition of certain carbon hub assets in Saskatchewan (see "Cash Used in Investing Activities and Net Capital Expenditures"). Entropy funds its projects by issuing unsecured debentures to third-party investors with committed capital. The unsecured debentures are non-recourse to Advantage, which does not provide any financing to Entropy for capital projects (see "Unsecured Debentures").

Depreciation and Amortization Expense

(\$000, except as otherwise indicated)	Three months ended			Nine months ended		
	September 30		%	September 30		%
	2025	2024	Change	2025	2024	Change
Advantage depreciation	54,359	58,870	(8)	168,744	142,155	19
per boe	8.27	8.60	(4)	7.95	7.52	6
Entropy depreciation and amortization	1,112	851	31	3,045	4,022	(24)
Depreciation and amortization expense	55,471	59,721	(7)	171,789	146,177	18

The decrease in depreciation and amortization expense for the three months ended September 30, 2025, was attributable to lower production as the Corporation strategically curtailed dry gas production during days of exceptionally weak natural gas prices (see "Production"). These curtailments resulted in approximately \$5 million of depreciation expense savings for the quarter and higher net income, since depreciation is recognized based on production volumes. This approach also positions the Corporation to realize higher value for the curtailed production as prices recover. The increase in depreciation and amortization expense for the nine months ended September 30, 2025, was attributable to an increased net book value associated with the Corporation's property, plant, and equipment accompanied by increased production (see "Production"). Depreciation and amortization expense per boe increased compared to the prior nine-month period due to the Acquired Assets having a higher depreciation rate per boe typical for liquids-weighted assets as compared to the Corporation's pre-existing natural gas-weighted assets.

Taxes

(\$000, except as otherwise indicated)	Three months ended September 30			Nine months ended September 30		
	2025	2024	% Change	2025	2024	% Change
Income tax expense	2,374	96	nm	19,324	6,274	208
Effective tax rate (%)	128.2	(1.4)		31.5	64.6	

Deferred income taxes arise from differences between the accounting and tax bases of our assets and liabilities. For the three and nine months ended September 30, 2025, the Corporation recognized a deferred income tax expense of \$2.4 million and \$19.3 million, respectively. Income tax expense for three and nine months ended September 30, 2025, is a result of net income before taxes and non-controlling interest of \$1.9 million and \$61.3 million, respectively, combined with non-deductible share-based compensation expense, and valuation allowances applied against Entropy's non-capital losses. These tax adjustments can significantly impact the effective tax rate, resulting in figures that may appear disproportionate relative to pre-tax income. As at September 30, 2025, the Corporation had a deferred income tax liability of \$272.5 million.

Net Income (Loss) and Comprehensive Income (Loss) Attributable to Advantage Shareholders

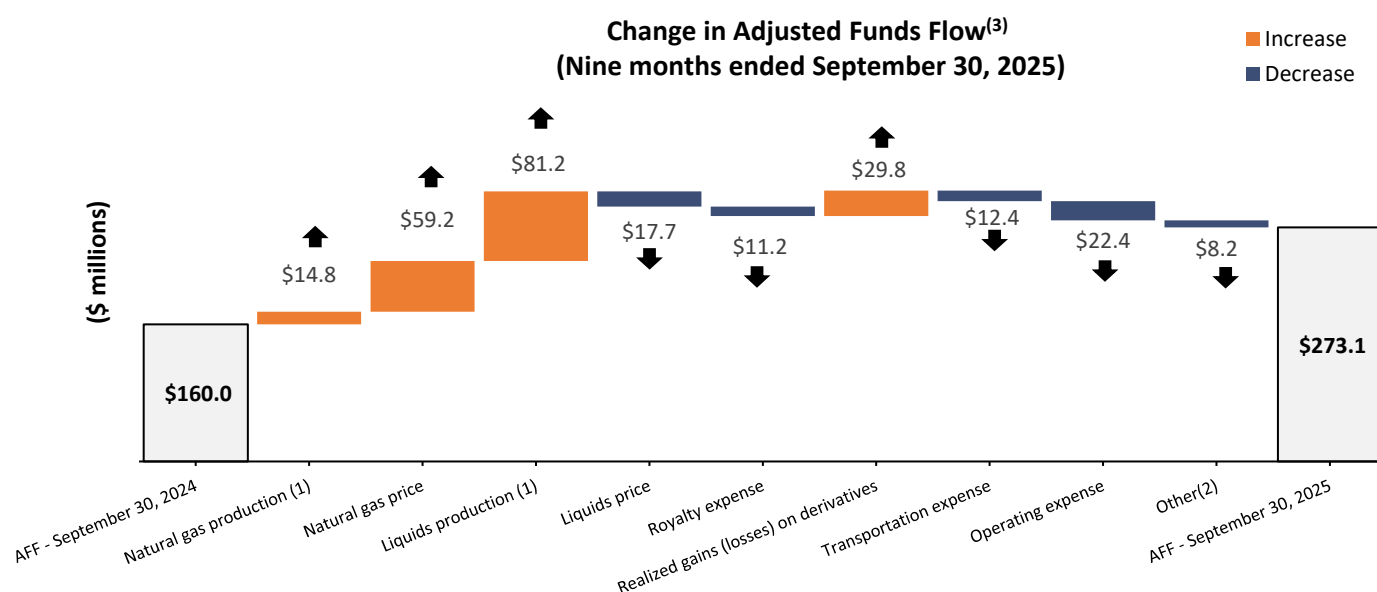
(\$000, except as otherwise indicated)	Three months ended September 30			Nine months ended September 30		
	2025	2024	% Change	2025	2024	% Change
Net income (loss) and comprehensive income (loss) attributable to Advantage shareholders	(43)	(6,490)	nm	43,435	4,589	847
per basic share	-	(0.04)	nm	0.26	0.03	767
per diluted share	-	(0.04)	nm	0.25	0.03	767

Advantage recognized a nominal net loss attributable to shareholders for the three months ended September 30, 2025, compared to a net loss of \$6.5 million in the same period of 2024. For the nine-month period, net income attributable to shareholders increased significantly to \$43.4 million from \$4.6 million in the prior year. Significantly increased gains on derivatives (see "Financial Risk Management") contributed to the increase for the three and nine months ended September 30, 2025. The year-to-date increase was further supported by higher natural gas and liquids sales, reflecting increased production volumes (see "Production") and stronger natural gas prices (see "Natural Gas and Liquids Sales"). These gains were partially offset by higher royalty expense (see "Royalty Expense"), operating expense (see "Operating Expense"), and transportation expense (see "Transportation Expense").

Cash Provided by Operating Activities and Adjusted Funds Flow ("AFF")

(\$000, except as otherwise indicated)	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Cash provided by operating activities	80,100	46,719	283,133	161,183
Expenditures on decommissioning liability	1,548	879	4,111	988
Changes in non-cash working capital	(12,470)	4,662	(14,177)	(2,164)
Adjusted funds flow ⁽¹⁾	69,178	52,260	273,067	160,007
Advantage adjusted funds flow ⁽¹⁾	72,422	54,662	282,439	165,722
per basic share ⁽¹⁾	0.43	0.33	1.69	1.02
per diluted share ⁽¹⁾	0.42	0.32	1.66	1.00
per boe ⁽¹⁾	11.01	7.99	13.31	8.77
Entropy adjusted funds flow ⁽¹⁾	(3,244)	(2,402)	(9,372)	(5,715)

⁽¹⁾ Specified financial measure which may not be comparable to similar specified financial measures used by other entities. Please see "Specified Financial Measures".



⁽¹⁾ The change in natural gas and liquids sales related to the change in production is determined by multiplying the prior period realized price by the change in current period production.

⁽²⁾ Other includes processing and other income, the net impact of net sales of purchased natural gas, G&A expense, transaction cost, finance expense (excluding accretion expense), foreign exchange gain and settlement of Performance Share Units in cash.

⁽³⁾ Specified financial measure which may not be comparable to similar specified financial measures used by other entities. Please see "Specified Financial Measures".

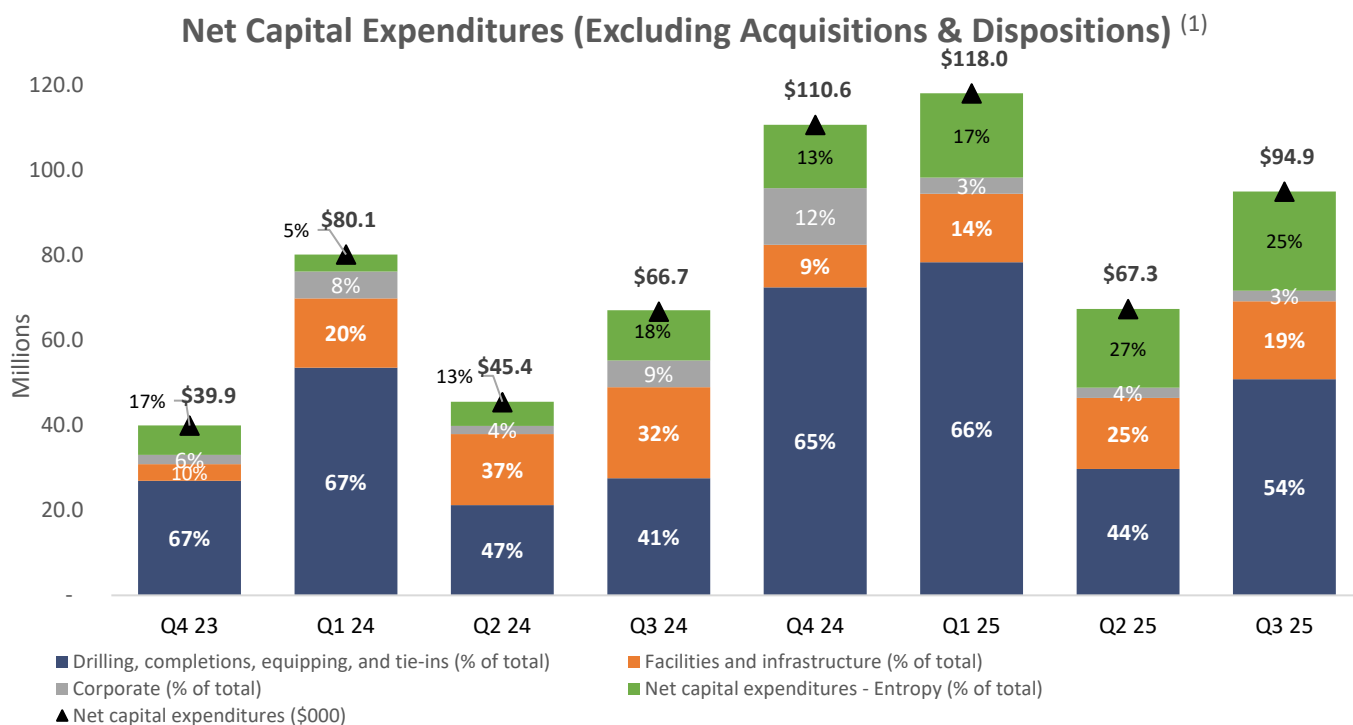
For the three and nine months ended September 30, 2025, the Corporation realized cash provided by operating activities of \$80.1 million and \$283.1 million, representing year-over-year improvements of \$33.4 million and \$122.0 million, respectively. After adjusting for non-cash changes in working capital and expenditures on decommissioning liability, adjusted funds flow was \$69.2 million and \$273.1 million for the respective periods, increases of \$16.9 million and \$113.1 million when compared to the same periods of 2024. The higher cash provided by operating activities and adjusted funds flow for the three-month period were largely impacted by the increase in realized gains on derivatives (see "Financial Risk Management"), while the nine-month period was additionally influenced by an increase in natural gas and liquids sales as a result of higher total production and natural gas prices (see "Production" and "Commodity Prices and Marketing"), partially offset by higher costs associated with stronger commodity prices and a more liquids-weighted production mix.

Cash Used in Investing Activities and Net Capital Expenditures

(\$000)	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Drilling, completions, equipping and tie-ins	50,775	27,469	158,774	102,193
Facilities and infrastructure	18,340	21,402	51,181	54,358
Corporate ⁽²⁾	2,479	6,266	8,650	14,485
Exploration and development expenditures	71,594	55,137	218,605	171,036
Asset acquisitions	-	(201)	-	445,274
Asset dispositions	-	-	(4,000)	-
Net capital expenditures - Advantage	71,594	54,936	214,605	616,310
Carbon capture and storage facilities	22,999	11,672	60,993	20,516
Intangible assets	278	119	548	923
Asset acquisition	25,169	-	25,169	-
Net capital expenditures - Entropy	48,446	11,791	86,710	21,439
Net capital expenditures ⁽¹⁾	120,040	66,727	301,315	637,749
Changes in non-cash working capital	(17,702)	(13,962)	4,172	(11,226)
Cash used in investing activities	102,338	52,765	305,487	626,523

⁽¹⁾ Specified financial measure which may not be comparable to similar specified financial measures used by other entities. Please see "Specified Financial Measures".

⁽²⁾ Corporate includes workovers, turnaround cost, seismic, capitalized G&A, and office furniture and equipment.



⁽¹⁾ Specified financial measure which may not be comparable to similar specified financial measures used by other entities. Please see "Specified Financial Measures".

Cash Used in Investing Activities and Net Capital Expenditures (continued)

Advantage

Advantage incurred \$71.6 million and \$218.6 million on exploration and development expenditures during the three and nine months ended September 30, 2025, respectively. The following table summarizes wells drilled, completed and on production for the three and nine months ended September 30, 2025:

	Three months ended September 30, 2025			Nine months ended September 30, 2025		
	Drilled Gross (Net)	Completed Gross (Net)	On production Gross (Net)	Drilled Gross (Net)	Completed Gross (Net)	On production Gross (Net)
(# of wells)						
Glacier	5 (5.0)	3 (3.0)	1 (1.0)	7 (7.0)	7 (7.0)	5 (5.0)
Valhalla	1 (1.0)	- -	- -	1 (1.0)	2 (2.0)	2 (2.0)
Wembley	- -	- -	- -	3 (3.0)	3 (3.0)	3 (3.0)
Service wells	1 (1.0)	- -	- -	2 (2.0)	1 (1.0)	- -
Montney	7 (7.0)	3 (3.0)	1 (1.0)	13 (13.0)	13 (13.0)	10 (10.0)
Valhalla	2 (2.0)	- -	1 (1.0)	7 (5.6)	6 (4.5)	8 (6.5)
Progress	- -	- -	- -	4 (2.0)	4 (2.0)	4 (2.0)
Gordondale	- -	- -	- -	2 (2.0)	2 (2.0)	2 (2.0)
Charlie Lake	2 (2.0)	- -	1 (1.0)	13 (9.6)	12 (8.5)	14 (10.5)
Total	9 (9.0)	3 (3.0)	2 (2.0)	26 (22.6)	25 (21.5)	24 (20.5)

Charlie Lake Assets

Valhalla/Progress/Gordondale

Activity on our Charlie Lake properties continued to accelerate following the closing of the acquisition on June 24, 2024. Activity during the first nine months of 2025 consisted of 13 gross (9.6 net) wells drilled, 12 gross (8.5 net) wells completed, and 14 gross (10.5 net) wells placed on production. Our Charlie Lake drilling program continues to outperform our acquisition type curve which exceeds historical results from the asset.

During the first half of 2025, Advantage physically connected our main 16-29 Valhalla battery to the NorthRiver Midstream Gordondale East plant. The plant expansion is now complete and we are delivering up to 25MMcf/d of raw gas to the facility. Along with our own extensive gas processing and liquid handling infrastructure we have access to sufficient processing capacity to ensure the efficient development of our Charlie Lake properties.

Montney Assets

Glacier

During the first nine months of 2025 activity at our Glacier property consisted of 7 gross (7.0 net) wells drilled, 7 gross (7.0 net) wells completed, and 5 gross (5.0 net) wells were placed on production.

Well performance from the property continues to be strong and resilient. Of all Alberta Montney gas wells placed on production in 2024, Advantage had 7 of the top 10 gas producing wells, based on IP90 rates.

Our drill program for the balance of the season at Glacier is focused on preparing to add 50MMcf/d gas to the Glacier Gas Plant. This volume will replace gas from the Valhalla and Progress areas that are currently flowing to the Glacier Gas Plant but will be redirected to our new Progress 4-21 gas plant following commissioning of the facility in Q2 2026.

A new water disposal well was added during the first quarter and will help maintain our low-cost structure at Glacier.

Cash Used in Investing Activities and Net Capital Expenditures (continued)

Valhalla

During the first nine months of 2025 activity at our Valhalla property consisted of 1 gross (1.0 net) well drilled, 2 gross (2.0 net) wells completed, and 2 gross (2.0 net) wells placed on production.

Two new Montney wells were brought on production at restricted rates due to low gas prices and pipeline constraints. The constraints will be removed when Valhalla gas is redirected to our new Progress 4-21 gas plant in Q2, 2026. Well performance from the two wells was strong with the wells achieving average well peak IP30 rates of 10.9 MMcf/d raw natural gas despite being choked back significantly. Continued strong well results support Management's view that our Valhalla Montney asset will continue to play a pivotal role in the Corporation's liquids-rich gas development plan.

Wembley

During the first nine months of 2025 activity at our Wembley property consisted of 3 gross (3.0 net) wells drilled, 3 gross (3.0 net) wells completed, and 3 gross (3.0 net) wells placed on production. Average peak IP30 rates for these wells were 1,074 boe/d (2.6 MMcf/d natural gas, 520 bbls/d crude oil and 123 bbls/d NGLs) resulting in a 61% liquid content.

The Wembley asset is connected to two major third-party gas processing facilities and utilizes existing capacity in our 100% owned Wembley compressor site and liquids handling hub. The property remains a key contributor to our liquid-rich portfolio of Montney assets.

Progress

At Progress, as outlined in our 2025 capital budget, construction on the Phase 1 75 MMcf/d 4-21 gas plant was deferred to early 2026, with no impact on 2025 production. Alternatively, excess processing capacity strategically acquired in 2024 will be utilized, reducing 2025 capital expenditures and increasing free cash flow by approximately \$35 million.

Construction at the Progress 4-21 gas plant resumes in Q4 2025 with commissioning taking place in Q2, 2026. The acid gas disposal well that services the plant was drilled and completed during Q3 2025. All key regulatory components for the facility are in place.

The completion and commissioning of the Progress gas plant in the second quarter of 2026 will unlock significant synergies and growth from our assets through regional infrastructure and production optimization, resulting in lower operating costs and stronger operating netbacks. The Progress gas plant will also provide incremental processing capacity for our next phase of low-cost production growth at Glacier.

Cash Used in Investing Activities and Net Capital Expenditures (continued)

Entropy

Net capital expenditures incurred by Entropy are funded through the issuance of unsecured debentures to investors that have provided Entropy access to \$500 million in committed capital, of which \$205.7 million has been drawn as at September 30, 2025. Advantage does not provide any financing to Entropy for capital projects.

Entropy invested \$48.4 million and \$86.7 million in net capital expenditures during the three and nine months ended September 30, 2025, respectively. Entropy's expenditures were mainly attributable to procurement of equipment required for construction of the ongoing Glacier Phase 2 CCS project and front-end engineering and design studies for emitters. During the third quarter Entropy acquired certain carbon hub assets in Saskatchewan for cash consideration of \$25.2 million.

On September 21, 2024, the CCUS ITC which was included in Bill C-59 received royal assent. Advantage and Entropy have incurred carbon capture expenditures dating back to January 1, 2022, which once approved by the federal government, should be eligible expenditures under the CCUS ITC program. The Corporation is working with Natural Resources Canada and the Canada Revenue Agency to finalize approval for our existing carbon capture projects at Glacier.

Commitments and Contractual Obligations

The Corporation has commitments and contractual obligations in the normal course of operations. Such commitments include operating costs for office leases, natural gas processing costs associated with third-party facilities, and transportation costs for delivery of our natural gas and liquids production to sales points (crude oil, condensate and NGLs). Transportation commitments are required to ensure our production is delivered to sales markets and Advantage actively manages our portfolio in conjunction with our future development plans ensuring we are properly diversified to multiple markets. Of our total transportation commitments, \$332.5 million or 44% is required for delivery of natural gas and liquids production to Alberta markets, while Advantage has proactively committed to \$417.6 million in additional transportation to diversify natural gas production to the Dawn, Empress, Emerson, and Chicago markets, with the objective of reducing price volatility and achieving higher operating netbacks (see "Transportation Expense"). Contractual obligations comprise those liabilities to third-parties incurred for the purpose of financing Advantage's business and development, including our bank indebtedness.

The following table is a summary of the Corporation's remaining commitments and contractual obligations. Advantage has no guarantees or off-balance sheet arrangements other than as disclosed.

(\$ millions)	Payments due by period						
	Total	2025 (3 months)	2026	2027	2028	2029	Beyond
Building operating cost ⁽¹⁾	1.6	0.2	0.8	0.6	-	-	-
Processing	175.4	7.4	31.1	29.4	28.2	26.4	52.9
Transportation	750.0	25.0	99.8	94.2	75.7	66.4	388.9
Total commitments	927.0	32.6	131.7	124.2	103.9	92.8	441.8
Performance Awards	6.6	-	2.4	3.3	0.9	-	-
Lease liability	2.3	0.3	1.1	0.7	0.1	0.1	-
Financing liability	127.3	3.3	13.0	13.0	13.1	13.0	71.9
Bank indebtedness ⁽²⁾							
- principal	415.0	-	-	415.0	-	-	-
- interest	42.4	6.1	24.2	12.1	-	-	-
Unsecured debentures ⁽³⁾							
- principal	205.7	-	-	-	-	-	205.7
- interest	143.8	4.1	16.5	16.5	16.5	16.5	73.7
Convertible debentures ⁽⁴⁾							
- principal	143.8	-	-	-	-	143.8	-
- interest	27.0	1.8	7.2	7.2	7.2	3.6	-
Total contractual obligations	1,113.9	15.6	64.4	467.8	37.8	177.0	351.3
Total future payments	2,040.9	48.2	196.1	592.0	141.7	269.8	793.1

⁽¹⁾ Excludes fixed lease payments which are included in the Corporation's lease liability.

⁽²⁾ As at September 30, 2025 the Corporation's bank indebtedness was governed by the Credit Facilities, which have a two-year term with a syndicate of financial institutions. The Credit Facilities are revolving and extendible for a further 364-day period upon an annual review and at the option of the syndicate. If not extended, the Credit Facilities will mature with any outstanding principal payable at the end of the two-year term (see "Bank Indebtedness, Credit Facilities and Working Capital").

⁽³⁾ Entropy funds its capital projects by issuing unsecured debentures to third-party investors with committed capital. The unsecured debentures are non-recourse to Advantage, which does not provide any financing to Entropy for capital projects. The principal balance of unsecured debenture bears an interest rate of 8%, which can be paid-in-kind (subject to certain limitations) or cash, at the discretion of Entropy (see "Unsecured Debentures").

⁽⁴⁾ The convertible debentures have a maturity date of September 30, 2029 and a coupon rate of 5% payable semi-annually.

Liquidity and Capital Resources

The following table is a summary of the Corporation's capitalization structure:

	September 30 2025	December 31 2024
(\$000, except as otherwise indicated)		
Bank indebtedness	411,895	470,424
Aggregate principal balance of convertible debentures ⁽¹⁾	143,750	143,750
Aggregate principal balance of unsecured debentures ⁽²⁾	205,740	101,000
Working capital deficit ⁽³⁾	14,338	3,275
Net debt ⁽³⁾	775,723	718,449
Shares outstanding	166,938,122	166,931,440
Shares closing market price (\$/share)	11.41	9.86
Market capitalization	1,904,764	1,645,944
Total capitalization	2,680,487	2,364,393

⁽¹⁾ The convertible debentures have a maturity date of September 30, 2029 and a coupon rate of 5% payable semi-annually.

⁽²⁾ Entropy funds its capital projects by issuing unsecured debentures to third-party investors with committed capital. The unsecured debentures are non-recourse to Advantage, which does not provide any financing to Entropy for capital projects. The aggregate principal balance of unsecured debenture bears an annual interest rate of 8%, which can be paid-in-kind (subject to certain limitations) or cash, at the discretion of Entropy (see "Unsecured Debentures").

⁽³⁾ Specified financial measure which may not be comparable to similar specified financial measures used by other entities. Please see "Specified Financial Measures".

As at September 30, 2025, the Corporation had net debt of \$775.7 million, consisting of \$572.3 million with Advantage and \$203.4 million with Entropy. Advantage has generated \$63.8 million of free cash flow during the nine months ended September 30, 2025, allowing Advantage to reduce net debt by \$53.2 million, when compared to December 31, 2024. Advantage has a \$650 million Credit Facility of which \$226.5 million or 35% was available after deducting outstanding letters of credit of \$8.5 million (see "Bank Indebtedness, Credit Facilities and Working Capital"). Debt to adjusted funds flow ratio excluding Entropy was 1.6. Advantage remains committed to its strategy of debt reduction and continues to make meaningful progress. This trajectory reflects the Corporation's disciplined financial strategy, supported by strong free cash flow generation and selective non-core asset dispositions.

Entropy net debt increased \$110.5 million from December 31, 2024, due to drawing \$95.0 million of unsecured debentures (see "Unsecured Debentures"), which were used to fund \$86.7 million of net capital expenditures in the nine-month period ended September 30, 2025 (see "Cash Used in Investing Activities and Net Capital Expenditures"). Debentures issued by Entropy are funded by investors that have provided Entropy access to an aggregate of up to \$500 million in committed capital, of which \$205.7 million has been drawn as at September 30, 2025. Entropy funds its capital projects by issuing unsecured debentures that are non-recourse to Advantage, which does not provide any financing to Entropy for capital projects.

Liquidity and Capital Resources (continued)

Advantage monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The capital structure of the Corporation is composed of working capital, bank indebtedness, convertible debentures, unsecured debentures issued by Entropy, and share capital. Advantage may manage its capital structure by issuing new common shares in the capital of Advantage ("Common Shares"), repurchasing outstanding Common Shares, obtaining additional financing through bank indebtedness, refinancing current debt, issuing other financial or equity-based instruments, declaring a dividend, or adjusting capital spending. The capital structure is reviewed by Management and the Board of Directors on an ongoing basis. Management of the Corporation's capital structure is facilitated through its financial and operational forecasting processes. Selected forecast information is frequently provided to the Board of Directors. This continual financial assessment process further enables the Corporation to mitigate risks. The Corporation continues to satisfy all liabilities and commitments as they come due.

Bank Indebtedness, Credit Facilities and Working Capital

As at September 30, 2025, Advantage had bank indebtedness outstanding of \$411.9 million, a decrease of \$58.5 million since December 31, 2024 due to adjusted funds flow in excess of net capital expenditures. Advantage's Credit Facility is collateralized by a \$2 billion floating charge demand debenture covering all assets of the Corporation and has no financial covenants (the "Credit Facility"). The borrowing base for the Credit Facility is determined by the banking syndicate through an evaluation of our reserve estimates based on their independent commodity price assumptions. Revisions or changes in the reserve estimates and commodity prices can have either a positive or a negative impact on the borrowing base. On June 12, 2025, the Credit Facility was renewed with no changes to the borrowing base of \$650 million, comprised of a \$60 million extendible revolving operating loan facility from one financial institution and a \$590 million extendible revolving loan facility from a syndicate of financial institutions. The Credit Facility has a term of two years with a maturity date in June 2027 and is subject to an annual review and extension by the lenders. During the revolving period, a review of the maximum borrowing amount occurs annually on or before May 31 and semi-annually on or before November 30. During the term, no principal payments are required until the revolving period matures in June 2027 in the event of a reduction, or the Credit Facility not being renewed. The Corporation had letters of credit of \$8.5 million outstanding at September 30, 2025 (December 31, 2024 - \$5.5 million). The Credit Facility does not contain any financial covenants, but the Corporation is subject to various affirmative and negative covenants under its Credit Facilities. The Corporation was in compliance with all covenants as at September 30, 2025, and December 31, 2024.

The Corporation had a working capital deficit of \$14.3 million as at September 30, 2025, as compared to a working capital deficit at December 31, 2024 of \$3.3 million, largely due to a decrease in trade and other receivables from low commodity prices in the third quarter. Our working capital includes cash and cash equivalents, trade and other receivables, prepaid expenses and deposits, and trade and other accrued liabilities. Working capital varies primarily due to the timing of such items, the current level of business activity including our capital expenditure program, commodity price volatility, and seasonal fluctuations. We do not anticipate any problems in meeting future obligations as they become due as they can be satisfied with cash provided by operating activities and our available Credit Facilities.

Convertible Debentures

The Corporation has \$143.8 million principal amount of convertible unsecured subordinated debentures outstanding (the "Debentures") at a price of \$1,000 per debenture as at September 30, 2025. The Debentures will mature and be repayable on September 30, 2029 and will accrue interest at the rate of 5% per annum payable semi-annually in arrears on June 30 and December 31 of each year. The fair value of the Debentures at September 30, 2025, was \$157.6 million, using quoted market prices on the Toronto Stock Exchange ("TSX").

At the Debenture holder's option, the Debentures may be convertible into Common Shares at any time prior to the close of business on the earlier of the business day immediately preceding (i) the maturity date, or (ii) if called for redemption, the date fixed for redemption by the Corporation, (iii) if called for repurchase in the event of a change of control, the payment date, at a conversion price of \$14.58 per Common Share, subject to adjustment in certain events. This represents a conversion rate of approximately 68.5871 Common Shares for each \$1,000 principal amount of the Debentures, subject to the operation of certain antidilution provisions. In the event of a change of control of the Corporation or the redemption of the Debentures by Advantage, subject to certain terms and conditions, holders of the Debentures will be entitled to convert their Debentures and, subject to certain limitations, receive, in addition to the number of Common Shares they would otherwise be entitled to receive, an additional number of Common Shares per \$1,000 principal amount of the Debentures.

Unsecured Debentures

The Corporation's subsidiary Entropy has entered into two investment agreements with investors who provided capital commitments of \$300 million and \$200 million, respectively (the "Investment Agreements"). In connection with the Investment Agreements, Entropy will issue unsecured debentures to fund carbon capture and storage projects that reach final investment decision as certain predetermined return thresholds are met. Under the terms of the Investment Agreements, Entropy and the investors have options that provide for the unsecured debentures to be exchanged for common shares at an exchange price of \$10.00 per share and \$12.75 per share, respectively, subject to adjustment in certain circumstances. The investors have the option to exchange the outstanding unsecured debentures for common shares at any time while Entropy may commence a mandatory exchange of unsecured debentures for common shares in advance of an Initial Public Offering ("IPO"). The unsecured debentures have a term of 10 years, if not exchanged for common shares, which are to be repaid at the end of the term in the amount greater of the principal amount and the investor's pro rata share of the fair market value of Entropy. Each unsecured debenture issued by Entropy bears an interest rate of 8% per annum that Entropy can elect to pay in cash or pay-in-kind, due on a quarterly basis. Any paid-in-kind interest is added to the aggregate principal, subject to certain limitations. As at September 30, 2025, Entropy's unsecured debentures have an outstanding aggregate principal balance of \$205.7 million (December 31, 2024 - \$101.0 million).

During the nine months ended September 30, 2025, Entropy issued unsecured debentures for gross proceeds of \$95.0 million (September 30, 2024 - \$30.0 million) and incurred \$4.5 million of issuance costs (September 30, 2024 - \$2.3 million).

For the nine months ended September 30, 2025, Entropy incurred interest of \$9.7 million which was paid-in-kind (September 30, 2024 - \$3.4 million).

Other Liabilities

The Corporation has a 15-year take-or-pay volume commitment with a 12.5% working interest partner due to expire in 2035. The volume commitment agreement is treated as a financing transaction with an effective interest rate of 9.1%. For the nine months ended September 30, 2025, the Corporation made cash payments of \$9.8 million (September 30, 2024 - \$9.8 million) under the take-or-pay volume commitment agreement.

As at September 30, 2025, the Corporation had a decommissioning liability of \$118.6 million (December 31, 2024 – \$126.8 million) for the future abandonment and reclamation of natural gas and liquids properties. The decommissioning liability has decreased \$8.1 million due to an increase in the risk-free rate, accompanied by decommissioning liabilities associated with non-core asset dispositions and settlement of liabilities through abandonment and reclamation activities. The decommissioning liability includes assumptions in respect of actual costs to abandon and reclaim wells and facilities, the time frame in which such costs will be incurred, annual inflation factors and discount rates. The total estimated undiscounted, uninflated cash flows required to settle the Corporation's decommissioning liability was \$166.3 million (December 31, 2024 – \$168.7 million), with 38% of these costs to be incurred beyond 2050. Actual spending on decommissioning for the nine months ended September 30, 2025, was \$4.1 million (year ended December 31, 2024 – \$3.1 million).

Non-controlling interest ("NCI")

Advantage owns 92% of the common shares of Entropy and therefore consolidates 100% of Entropy while recognizing a non-controlling interest in shareholders' equity that represents the carrying value of the 8% common shares held by outside interests.

For the nine months ended September 30, 2025, the net loss and comprehensive loss attributed to non-controlling interest was \$1.4 million (September 30, 2024 - \$1.2 million).

Shareholders' Equity

On May 8, 2025, the TSX approved the Corporation renewing its normal course issuer bid ("NCIB"). The NCIB commenced on May 14, 2025 and will terminate on May 13, 2026, or such earlier date as Advantage may complete its purchases under the NCIB. Pursuant to the NCIB, Advantage is authorized to purchase for cancellation, from time to time, as it considered advisable, up to a maximum of 14,415,014 Common Shares of the Corporation. Purchases pursuant to the NCIB will be made on the open market through the facilities of the TSX and/or Canadian alternative trading systems at the prevailing market price at the time of purchase. All Common Shares acquired under the NCIB will be cancelled. Securityholders may obtain a copy of the Notice of Intention to Make a Normal Course Issuer Bid, without charge, by contacting Advantage. For the nine months ended September 30, 2025, the Corporation used a portion of the proceeds from recent non-core asset dispositions and free cash flow to fund purchasing 0.7 million Common Shares for cancellation at an average price of \$10.16 per Common Share for a total of \$6.7 million.

As at September 30, 2025, a total of 2.9 million Performance Share Units were outstanding under the Corporation's Restricted and Performance Award Incentive Plan, which represents 1.8% of Advantage's total outstanding Common Shares.

As at October 28, 2025, Advantage had 166.9 million Common Shares outstanding.

Quarterly Performance

	2025			2024				2023
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
(\$000, except as otherwise indicated)								
Financial Statement Highlights								
Natural gas and liquids sales	130,805	164,593	221,790	163,477	139,840	104,081	135,897	147,137
Net income (loss) and comprehensive income (loss) ⁽⁴⁾	(43)	72,502	(29,024)	17,130	(6,490)	(12,084)	23,163	41,026
per basic share ⁽²⁾	-	0.43	(0.17)	0.10	(0.04)	(0.07)	0.14	0.25
per diluted share ⁽²⁾	-	0.41	(0.17)	0.10	(0.04)	(0.07)	0.14	0.24
Basic weighted average shares (000)	166,968	167,179	166,821	166,974	166,972	161,362	160,444	163,939
Diluted weighted average shares (000)	166,968	180,785	166,821	169,785	166,972	161,362	164,129	168,441
Cash provided by operating activities	80,100	80,084	122,949	56,350	46,719	47,090	67,374	89,048
Cash provided by (used in) financing activities	(33,040)	42,046	11,670	22,789	(1,097)	447,502	11,883	(52,120)
Cash used in investing activities	(102,338)	(95,230)	(107,919)	(71,202)	(52,765)	(494,331)	(79,427)	(58,846)
Other Financial Highlights								
Adjusted funds flow ⁽¹⁾	69,178	85,247	118,642	81,389	52,260	42,354	65,393	82,494
per basic share ⁽¹⁾⁽²⁾	0.41	0.51	0.71	0.49	0.31	0.26	0.41	0.50
per diluted share ⁽¹⁾⁽³⁾	0.40	0.50	0.70	0.48	0.31	0.26	0.40	0.49
Net capital expenditures ⁽¹⁾	120,040	67,288	113,987	99,162	66,727	490,888	80,134	39,938
Free cash flow surplus (deficit) ⁽¹⁾	(25,693)	17,959	655	(29,194)	(14,668)	(3,059)	(14,741)	42,556
Bank indebtedness	411,895	440,957	446,333	470,424	469,551	488,008	238,578	212,854
Net debt ⁽¹⁾	775,723	717,465	723,247	718,449	693,959	674,665	279,963	235,010
Operating Highlights ⁽⁵⁾								
Production								
Crude oil (bbls/d)	8,483	7,627	8,487	7,527	8,144	3,033	2,630	3,254
Condensate (bbls/d)	684	848	1,023	979	1,055	1,200	1,231	1,264
NGLs (bbls/d)	2,972	3,404	3,763	3,379	3,621	2,908	2,591	3,345
Total liquids production (bbls/d)	12,139	11,879	13,273	11,885	12,820	7,141	6,452	7,863
Natural gas (mcf/d)	356,059	397,379	422,998	389,331	369,306	355,563	357,410	363,124
Total production (boe/d)	71,482	78,108	83,773	76,774	74,371	66,401	66,020	68,384
Average prices (including realized derivatives)								
Natural gas (\$/mcf)	2.37	2.70	3.29	2.46	1.65	1.82	2.86	2.84
Liquids (\$/bbl)	78.13	79.96	86.53	87.84	85.05	84.58	80.21	81.55
Operating Netback (\$/boe)								
Natural gas and liquids sales	19.89	23.16	29.42	23.14	20.44	17.22	22.62	23.39
Realized gains on derivatives	5.19	2.77	0.87	2.91	2.44	1.59	0.70	0.98
Processing and other income	0.14	0.09	0.13	0.11	0.15	0.32	0.30	0.39
Net sales of purchased natural gas	0.26	-	-	-	-	-	-	-
Royalty expense	(1.87)	(1.86)	(2.80)	(2.40)	(2.83)	(1.16)	(1.52)	(1.64)
Operating expense	(5.82)	(4.90)	(4.76)	(5.19)	(5.46)	(4.09)	(4.08)	(3.61)
Transportation expense	(4.21)	(4.03)	(4.06)	(3.77)	(3.88)	(3.73)	(4.23)	(4.08)
Operating netback ⁽¹⁾	13.58	15.23	18.80	14.80	10.86	10.15	13.79	15.43

(1) Specified financial measure which may not be comparable to similar specified financial measures used by other entities. Please see "Specified Financial Measures".

(2) Based on basic and diluted weighted average shares outstanding, as applicable.

(3) Based on adjusted diluted weighted average shares outstanding.

(4) Net income (loss) and comprehensive income (loss) attributable to Advantage Shareholders.

(5) Operating highlights are for Advantage's natural gas and liquids operations.

The table above highlights the Corporation's performance for the third quarter of 2025 and for the preceding seven quarters. During 2023 the Corporation achieved a steady increase in production over the year rising to 68,384 boe/d in the fourth quarter. In the first and second quarters of 2024 Advantage allowed production to decline slightly while natural gas and liquids sales and adjusted funds flow decreased with lower natural gas prices from an unseasonably mild winter, strong natural gas supply and resulting high North American storage levels. The Corporation increased its sales and adjusted funds flow in the third and fourth quarters of 2024 primarily due to increased production and cash flow provided from the Acquired Assets, although significantly weak natural gas prices persisted and had an adverse offsetting impact. The particularly low natural gas pricing environment during the second and third quarters resulted in the recognition of net losses.

Quarterly Performance (continued)

In the first quarter of 2025 the Corporation generated higher natural gas and liquids sales and adjusted funds flow, primarily due to increased production and higher natural gas prices. Despite the improved operating and financial results, the Corporation recorded a net loss driven by a significant unrealized loss from changes in the fair value of outstanding derivative contracts. In the second quarter of 2025, natural gas and liquids sales and adjusted funds flow declined relative to the first quarter, reflecting lower production and weaker natural gas and liquids benchmark prices. This trend continued into the third quarter of 2025 where Alberta natural gas prices declined to historic low levels and the Corporation strategically curtailed dry gas production during days of exceptionally weak gas prices, contributing to the nominal net loss for the quarter. However, the lower commodity price environment in the second and third quarters of 2025 contributed to material unrealized gains on outstanding derivative contracts. Cash provided by operating activities experienced greater fluctuations than adjusted funds flow due to changes in non-cash working capital, which primarily resulted from the amount and timing of trade payable settlements and accounts receivable collections.

Critical Accounting Estimates

The preparation of financial statements in accordance with IFRS Accounting Standards requires Management to make certain judgments and estimates. Changes in these judgments and estimates could have a material impact on the Corporation's financial results and financial condition.

Management relies on the estimate of reserves as prepared by the Corporation's independent qualified reserves evaluator. The process of estimating reserves is critical to several accounting estimates. The process of estimating reserves is complex and requires significant judgments and decisions based on available geological, geophysical, engineering and economic data. These estimates may change substantially as additional data from ongoing development and production activities becomes available and as economic conditions impact natural gas and liquids prices, operating expense, royalty burden changes, and future development costs. Reserve estimates impact net income and comprehensive income through depreciation, impairment and impairment reversals of natural gas and liquids properties. After tax discounted cash flows are used to ensure the carrying amount of the Corporation's natural gas and liquids properties are recoverable. The discount rate used is subject to judgement and may impact the carrying value of the Corporation's property, plant and equipment. The reserve estimates are also used to assess the borrowing base for the Credit Facilities. Revision or changes in the reserve estimates can have either a positive or a negative impact on asset values, net income, comprehensive income and the borrowing base of the Corporation.

The Corporation's assets are required to be aggregated into cash generating units ("CGUs") for the purpose of calculating impairment based on their ability to generate largely independent cash inflows. Factors considered in the classification include the integration between assets, shared infrastructures, the existence of common sales points, geography, geologic structure, and the manner in which Management monitors and makes decisions about its operations. The classification of assets and allocation of corporate assets into CGUs requires significant judgment and may impact the carrying value of the Corporation's assets in future periods.

Management's process of determining the provision for deferred income taxes and the provision for decommissioning liability costs and related accretion expense are based on estimates. Estimates used in the determination of deferred income taxes provisions are significant and can include expected future tax rates, expectations regarding the realization or settlement of the carrying amount of assets and liabilities and other relevant assumptions. Estimates used in the determination of decommissioning liability cost provisions and accretion expense are significant and can include proved and probable reserves, future production rates, future commodity prices, future costs, future interest rates and other relevant assumptions. Revisions or changes in any of these estimates can have either a positive or a negative impact on asset and liability values, net income (loss) and comprehensive income (loss).

Critical Accounting Estimates (continued)

In accordance with IFRS, derivative assets and liabilities are recorded at their fair values at the reporting date, with gains and losses recognized directly into comprehensive income (loss). The fair value of derivatives outstanding is an estimate based on pricing models, estimates, assumptions and market data available at that time. As such, the recognized amounts are non-cash items and the actual gains or losses realized on eventual cash settlement can vary materially due to subsequent fluctuations in commodity prices as compared to the valuation assumptions. For embedded derivatives, Management assesses and determines the definition of the host contract and the separate embedded derivative. The judgements made in determining the host contract can influence the fair value of the embedded derivative.

In determining the fair value of Entropy's unsecured debentures, judgments are required related to the choice of a pricing model, the estimation of share price, share price volatility, timing and probability of an IPO, credit spread, interest rates, and the expected term of the underlying instruments. Any changes in the estimates or inputs utilized to determine fair value could result in a significant impact on the Corporation's future operating results.

Accounting Pronouncements not yet Adopted

A description of additional accounting standards and interpretations that will be adopted in future periods can be found in the notes to the Condensed Consolidated Financial Statements for the three and nine months ended September 30, 2025.

Environmental Reporting

Environmental regulations impacting climate-related matters continue to evolve and may have additional disclosure requirements in the future. The International Sustainability Standards Board published the new IFRS sustainability disclosure standards, IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures*, with the aim to develop an environment sustainability disclosure framework that is accepted globally. In December 2024, the Canadian Sustainability Standards Board (CSSB) published Canadian versions of the international standards (CSDS 1 and CSDS 2) and the Canadian Securities Administrators (CSA) previously announced that it intended to take the finalized CSSB standards into account and develop new Canadian climate-related disclosure requirements that would be mandatory for subject Canadian issuers. On April 23, 2025, the CSA issued a news release advising that it has paused the work it had previously undertaken to develop new climate and diversity-related disclosure requirements for Canadian issuers.

If the Corporation is unable to meet future sustainability reporting requirements of regulators or current and future expectations of stakeholders, its business and ability to attract and retain skilled employees, obtain regulatory permits, licenses, registrations, approvals and authorizations from various government authorities, and raise capital may be adversely affected. The cost to comply with these standards, and others that may be developed or evolved over time, has not yet been quantified.

Evaluation of Disclosure Controls and Procedures

Advantage's Chief Executive Officer and Chief Financial Officer have designed disclosure controls and procedures ("DC&P"), or caused it to be designed under their supervision, to provide reasonable assurance that material information relating to the Corporation is made known to them by others, particularly during the period in which the annual filings are being prepared, and information required to be disclosed by the Corporation in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation.

Evaluation of Internal Controls over Financial Reporting

Advantage's Chief Executive Officer and Chief Financial Officer are responsible for establishing and maintaining internal control over financial reporting ("ICFR"). They have designed ICFR, or caused it to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The control framework Advantage's officers used to design the Corporation's ICFR is the Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations. Management of Advantage, including our Chief Executive Officer and Chief Financial Officer, evaluate the effectiveness of the Corporation's ICFR annually.

Advantage's Chief Executive Officer and Chief Financial Officer are required to disclose any change in the ICFR that occurred during our most recent interim period that has materially affected, or is reasonably likely to materially affect, the Corporation's ICFR. No material changes in the ICFR were identified during the interim period ended September 30, 2025, that have materially affected, or are reasonably likely to materially affect, our ICFR.

It should be noted that while the Chief Executive Officer and Chief Financial Officer believe that the Corporation's design of DC&P and ICFR provide a reasonable level of assurance that they are effective, they do not expect that the control system will prevent all errors and fraud. A control system, no matter how well conceived or operated, does not provide absolute, but rather is designed to provide reasonable assurance that the objective of the control system is met. The Corporation's ICFR may not prevent or detect all misstatements because of inherent limitations. Additionally, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with the Corporation's policies and procedures.

Specified Financial Measures

Throughout this MD&A and in other documents disclosed by the Corporation, Advantage discloses certain measures to analyze financial performance, financial position, and cash flow. These non-GAAP and other financial measures do not have any standardized meaning prescribed under IFRS and therefore may not be comparable to similar measures presented by other entities. The non-GAAP and other financial measures should not be considered to be more meaningful than GAAP measures which are determined in accordance with IFRS, such as net income (loss) and comprehensive income (loss), cash provided by operating activities, and cash used in investing activities, as indicators of Advantage's performance.

Specified Financial Measures (continued)

Non-GAAP Financial Measures

Adjusted Funds Flow

The Corporation considers adjusted funds flow to be a useful measure of Advantage's ability to generate cash from the production of natural gas and liquids, which may be used to settle outstanding debt and obligations, support future capital expenditures plans, or return capital to shareholders. Changes in non-cash working capital are excluded from adjusted funds flow as they may vary significantly between periods and are not considered to be indicative of the Corporation's operating performance as they are a function of the timeliness of collecting receivables and paying payables. Expenditures on decommissioning liabilities are excluded from the calculation as the amount and timing of these expenditures are unrelated to current production and are partially discretionary due to the nature of our low liability. A reconciliation of the most directly comparable financial measure has been provided below:

(\$000)	Three months ended September 30					
	2025			2024		
	Advantage	Entropy	Total	Advantage	Entropy	Total
Cash provided by (used in) operating activities	82,877	(2,777)	80,100	49,238	(2,519)	46,719
Expenditures on decommissioning liability	1,548	-	1,548	879	-	879
Changes in non-cash working capital	(12,003)	(467)	(12,470)	4,545	117	4,662
Adjusted funds flow	72,422	(3,244)	69,178	54,662	(2,402)	52,260

(\$000)	Nine months ended September 30					
	2025			2024		
	Advantage	Entropy	Total	Advantage	Entropy	Total
Cash provided by (used in) operating activities	289,293	(6,160)	283,133	166,478	(5,295)	161,183
Expenditures on decommissioning liability	4,111	-	4,111	988	-	988
Changes in non-cash working capital	(10,965)	(3,212)	(14,177)	(1,744)	(420)	(2,164)
Adjusted funds flow	282,439	(9,372)	273,067	165,722	(5,715)	160,007

Net Capital Expenditures

Net capital expenditures include total capital expenditures related to property, plant and equipment, exploration and evaluation assets and intangible assets. Management considers this measure reflective of actual capital activity for the period as it excludes changes in working capital related to other periods and excludes cash receipts on government grants. A reconciliation of the most directly comparable financial measure has been provided below:

(\$000)	Three months ended September 30					
	2025			2024		
	Advantage	Entropy	Total	Advantage	Entropy	Total
Cash used in investing activities	56,341	45,997	102,338	43,883	8,882	52,765
Changes in non-cash working capital	15,253	2,449	17,702	11,053	2,909	13,962
Net capital expenditures	71,594	48,446	120,040	54,936	11,791	66,727

(\$000)	Nine months ended September 30					
	2025			2024		
	Advantage	Entropy	Total	Advantage	Entropy	Total
Cash used in investing activities	220,272	85,215	305,487	607,018	19,505	626,523
Changes in non-cash working capital	(5,667)	1,495	(4,172)	9,292	1,934	11,226
Net capital expenditures	214,605	86,710	301,315	616,310	21,439	637,749

Specified Financial Measures (continued)

Non-GAAP Financial Measures (continued)

Free Cash Flow

The Corporation computes free cash flow as adjusted funds flow less net capital expenditures excluding the impact of asset acquisitions and dispositions. The Corporation uses free cash flow as an indicator of the efficiency and liquidity of the Corporation's business by measuring its cash available after net capital expenditures, excluding acquisitions and dispositions, to settle outstanding debt and obligations and potentially return capital to shareholders by paying dividends or buying back Common Shares. The Corporation excludes the impact of acquisitions and dispositions as they are not representative of the free cash flow used in the Corporation's natural gas and liquids and carbon capture operations and are financed by means other than adjusted funds flow. A reconciliation of the most directly comparable financial measure has been provided below:

(\$000)	Three months ended September 30					
	2025			2024		
	Advantage	Entropy	Total	Advantage	Entropy	Total
Cash provided by (used in) operating activities	82,877	(2,777)	80,100	49,238	(2,519)	46,719
Cash used in investing activities	(56,341)	(45,997)	(102,338)	(43,883)	(8,882)	(52,765)
Changes in non-cash working capital	(27,256)	(2,916)	(30,172)	(6,508)	(2,792)	(9,300)
Expenditures on decommissioning liability	1,548	-	1,548	879	-	879
Acquisitions	-	25,169	(25,169)	(201)	-	(201)
Free cash flow - surplus (deficit)	828	(26,521)	(25,693)	(475)	(14,193)	(14,668)

(\$000)	Nine months ended September 30					
	2025			2024		
	Advantage	Entropy	Total	Advantage	Entropy	Total
Cash provided by (used in) operating activities	289,293	(6,160)	283,133	166,478	(5,295)	161,183
Cash used in investing activities	(220,272)	(85,215)	(305,487)	(607,018)	(19,505)	(626,523)
Changes in non-cash working capital	(5,298)	(4,707)	(10,005)	(11,036)	(2,354)	(13,390)
Expenditures on decommissioning liability	4,111	-	4,111	988	-	988
Acquisitions	-	25,169	25,169	445,274	-	445,274
Dispositions	(4,000)	-	(4,000)	-	-	-
Free cash flow - surplus (deficit)	63,834	(70,913)	(7,079)	(5,314)	(27,154)	(32,468)

Operating Income

Operating income for Advantage's natural gas and liquids operations is comprised of natural gas and liquids sales, realized gains on derivatives, processing and other income, net sales of purchased natural gas, net of expenses from field operations including royalty expense, operating expense and transportation expense. Operating income provides Management and users with a measure to compare the profitability of Advantage's field operations across companies, development areas and specific wells. The composition of operating income is as follows:

(\$000)	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Natural gas and liquids sales	130,805	139,840	517,188	379,818
Realized gains on derivatives	34,160	16,705	60,366	30,547
Processing and other income	922	1,060	2,515	4,811
Net sales of purchased natural gas	1,677	-	1,677	-
Royalty expense	(12,309)	(19,338)	(46,644)	(35,488)
Operating expense	(38,258)	(37,335)	(108,922)	(86,549)
Transportation expense	(27,702)	(26,576)	(86,928)	(74,507)
Operating income	89,295	74,356	339,252	218,632

Specified Financial Measures (continued)

Non-GAAP Ratios

Adjusted Funds Flow per Share & Adjusted Funds Flow per Diluted Share

Adjusted funds flow per share is calculated by dividing adjusted funds flow, by segment, by the basic weighted average shares outstanding and the adjusted diluted weighted average shares outstanding. The Corporation adjusted diluted weighted average shares to be calculated based on adjusted funds flow and to include only dilutive instruments that Management considers likely to be dilutive as at the balance sheet date, based on the current economic situation. Performance Share Units are included in adjusted diluted shares as they are expected to be settled in Common Shares. Convertible debentures are excluded until such time that the share price of the Corporation is greater than the conversion price as it avoids overstating dilution in periods where instruments are out-of-the-money and not economically viable to convert. Management believes that adjusted funds flow per share and per diluted share provides investors an indicator of funds generated from the business that could be allocated to each shareholder's equity position.

Effective June 30, 2025, the Corporation revised its methodology for calculating adjusted funds flow per diluted share to use adjusted diluted weighted average shares outstanding, to include only instruments likely to be economically dilutive, as Management believes this approach provides a more accurate measure of adjusted funds flow per diluted share by better reflecting the economic reality of our capital structure. Comparative figures have been restated accordingly.

(\$000, except as otherwise indicated)	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Weighted average shares outstanding (000)	166,968	166,972	166,990	162,941
Diluted weighted average shares outstanding (000)	166,968	166,972	170,405	166,116
Common shares impact - Convertible debentures (000)	-	-	-	-
Common shares impact - Performance Share Units (000)	3,760	2,990	-	-
Adjusted diluted weighted average shares outstanding (000)	170,729	169,962	170,405	166,116
Advantage adjusted funds flow	72,422	54,662	282,439	165,722
Entropy adjusted funds flow	(3,244)	(2,402)	(9,372)	(5,715)
<u>Advantage</u>				
Adjusted funds flow per share (\$/share)	0.43	0.33	1.69	1.02
Adjusted funds flow per diluted share (\$/share)	0.42	0.32	1.66	1.00
<u>Entropy</u>				
Adjusted funds flow per share (\$/share)	(0.02)	(0.02)	(0.06)	(0.04)
Adjusted funds flow per diluted share (\$/share)	(0.02)	(0.01)	(0.05)	(0.04)

Adjusted Funds Flow per BOE

Adjusted funds flow per boe is derived by dividing adjusted funds flow attributable to Advantage by the total production in boe for the reporting period. Adjusted funds flow per boe is a useful ratio that allows users to compare the Corporation's adjusted funds flow against other corporations with different rates of production.

(\$000, except as otherwise indicated)	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Advantage adjusted funds flow	72,422	54,662	282,439	165,722
Total production (boe/d)	71,482	74,371	77,743	68,951
Days in period	92	92	273	274
Total production (boe)	6,576,344	6,842,132	21,223,839	18,892,574
Adjusted funds flow per BOE (\$/boe)	11.01	7.99	13.31	8.77

Specified Financial Measures (continued)

Non-GAAP Ratios (continued)

Operating Netback

Operating netback is derived by dividing operating income by the total production in boe for the reporting period. Operating netback provides Management and users with a measure to compare the profitability of field operations across companies, development areas and specific wells against other corporations with different rates of production.

(\$000, except as otherwise indicated)	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Operating income	89,295	74,356	339,252	218,632
Total production (boe/d)	71,482	74,371	77,743	68,951
Days in period	92	92	273	274
Total production (boe)	6,576,344	6,842,132	21,223,839	18,892,574
Operating netback (\$/boe)	13.58	10.86	15.98	11.57

Debt to Adjusted Funds Flow Ratio

Debt to adjusted funds flow ratio is a coverage ratio that provides Management and users the ability to determine how long it would take the Corporation to repay its bank indebtedness, including working capital, and its outstanding aggregate Convertible Debentures if Advantage devoted all its adjusted funds flow to debt repayment. Debt to adjusted funds flow is calculated by taking the total of bank indebtedness, working capital, and Convertible Debentures, and dividing it by adjusted fund flow (for the trailing four quarters) that can be used to satisfy such borrowings. The Unsecured Debentures, and adjusted funds flow attributed to Entropy are excluded from the calculation as they are a liability of Entropy and are non-recourse to Advantage.

(\$000, except as otherwise indicated)	September 30 2025	December 31 2024
Bank indebtedness	411,895	470,424
Convertible debentures	143,750	143,750
Working capital deficit	16,665	11,377
Debt	572,310	625,551
Adjusted funds flow (prior four quarters)	366,750	250,031
Debt to adjusted funds flow	1.6	2.5

Specified Financial Measures (continued)

Capital Management Measures

Working capital

Working capital is a capital management financial measure that provides Management and users with a measure of the Corporation's short-term operating liquidity. By excluding short-term derivatives and the current portion of provisions and other liabilities, Management and users can determine if the Corporation's operations are sufficient to cover the short-term operating requirements. Working capital is not a standardized measure and therefore may not be comparable with the calculation of similar measures by other entities.

A summary of working capital as at September 30, 2025, December 31, 2024 and September 30, 2024 is as follows:

	September 30 2025	December 31 2024	September 30 2024
Cash and cash equivalents	18,468	20,146	12,209
Trade and other receivables	59,365	83,188	59,910
Prepaid expenses and deposits	13,196	10,000	13,240
Trade and other accrued liabilities	(105,367)	(116,609)	(91,778)
Working capital deficit	(14,338)	(3,275)	(6,419)

Net Debt

Net debt is a capital management financial measure that provides Management and users with a measure to assess the Corporation's liquidity. Net debt is not a standardized measure and therefore may not be comparable with the calculation of similar measures by other entities.

A summary of the reconciliation of net debt as at September 30, 2025, December 31, 2024 and September 30, 2024 is as follows:

	September 30 2025	December 31 2024	September 30 2024
Bank indebtedness	411,895	470,424	469,551
Convertible debentures	143,750	143,750	143,750
Working capital deficit	16,665	11,377	8,589
Net debt attributable to Advantage	572,310	625,551	621,890
Unsecured debentures	205,740	101,000	74,239
Working capital surplus	(2,327)	(8,102)	(2,170)
Net debt attributable to Entropy	203,413	92,898	72,069
Net debt	775,723	718,449	693,959

Specified Financial Measures (continued)

Supplementary Financial Measures

Average Realized Prices

The Corporation discloses multiple average realized prices within the MD&A (see "Commodity Prices and Marketing"). The determination of these prices are as follows:

"*Natural gas excluding derivatives*" is comprised of natural gas sales, as determined in accordance with IFRS, divided by the Corporation's natural gas production.

"*Natural gas including derivatives*" is comprised of natural gas sales, including realized gains (losses) on natural gas derivatives, as determined in accordance with IFRS, divided by the Corporation's natural gas production.

"*Crude Oil*" is comprised of crude oil sales, as determined in accordance with IFRS, divided by the Corporation's crude oil production.

"*Condensate*" is comprised of condensate sales, as determined in accordance with IFRS, divided by the Corporation's condensate production.

"*NGLs*" is comprised of NGLs sales, as determined in accordance with IFRS, divided by the Corporation's NGLs production.

"*Total liquids excluding derivatives*" is comprised of crude oil, condensate and NGLs sales, as determined in accordance with IFRS, divided by the Corporation's crude oil, condensate and NGLs production.

"*Total liquids including derivatives*" is comprised of crude oil, condensate and NGLs sales, including realized gains (losses) on crude oil derivatives, as determined in accordance with IFRS, divided by the Corporation's crude oil, condensate and NGLs production.

Dollars per BOE figures

Throughout the MD&A, the Corporation presents certain financial figures, in accordance with IFRS, stated in dollars per boe. All dollar per boe figures herein forth only include the results of Advantage's natural gas and liquids operations and exclude the results of Entropy. These figures are determined by dividing the applicable financial figure as prescribed under IFRS by the Corporation's total production for the respective period. Below is a list of figures which have been presented in the MD&A in \$ per boe:

- Depreciation and amortization expense per boe
- Finance expense per boe
- General and administrative expense per boe
- Interest expense per boe
- Natural gas and liquids sales per boe
- Operating expense per boe
- Realized gains on derivatives per boe
- Royalty expense per boe
- Processing and other income per boe
- Share-based compensation expense per boe
- Transportation expense per boe

Conversion Ratio

The term "boe" or barrels of oil equivalent and "Mcf" or thousand cubic feet equivalent may be misleading, particularly if used in isolation. A boe or Mcfe conversion ratio of six thousand cubic feet of natural gas equivalent to one barrel of oil (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.

Abbreviations

Terms and abbreviations that are used in this MD&A that are not otherwise defined herein are provided below:

bbl(s)	- barrel(s)
bbls/d	- barrels per day
boe	- barrels of oil equivalent (6 Mcf = 1 bbl)
boe/d	- barrels of oil equivalent per day
GJ	- gigajoules
Mcf	- thousand cubic feet
Mcf/d	- thousand cubic feet per day
Mcfe	- thousand cubic feet equivalent (1 bbl = 6 Mcf)
Mcfe/d	- thousand cubic feet equivalent per day
MMbtu	- million British thermal units
MMbtu/d	- million British thermal units per day
MMcf	- million cubic feet
MMcf/d	- million cubic feet per day
Crude oil	- Light Crude Oil and Medium Crude Oil as defined in National Instrument 51-101
"NGLs" & "condensate"	- Natural Gas Liquids as defined in National Instrument 51-101
Natural gas	- "Conventional Natural Gas" and "Shale Gas" as defined in National Instrument 51-101
Liquids	- Total of crude oil, condensate and NGLs
AECO	- a notional market point on TransCanada Pipeline Limited's NGTL system where the purchase and sale of natural gas is transacted
MSW	- price for mixed sweet crude oil at Edmonton, Alberta
NGTL	- NOVA Gas Transmission Ltd.
WTI	- West Texas Intermediate, price paid in U.S. dollars at Cushing, Oklahoma, for crude oil of standard grade
CCS	- Carbon Capture and Storage
CCUS	- Carbon Capture Utilization and Storage
IP30	- average initial peak production rate over 30 consecutive days after a well is brought on production
IP90	- average initial peak production rate over 90 consecutive days after a well is brought on production
nm	- not meaningful information

Forward-Looking Information and Other Advisories

This MD&A contains certain forward-looking statements and forward-looking information (collectively, "forward-looking statements"), which are based on our current internal expectations, estimates, projections, assumptions and beliefs. These forward-looking statements relate to future events or our future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", "would" and similar or related expressions. These statements are not guarantees of future performance.

In particular, forward-looking statements in this MD&A include, but are not limited to, statements about our strategy, plans, objectives, priorities and focus and the benefits to be derived therefrom; the Corporation's disciplined approach to capital allocation and value preservation amid volatile market conditions; that Advantage remains committed to its strategy of debt reduction and continues to make meaningful progress; Advantage's disciplined financial strategy, supported by strong free cash flow generation and selective non-core asset dispositions; Advantage's anticipated 2025 average production; the Corporation's 2025 guidance set forth under the heading "2025 Guidance", including Advantage's anticipated annual royalty rates, operating expense per boe, transportation expense per boe, G&A expense per boe and finance expense per boe in 2025; anticipated effects of LNG Canada, including incremental natural gas demand; the Corporation's forecasted 2025 natural gas market exposure including the anticipated effective production rate; the terms of the Corporation's derivative contracts, including their purposes, the timing of settlement of such contracts and the anticipated benefits to be derived therefrom; terms of the Entropy unsecured debentures; anticipated market dynamics including softening demand in key regions, evolving trade policies and tariffs, and shifting seasonal consumption patterns; anticipated benefits of Advantage's completion of a new water disposal well at Glacier, including its ability to help maintain our low-cost structure; anticipated synergies and growth from completion and commissioning of the Progress facility; the anticipated timing of the completion and commissioning of the Progress gas plant, and the anticipated incremental processing capacity thereof; the anticipated timing of completion of Entropy's Glacier Phase 2 CCS project; management's expectations that the Corporation's Valhalla asset will play a pivotal role in the Corporation's liquids-rich gas development plan; that Advantage is working with Natural Resources Canada and the Canada Revenue Agency to finalize approval for existing carbon capture projects at Glacier; that Advantage will continue to utilize excess processing capacity acquired in 2024 and the anticipated benefits thereof; the Corporation's future commitments and contractual obligations and the anticipated payments in connection therewith and timing thereof; that Advantage monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and the industry in general; the Corporation's continual financial assessment process and the anticipated benefits in connection therewith; the Corporation's ability to satisfy all liabilities and commitments and meet future obligations as they become due and the means for satisfying such future obligations; the Corporation's strategy for managing its capital structure; the terms of the Corporation's Credit Facilities, including the timing of the next review of the Credit Facilities and the Corporation's expectations regarding the extension of the Credit Facilities at each annual review; the terms of the Debentures; the terms of Entropy's unsecured debentures; the anticipated undiscounted, uninflated cash flows required to settle the Corporation's decommissioning liability and the anticipated timing that such costs will be incurred; the statements under "critical accounting estimates" in this MD&A; and other matters.

These forward-looking statements involve substantial known and unknown risks and uncertainties, many of which are beyond our control, including, but not limited to, risks related to changes in general economic conditions (including as a result of demand and supply effects resulting from the actions of OPEC and non-OPEC countries) which will, among other things, impact demand for and market prices of the Corporation's products, market and business

Forward-Looking Information and Other Advisories (continued)

conditions; continued volatility in market prices for oil and natural gas; the risk that (i) the tariffs that are currently in effect on goods exported from or imported into Canada continue in effect for an extended period of time, the tariffs that have been threatened are implemented, that tariffs that are currently suspended are reactivated, the rate or scope of tariffs are increased, or new tariffs are imposed, including on oil and natural gas, (ii) the U.S. and/or Canada imposes any other form of tax, restriction or prohibition on the import or export of products from one country to the other, including on oil and natural gas, and (iii) the tariffs imposed or threatened to be imposed by the U.S. on other countries and retaliatory tariffs imposed or threatened to be imposed by other countries on the U.S., will trigger a broader global trade war which could have a material adverse effect on the Canadian, U.S. and global economies, and by extension the Canadian oil and natural gas industry and the Corporation, including by decreasing demand for (and the price of) oil and natural gas, disrupting supply chains, increasing costs, causing volatility in global financial markets, and limiting access to financing; the impact of significant declines in market prices for oil and natural gas; stock market volatility; changes to legislation and regulations and how they are interpreted and enforced; our ability to comply with current and future environmental or other laws; actions by governmental or regulatory authorities including increasing taxes, regulatory approvals, changes in investment or other regulations; interest rates fluctuation; inflation rate fluctuation; changes in tax laws, royalty regimes and incentive programs relating to the oil and gas industry; the risk that Advantage may not achieve its strategy of debt reduction or that Advantage will not be able to realize strong free cash flow generation or non-core asset dispositions; the effect of acquisitions; our success at acquisition, exploitation and development of reserves; unexpected drilling results; the risk that the Corporation may not be able to continue to realize anticipated cost improvements from acquisition synergies and exceptional operational performance; the risk that Advantage may not be able to realize the anticipated benefits from LNG Canada; failure to achieve production targets on timelines anticipated or at all; changes in commodity prices, currency exchange rates, capital expenditures, reserves or reserves estimates and debt service requirements; the risk that Advantage may be negatively impacted by industry consolidation; the occurrence of unexpected events involved in the exploration for, and the operation and development of, oil and gas properties; hazards such as fire, explosion, blowouts, cratering, and spills, each of which could result in substantial damage to wells, production facilities, other property and the environment or in personal injury; changes or fluctuations in production levels; individual well productivity; delays in anticipated timing of drilling and completion of wells; lack of available capacity on pipelines; delays in timing of facility installation; performance or achievement could differ materially from those expressed in, or implied by, the forward-looking information; the failure to extend the Credit Facilities at each annual review; competition from other producers; the lack of availability of qualified personnel or management; ability to access sufficient capital from internal and external sources; credit risk; the risk that Advantage's average production in 2025 may be less than anticipated; the risk that Advantage does not achieve its anticipated guidance for 2025 as set forth in this MD&A under the heading "2025 Guidance"; the risk that the Corporation's Valhalla asset may not play a pivotal role in the Corporation's liquids-rich gas development plan; the risk that the Corporation may not be properly diversified to multiple markets; the risk that the Corporation may not satisfy all of its liabilities and commitments and meet future obligations as they become due; the risk that the undiscounted, uninflated cash flows required to settle the Corporation's decommissioning liability may be greater than expected; the risk that Advantage's annual royalty rates in 2025 may be greater than anticipated; the risk that Advantage's operating expense per boe and transportation expense per boe in 2025 may be greater than anticipated; the risk that additional natural gas processing will not occur in the second half of 2025 as anticipated; the risk that Advantage will not be able to utilize excess capacity acquired in 2024 or realize the anticipated benefits thereof; the risk that the Corporation's water disposal well completed during the first quarter of 2025 at Glacier may not lead to the benefits anticipated; the risk that the Progress gas plant will not be completed and commissioned when anticipated or result in the anticipated benefits thereof; and the risks and uncertainties described in the Corporation's Annual Information

Forward-Looking Information and Other Advisories (continued)

Form which is available at www.sedarplus.ca and www.advantageog.com. Readers are also referred to risk factors described in other documents Advantage files with Canadian securities authorities.

With respect to forward-looking statements contained in this MD&A, in addition to other assumptions identified herein, Advantage has made assumptions regarding, but not limited to: current and future prices of oil and natural gas; the duration and impact of tariffs that are currently in effect on goods exported from or imported into Canada, and that other than the tariffs that are currently in effect, neither the U.S. nor Canada (i) increases the rate or scope of such tariffs, reenacts tariffs that are currently suspended, or imposes new tariffs, on the import of goods from one country to the other, including on oil and natural gas, and/or (ii) imposes any other form of tax, restriction or prohibition on the import or export of products from one country to the other, including on oil and natural gas; that the current commodity price and foreign exchange environment will continue or improve; conditions in general economic and financial markets; effects of regulation by governmental agencies; receipt of required stakeholder and regulatory approvals; royalty regimes; future exchange rates; royalty rates; future operating costs; availability of skilled labour; availability of drilling and related equipment; timing and amount of capital expenditures; the ability to efficiently integrate assets acquired through acquisitions; the impact of increasing competition; the price of crude oil and natural gas; that the Corporation will have sufficient cash flow, debt or equity sources or other financial resources required to fund its capital and operating expenditures and requirements as needed; that the Corporation's conduct and results of operations will be consistent with its expectations; that the Corporation will have the ability to develop the Corporation's crude oil and natural gas properties in the manner currently contemplated; availability of pipeline capacity; that current or, where applicable, proposed assumed industry conditions, laws and regulations will continue in effect or as anticipated as described herein; that the Corporation's cash provided by operating activities and available Credit Facilities will be able to satisfy all of the Corporation's liabilities, commitments and future obligations as they become due; and that the estimates of the Corporation's production, reserves and resources volumes and the assumptions related thereto (including commodity prices and development costs) are accurate in all material respects.

Management has included the above summary of assumptions and risks related to forward-looking information provided in this MD&A in order to provide shareholders 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 there from. Readers are cautioned that the foregoing lists of factors are not exhaustive. These forward-looking statements are made as of the date of this MD&A 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.

The future acquisition by the Corporation of Common Shares pursuant to a share buyback program, including its NCIB and future NCIBs, if any, and the level thereof is uncertain. Any decision to implement a share buyback program, including the Corporation's NCIB and to acquire Common Shares of the Corporation pursuant to the NCIB will be subject to the discretion of the board of directors of the Corporation 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 and satisfaction of the solvency tests imposed on the Corporation under applicable corporate law. There can be no assurance of the number of Common Shares of the Corporation that the Corporation will acquire pursuant to a share buyback program, including its NCIB or future NCIBs, if any, in the future.

Forward-Looking Information and Other Advisories (continued)

This MD&A contains information that may be considered a financial outlook under applicable securities laws about the Corporation's potential financial position, including, but not limited to: the terms of the Corporation's derivative contracts; Advantage's anticipated annual royalty rates, operating expense per boe and transportation expense per boe in 2025; the Corporation's future commitments and contractual obligations; and the anticipated undiscounted, uninflated cash flows required to settle the Corporation's decommissioning liability, all of which are subject to numerous assumptions, risk factors, limitations and qualifications, including those set forth in the above paragraphs. The actual results of operations of the Corporation and the resulting financial results will vary from the amounts set forth in this MD&A and such variations may be material. This information has been provided for illustration only and with respect to future periods are based on budgets and forecasts that are speculative and are subject to a variety of contingencies and may not be appropriate for other purposes. Accordingly, these estimates are not to be relied upon as indicative of future results. Except as required by applicable securities laws, the Corporation undertakes no obligation to update such financial outlook. The financial outlook contained in this MD&A was made as of the date of this MD&A and was provided for the purpose of providing further information about the Corporation's potential future business operations. Readers are cautioned that the financial outlook contained in this MD&A is not conclusive and is subject to change.

This MD&A contains metrics commonly used in the oil and natural gas industry which have been prepared by management such as "operating netback". These terms do not have standard meaning and may not be comparable to similar measures presented by other companies and, therefore, should not be used to make such comparisons. Management uses these oil and natural gas metrics for its own performance measurements, and to provide shareholders with measures to compare Advantage's operations overtime. Readers are cautioned that the information provided by these metrics, or that can be derived from metrics presented in the MD&A, should not be relied upon for investment or other purposes. Refer above to "Specified Financial Measures" section of this MD&A for additional disclosure on "operating netback".

References in this MD&A to short-term production rates, such as IP30 and IP90, 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.

References to natural gas, crude oil and condensate and NGLs production in the MD&A refer to conventional natural gas, light crude oil and medium crude oil and natural gas liquids, respectively, product types as defined in National Instrument 51-101.

Additional Information

Additional information relating to Advantage can be found on SEDAR+ at www.sedarplus.com and the Corporation's website at www.advantageog.com. Such other information includes the annual information form, the management information circular, press releases, material change reports, material contracts and agreements, and other financial reports. The annual information form will be of particular interest for current and potential shareholders as it discusses a variety of subject matter including the nature of the business, description of our operations, general and recent business developments, risk factors, reserves data and other oil and gas information.

October 28, 2025



CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2025 and 2024

Advantage Energy Ltd.

Consolidated Statements of Financial Position

(unaudited, expressed in thousands of Canadian dollars)

	Notes	September 30 2025	December 31 2024
ASSETS			
Current assets			
Cash and cash equivalents	4	18,468	20,146
Trade and other receivables		59,365	83,188
Prepaid expenses and deposits		13,196	10,000
Derivative asset	7	42,458	50,358
Total current assets		133,487	163,692
Non-current assets			
Derivative asset	7	58,773	78,631
Inventory		3,085	3,537
Intangible assets	5	22,509	5,246
Property, plant and equipment	6	2,809,704	2,694,852
Total non-current assets		2,894,071	2,782,266
Total assets		3,027,558	2,945,958
LIABILITIES			
Current liabilities			
Trade and other accrued liabilities		105,367	116,609
Derivative liability	7	2,624	8,900
Financing liability	10	5,624	5,256
Unsecured debentures	11	206,333	105,026
Provisions and other liabilities	12	13,644	14,724
Total current liabilities		333,592	250,515
Non-current liabilities			
Derivative liability	7	6,790	4,624
Bank indebtedness	8	411,895	470,424
Convertible debentures	9	125,541	122,583
Financing liability	10	78,573	82,827
Provisions and other liabilities	12	120,787	127,669
Deferred income tax liability		272,490	253,166
Total non-current liabilities		1,016,076	1,061,293
Total liabilities		1,349,668	1,311,808
SHAREHOLDERS' EQUITY			
Share capital	13	1,987,655	1,989,239
Convertible debentures	9	12,859	12,859
Contributed surplus		198,126	194,819
Deficit		(517,826)	(561,261)
Total shareholders' equity attributable to Advantage shareholders		1,680,814	1,635,656
Non-controlling interest		(2,924)	(1,506)
Total shareholders' equity		1,677,890	1,634,150
Total liabilities and shareholders' equity		3,027,558	2,945,958

Commitments and contingencies (note 18)

See accompanying Notes to the Condensed Consolidated Financial Statements

Advantage Energy Ltd.

Consolidated Statements of Comprehensive Income (Loss)

(unaudited, expressed in thousands of Canadian dollars, except per share amounts)

		Three months ended September 30		Nine months ended September 30	
	Notes	2025	2024	2025	2024
Revenues					
Natural gas and liquids sales	16	130,805	139,840	517,188	379,818
Sales of purchased natural gas		1,121	-	1,121	-
Processing and other income		922	1,060	5,140	5,186
Royalty expense		(12,309)	(19,338)	(46,644)	(35,488)
Natural gas and liquids revenue		120,539	121,562	476,805	349,516
Gains on derivatives	7	28,808	23,297	37,980	35,381
Total revenues		149,347	144,859	514,785	384,897
Expenses					
Operating expense		38,590	37,979	110,604	88,211
Transportation expense		27,702	26,576	86,928	74,507
Natural gas purchases		(556)	-	(556)	-
General and administrative expense		8,272	6,696	30,732	23,669
Transaction costs		-	42	-	3,183
Share-based compensation expense	14(b)	2,656	2,347	6,956	3,681
Depreciation and amortization expense	5,6	55,471	59,721	171,789	146,177
Finance expense		15,266	17,781	45,954	35,717
Foreign exchange loss (gain)		(95)	99	484	(156)
Other expenses		189	444	553	199
Total expenses		147,495	151,685	453,444	375,188
Income (loss) before taxes and non-controlling interest		1,852	(6,826)	61,341	9,709
Income tax expense		(2,374)	(96)	(19,324)	(6,274)
Net income (loss) and comprehensive income (loss) before non-controlling interest		(522)	(6,922)	42,017	3,435
Net income (loss) and comprehensive income (loss) attributable to:					
Advantage shareholders		(43)	(6,490)	43,435	4,589
Non-controlling interest		(479)	(432)	(1,418)	(1,154)
		(522)	(6,922)	42,017	3,435
Net income (loss) per share attributable to Advantage shareholders					
Basic	15	-	(0.04)	0.26	0.03
Diluted	15	-	(0.04)	0.25	0.03

See accompanying Notes to the Condensed Consolidated Financial Statements

Advantage Energy Ltd.

Consolidated Statements of Changes in Shareholders' Equity

(unaudited, expressed in thousands of Canadian dollars)

	Share capital	Convertible debentures	Contributed surplus	Deficit	Non- controlling interest	Total shareholders' equity
Balance, December 31, 2024	1,989,239	12,859	194,819	(561,261)	(1,506)	1,634,150
Net income (loss) and comprehensive income (loss)	-	-	-	43,435	(1,418)	42,017
Share-based compensation (note 14(b))	-	-	8,448	-	-	8,448
Settlement of Performance Share Units (note 13(a))	6,298	-	(6,298)	-	-	-
Common shares repurchased (note 13(c))	(7,882)	-	1,157	-	-	(6,725)
Balance, September 30, 2025	1,987,655	12,859	198,126	(517,826)	(2,924)	1,677,890

	Share capital	Convertible debentures	Contributed surplus	Deficit	Non- controlling interest	Total shareholders' equity
Balance, December 31, 2023	1,952,241	-	187,034	(582,980)	101	1,556,396
Net income (loss) and comprehensive income (loss)	-	-	-	4,589	(1,154)	3,435
Share-based compensation (note 14(b))	-	-	4,698	-	-	4,698
Issuance of convertible debentures (note 9)	-	12,859	-	-	-	12,859
Settlement of Performance Share Units (note 13(a))	3,881	-	(4,952)	-	-	(1,071)
Common shares issued (note 13(a))	62,643	-	-	-	-	62,643
Common shares repurchased (note 13(c))	(29,000)	-	7,653	-	-	(21,347)
Balance, September 30, 2024	1,989,765	12,859	194,433	(578,391)	(1,053)	1,617,613

See accompanying Notes to the Condensed Consolidated Financial Statements

Advantage Energy Ltd.

Consolidated Statements of Cash Flows

(unaudited, expressed in thousands of Canadian dollars)

		Three months ended September 30		Nine months ended September 30	
	Notes	2025	2024	2025	2024
Operating Activities					
Income (loss) before taxes and non-controlling interest		1,852	(6,826)	61,341	9,709
Add (deduct) items not requiring cash:					
Unrealized (gains) losses on derivatives	7	5,352	(6,592)	22,386	(4,834)
Share-based compensation expense	14(b)	2,656	2,347	6,956	3,681
Depreciation and amortization expense	5,6	55,471	59,721	171,789	146,177
Accretion expense	9,11,12(c)	2,360	2,104	6,304	3,683
Interest paid-in-kind	11	1,298	1,062	3,738	2,463
Other expenses (gains)		189	444	553	199
Expenditures on decommissioning liability	12(c)	(1,548)	(879)	(4,111)	(988)
Settlement of Performance Share Units		-	-	-	(1,071)
Changes in non-cash working capital	17	12,470	(4,662)	14,177	2,164
Cash provided by operating activities		80,100	46,719	283,133	161,183
Financing Activities					
Common shares repurchased	13	(860)	-	(6,725)	(21,347)
Common shares issued	13	-	-	-	62,105
Increase (decrease) in bank indebtedness	8	(29,062)	(18,457)	(58,529)	256,697
Net proceeds from convertible debentures	9	-	(59)	-	137,268
Net proceeds from unsecured debentures	11	(4)	18,855	90,547	27,700
Principal repayment of lease liability	12(b)	(251)	(213)	(731)	(573)
Principal repayment of financing liability	10	(1,339)	(1,223)	(3,886)	(3,562)
Changes in non-cash working capital	17	(1,524)	-	-	-
Cash provided by (used in) financing activities		(33,040)	(1,097)	20,676	458,288
Investing Activities					
Property, plant and equipment additions	6	(94,593)	(66,809)	(279,598)	(191,552)
Intangible assets additions	5	(278)	(119)	(548)	(923)
Business combinations and asset acquisitions	5,6	(25,169)	201	(25,169)	(445,274)
Asset dispositions	6	-	-	4,000	-
Changes in non-cash working capital	17	17,702	13,962	(4,172)	11,226
Cash used in investing activities		(102,338)	(52,765)	(305,487)	(626,523)
Increase in cash and cash equivalents		(55,278)	(7,143)	(1,678)	(7,052)
Cash and cash equivalents, beginning of period		73,746	19,352	20,146	19,261
Cash and cash equivalents, end of period		18,468	12,209	18,468	12,209
Cash interest paid		11,608	14,615	35,912	29,571
Cash income taxes paid		-	-	-	-

See accompanying Notes to the Condensed Consolidated Financial Statements

Advantage Energy Ltd.

Notes to the Condensed Consolidated Financial Statements

September 30, 2025 (unaudited)

All tabular amounts expressed in thousands of Canadian dollars, except as otherwise indicated.

1. Business and structure of Advantage Energy Ltd.

Advantage Energy Ltd. and its subsidiaries (together "Advantage" or the "Corporation") is an energy producer with a significant position in the Western Canadian Sedimentary Basin. Additionally, the Corporation provides carbon capture and storage ("CCS") solutions to emitters of carbon dioxide through its subsidiary, Entropy Inc. ("Entropy"). Advantage is domiciled and incorporated in Canada under the Business Corporations Act (Alberta). Advantage's head office address is 2200, 440 – 2nd Avenue SW, Calgary, Alberta, Canada. The Corporation's common shares are listed on the Toronto Stock Exchange under the symbol "AAV". The Corporation's convertible debentures are listed on the Toronto Stock Exchange under the symbol "AAV.DB".

2. Basis of preparation

(a) Statement of compliance

The

Corporation prepares its condensed consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS Accounting Standards" or "IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, under International Accounting Standard 34, Interim Financial Reporting. The Corporation has consistently applied the same accounting policies as those set out in the audited consolidated financial statements for the year ended December 31, 2024, except as noted below. Certain disclosures included in the notes to the annual consolidated financial statements have been condensed in the following note disclosures or have been disclosed on an annual basis only. Accordingly, these condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2024, which have been prepared in accordance with IFRS Accounting Standards.

The accounting policies applied in these condensed consolidated financial statements are based on IFRS Accounting Standards issued and outstanding as of October 28, 2025, the date the Board of Directors approved the statements.

(b) Basis of measurement

The condensed consolidated financial statements have been prepared on the historical cost basis, except as detailed in the Corporation's accounting policies in the audited consolidated financial statements for the year ended December 31, 2024.

The methods used to measure fair values of derivative instruments are discussed in note 7.

(c) Functional and presentation currency

These condensed consolidated financial statements are presented in Canadian dollars, which is the Corporation's functional currency.

2. Basis of preparation (continued)

(d) Basis of consolidation

These condensed consolidated financial statements include the accounts of the Corporation and all subsidiaries over which it has control, including Entropy, a private Canadian corporation of which Advantage owned 92% of the common shares. All inter-corporate balances, income and expenses resulting from inter-corporate transactions are eliminated.

(e) Future accounting pronouncements

IFRS 18 Presentation and Disclosure in Financial Statements

On April 9, 2024, the IASB issued IFRS 18, “Presentation and Disclosure in Financial Statements”, which will replace International Accounting Standard 1, “Presentation of Financial Statements”. IFRS 18 will establish a revised structure for the Consolidated Statements of Comprehensive Income and improve comparability across entities and reporting periods. IFRS 18 is effective for annual periods beginning on or after January 1, 2027. The standard is to be applied retrospectively, with certain transition provisions. The Corporation is currently evaluating the impact of adopting IFRS 18 on the Consolidated Financial Statements.

Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures

On May 30, 2024, the IASB issued targeted amendments to IFRS 9, “Financial Instruments”, and IFRS 7, “Financial Instruments: Disclosures”. The amendments include new requirements not only for financial institutions but also for corporate entities which include clarifying the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system. These new requirements will apply from January 1, 2026, with early application permitted. The Corporation has assessed the impact of these amendments and concluded that they will have a minimal and immaterial effect on the Consolidated Financial Statements upon adoption, limited to the treatment of outstanding cheques.

(f) New accounting policies

Contingent liabilities

Contingent liabilities are not recognized in the financial statements, if not estimatable and probable, and are disclosed in the notes to the financial statements unless their occurrence is remote. Contingent assets are not recognized in the financial statements, but are disclosed in the notes to the financial statements if their recovery is deemed probable.

3. Segmented reporting

The Corporation has the following two key reportable operating segments, being Advantage and Entropy, based on the nature of each entity's business activities.

Adjusted funds flow

The Corporation considers adjusted funds flow to be a useful measure of the Corporation's ability to generate cash from its operations, which may be used to settle outstanding debt and obligations, support future capital expenditures plans, or return capital to shareholders. Changes in non-cash working capital are excluded from adjusted funds flow as they may vary significantly between periods and are not considered to be indicative of the Corporation's operating performance as they are a function of the timeliness of collecting receivables and paying payables. Expenditures on decommissioning liabilities are excluded from the calculation as the amount and timing of these expenditures are unrelated to current production and are partially discretionary due to the nature of our low liability. Adjusted funds flow does not have any standardized meaning prescribed under IFRS and therefore may not be comparable to similar measures presented by other entities. A reconciliation of the most directly comparable financial measure has been provided below:

(\$000)	Three months ended		Nine months ended	
	September 30		September 30	
	2025	2024	2025	2024
Cash provided by operating activities	80,100	46,719	283,133	161,183
Expenditures on decommissioning liability	1,548	879	4,111	988
Changes in non-cash working capital	(12,470)	4,662	(14,177)	(2,164)
Adjusted funds flow	69,178	52,260	273,067	160,007

The Corporation's chief operating decision makers regularly review adjusted funds flow generated by each of the Corporation's operating segments. Adjusted funds flow is a measure of profit or loss that provides the chief operating decision makers with the ability to assess the profitability of each operating segment.

3. Segmented reporting (continued)

As at September 30, 2025	Advantage	Entropy	Inter-Segment Eliminations	Consolidated
Total assets	2,867,939	205,132	(45,513)	3,027,558
Total liabilities	(1,132,526)	(222,318)	5,176	(1,349,668)
Net debt	572,310	203,413	-	775,723

For the three months ended September 30, 2025

Cash provided by (used in) operating activities	82,877	(2,777)	-	80,100
Cash used in financing activities	31,467	1,573	-	33,040
Cash used in investing activities	56,341	45,997	-	102,338
Net capital expenditures	71,594	48,446	-	120,040

Adjusted funds flow the for three months ended September 30, 2025

Natural gas and liquids sales	130,805	-	-	130,805
Sales of purchased natural gas	1,121	-	-	1,121
Processing and other income	922	523	(523)	922
Royalty expense	(12,309)	-	-	(12,309)
Realized gains on derivatives	34,160	-	-	34,160
Total revenues (excluding unrealized gains and losses)	154,699	523	(523)	154,699
Operating expense	(38,258)	(332)	-	(38,590)
Transportation expense	(27,702)	-	-	(27,702)
Natural gas purchases	556	-	-	556
General and administrative expense	(4,486)	(3,786)	-	(8,272)
Interest (expense) income	(11,964)	356	-	(11,608)
Other (expenses) income	(423)	(5)	523	95
Adjusted funds flow	72,422	(3,244)	-	69,178

Reconciliation to net income (loss) for the three months ended September 30, 2025

Adjusted funds flow	72,422	(3,244)	-	69,178
Unrealized gains (losses) on derivatives	(6,121)	769	-	(5,352)
Share-based compensation expense	(2,656)	-	-	(2,656)
Depreciation and amortization expense	(54,359)	(1,394)	282	(55,471)
Interest paid-in-kind	-	(1,298)	-	(1,298)
Accretion expense	(1,402)	(958)	-	(2,360)
Other expenses	(189)	-	-	(189)
Income tax expense	(2,374)	-	-	(2,374)
Net income (loss)	5,321	(6,125)	282	(522)

3. Segmented reporting (continued)

For the nine months ended September 30, 2025	Advantage	Entropy	Inter-Segment Eliminations	Consolidated
Cash provided by (used in) operating activities	289,293	(6,160)	-	283,133
Cash provided by (used in) financing activities	(69,737)	90,413	-	20,676
Cash used in investing activities	220,272	85,215	-	305,487
Net capital expenditures	214,605	86,710	-	301,315

Adjusted funds flow for the nine months ended September 30, 2025

Natural gas and liquids sales	517,188	-	-	517,188
Sales of purchased natural gas	1,121	-	-	1,121
Processing and other income	2,515	5,018	(2,393)	5,140
Royalty expense	(46,644)	-	-	(46,644)
Realized gains on derivatives	60,366	-	-	60,366
Total revenues (excluding unrealized gains and losses)	534,546	5,018	(2,393)	537,171
Operating expense	(108,922)	(1,682)	-	(110,604)
Transportation expense	(86,928)	-	-	(86,928)
Natural gas purchases	556	-	-	556
General and administrative expense	(17,250)	(13,482)	-	(30,732)
Interest (expense) income	(36,747)	835	-	(35,912)
Other (expenses) income	(2,816)	(61)	2,393	(484)
Adjusted funds flow	282,439	(9,372)	-	273,067

Reconciliation to net income (loss) for the nine months ended September 30, 2025

Adjusted funds flow	282,439	(9,372)	-	273,067
Unrealized gains (losses) on derivatives	(23,648)	1,262	-	(22,386)
Share-based compensation expense	(6,890)	(66)	-	(6,956)
Depreciation and amortization expense	(168,744)	(3,937)	892	(171,789)
Interest paid-in-kind	-	(3,738)	-	(3,738)
Accretion expense	(4,005)	(2,299)	-	(6,304)
Other expenses	(553)	-	-	(553)
Income tax expense	(19,324)	-	-	(19,324)
Net income (loss)	59,275	(18,150)	892	42,017

3. Segmented reporting (continued)

As at September 30, 2024	Advantage	Entropy	Inter-Segment Eliminations	Consolidated
Total assets	2,799,127	94,795	(45,528)	2,848,394
Total liabilities	1,146,630	88,169	(4,018)	1,230,781
Net debt	621,890	72,069	-	693,959

For the three months ended September 30, 2024

Cash provided by (used in) operating activities	49,236	(2,517)	-	46,719
Cash provided by (used in) financing activities	(19,910)	18,813	-	(1,097)
Cash used in investing activities	43,883	8,882	-	52,765
Net capital expenditures	54,936	11,791	-	66,727

Adjusted funds flow for the three months ended September 30, 2024

Natural gas and liquids sales	139,840	-	-	139,840
Processing and other income	1,060	788	(788)	1,060
Royalty expense	(19,338)	-	-	(19,338)
Realized gains on derivatives	16,705	-	-	16,705
Total revenues (excluding unrealized gains and losses)	138,267	788	(788)	138,267
Operating expense	(37,335)	(644)	-	(37,979)
Transportation expense	(26,576)	-	-	(26,576)
General and administrative expense	(3,970)	(2,726)	-	(6,696)
Transaction costs	(42)	-	-	(42)
Interest (expense) income	(14,757)	142	-	(14,615)
Other (expenses) income	(925)	38	788	(99)
Adjusted funds flow	54,662	(2,402)	-	52,260

Reconciliation to net income (loss) for the three months ended September 30, 2024

Adjusted funds flow	54,662	(2,402)	-	52,260
Unrealized losses on derivatives	7,121	(529)	-	6,592
Share-based compensation expense	(2,279)	(68)	-	(2,347)
Depreciation and amortization expense	(58,870)	(1,133)	282	(59,721)
Interest paid-in-kind	-	(1,062)	-	(1,062)
Accretion expense	(1,790)	(314)	-	(2,104)
Other expenses	(444)	-	-	(444)
Income tax recovery	(96)	-	-	(96)
Net income (loss)	(1,696)	(5,508)	282	(6,922)

3. Segmented reporting (continued)

For the nine months ended September 30, 2024	Advantage	Entropy	Inter-Segment Eliminations	Consolidated
Cash provided by (used in) operating activities	166,478	(5,295)	-	161,183
Cash provided by financing activities	430,703	27,585	-	458,288
Cash used in investing activities	607,018	19,505	-	626,523
Net capital expenditures	616,310	21,439	-	637,749
Adjusted funds flow for the nine months ended September 30, 2024				
Natural gas and liquids sales	379,818	-	-	379,818
Processing and other income	4,811	2,703	(2,328)	5,186
Royalty expense	(35,488)	-	-	(35,488)
Realized gains on derivatives	30,547	-	-	30,547
Total revenues (excluding unrealized gains and losses)	379,688	2,703	(2,328)	380,063
Operating expense	(86,549)	(1,662)	-	(88,211)
Transportation expense	(74,507)	-	-	(74,507)
General and administrative expense	(16,571)	(7,098)	-	(23,669)
Transaction costs	(3,183)	-	-	(3,183)
Interest (expense) income	(29,884)	313	-	(29,571)
Other (expenses) income	(3,272)	29	2,328	(915)
Adjusted funds flow	165,722	(5,715)	-	160,007
Reconciliation to net income (loss)				
Adjusted funds flow	165,722	(5,715)	-	160,007
Unrealized losses on derivatives	5,632	(798)	-	4,834
Share-based compensation expense	(3,522)	(159)	-	(3,681)
Depreciation and amortization expense	(142,155)	(4,866)	844	(146,177)
Interest paid-in-kind	-	(2,463)	-	(2,463)
Accretion expense	(2,914)	(769)	-	(3,683)
Settlement of Performance Share Units	1,071	-	-	1,071
Other income	(199)	-	-	(199)
Income tax expense	(6,274)	-	-	(6,274)
Net income (loss)	17,361	(14,770)	844	3,435

4. Cash and cash equivalents

	September 30 2025	December 31 2024
Cash at financial institutions	18,468	20,146

Cash at financial institutions earn interest at floating rates based on daily deposit rates. As at September 30, 2025 cash at financial institutions included US\$0.6 million (December 31, 2024 - US\$0.2 million). The Corporation only deposits cash with major financial institutions of high-quality credit ratings. Included in cash and cash equivalents as at September 30, 2025 is \$13.6 million held by Entropy (December 31, 2024 - \$14.5 million).

5. Intangible assets

Cost

Balance at December 31, 2023	5,476
Additions	1,135
Balance at December 31, 2024	6,611
Asset acquisition	17,200
Additions	548
Balance at September 30, 2025	24,359

Accumulated amortization

Balance at December 31, 2023	113
Amortization	1,252
Balance at December 31, 2024	1,365
Amortization	485
Balance at September 30, 2025	1,850

Net book value

At December 31, 2024	5,246
At September 30, 2025	22,509

During the nine months ended September 30, 2025, Entropy acquired certain carbon hub assets in Saskatchewan for cash consideration of \$25.2 million, made up of \$17.2 million in intangible assets and \$8.0 million in property, plant and equipment (note 18).

6. Property, plant and equipment

	Right-of-use assets	Exploration and evaluation assets	Natural gas and liquids assets	Carbon capture assets	Total
Cost					
Balance at December 31, 2023	3,253	15,961	3,456,026	39,609	3,514,849
Additions	1,366	-	266,744	35,179	303,289
Business combination	272	6,838	466,705	-	473,815
Asset dispositions ⁽¹⁾	-	-	(11,421)	-	(11,421)
Capitalized share-based compensation (note 14(b))	-	-	1,058	-	1,058
Capitalized interest paid-in-kind (note 11)	-	-	-	1,646	1,646
Changes in decommissioning liability (note 12(c))	-	-	37,373	(126)	37,247
Transfers	-	(5,879)	5,879	-	-
Lease expiries	-	(1,747)	-	-	(1,747)
Expired right-of-use assets	(73)	-	-	-	(73)
Balance at December 31, 2024	4,818	15,173	4,222,364	76,308	4,318,663
Additions	184	-	218,605	60,993	279,782
Asset acquisition	-	-	-	7,969	7,969
Asset dispositions ⁽¹⁾	-	-	(4,000)	-	(4,000)
Capitalized share-based compensation (note 14(b))	-	-	1,492	-	1,492
Capitalized interest paid-in-kind (note 11)	-	-	-	6,002	6,002
Changes in decommissioning liability (note 12(c))	-	-	(4,557)	(532)	(5,089)
Expired right-of-use assets	(244)	-	-	-	(244)
Balance at September 30, 2025	4,758	15,173	4,433,904	150,740	4,604,575
Accumulated depreciation					
Balance at December 31, 2023	1,523	-	1,423,881	243	1,425,647
Depreciation	823	-	193,918	3,496	198,237
Expired right-of-use assets	(73)	-	-	-	(73)
Balance at December 31, 2024	2,273	-	1,617,799	3,739	1,623,811
Depreciation	769	-	168,117	2,418	171,304
Expired right-of-use assets	(244)	-	-	-	(244)
Balance at September 30, 2025	2,798	-	1,785,916	6,157	1,794,871
Net book value					
At December 31, 2024	2,545	15,173	2,604,565	72,569	2,694,852
At September 30, 2025	1,960	15,173	2,647,988	144,5583	2,809,704

⁽¹⁾ Advantage disposed of non-core assets in 2025 and 2024 that were acquired through the business combination in 2024. These assets were removed from natural gas and liquids assets with no gain or loss recognized.

During the nine months ended September 30, 2025, Advantage capitalized general and administrative expenditures directly related to development activities of \$3.5 million, included in additions (year ended December 31, 2024 - \$6.5 million).

Advantage included future development costs of \$2.6 billion (December 31, 2024 - \$2.8 billion) in natural gas and liquids properties costs subject to depreciation.

During the nine months ended September 30, 2025, Entropy capitalized borrowing cost that was paid-in-kind, directly related to funding CCS development activities of \$6.0 million (year ended December 31, 2024 - \$1.6 million).

6. Property, plant and equipment (continued)

During the nine months ended September 30, 2025, Entropy acquired certain carbon hub assets in Saskatchewan for cash consideration of \$25.2 million, made up of \$17.2 million in intangible assets and \$8.0 million in property, plant and equipment.

As at September 30, 2025, the Corporation evaluated its property, plant and equipment for indicators of any potential impairment. As a result of this assessment, no indicators were identified, and no impairment test was performed as at September 30, 2025.

7. Financial risk management

Financial assets and liabilities recorded or disclosed at fair value in the statements of financial position are categorized based on the level associated with the inputs used to measure their fair value.

Fair value is determined following a three-level hierarchy:

Level 1: Quoted prices in active markets for identical assets and liabilities. The Corporation does not have any financial assets or liabilities that require Level 1 inputs.

Level 2: Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly. Such inputs can be corroborated with other observable inputs for substantially the complete term of the contract.

Derivative assets and liabilities are categorized as Level 2 in the fair value hierarchy and measured at fair value on a recurring basis. For derivative assets and liabilities, pricing inputs include quoted forward prices for commodities, foreign exchange rates, interest rates, volatility, and risk-free rate discounting, all of which can be observed or corroborated in the marketplace. The actual gains and losses realized on eventual cash settlement can vary materially due to subsequent fluctuations as compared to the valuation assumptions.

Level 3: Fair value is determined using inputs that are not observable.

The Corporation's natural gas embedded derivative is categorized as Level 3 in the fair value hierarchy as the volatility derived from historic PJM electricity prices and the long-term portion of the PJM electricity forward price are unobservable inputs.

The Corporation's unsecured debentures – derivative liability is categorized as Level 3 in the fair value hierarchy as multiple inputs such as volatility, probability of a future change of control event and share price are unobservable inputs.

7. Financial risk management (continued)

The Corporation enters into financial risk management derivative contracts to manage the Corporation's exposure to commodity price risk and foreign exchange risk. The table below summarizes the realized gains (losses) and unrealized gains (losses) on derivatives recognized in net income (loss).

	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Realized gains (losses) on derivatives				
Natural gas	26,108	16,345	41,531	31,473
Crude oil	3,640	1,175	12,345	1,175
Foreign exchange	185	74	14	78
Natural gas embedded derivative	4,227	(889)	6,476	(2,179)
Total	34,160	16,705	60,366	30,547
Unrealized gains (losses) on derivatives				
Natural gas	(5,146)	5,534	(10,586)	18,774
Crude oil	(4,236)	22,468	(1,227)	17,557
Foreign exchange	(360)	766	877	(173)
Natural gas embedded derivative	3,621	(21,646)	(12,712)	(30,526)
Unsecured debenture derivative	769	(530)	1,262	(798)
Total	(5,352)	6,592	(22,386)	4,834
Gains (losses) on derivatives				
Natural gas	20,962	21,879	30,945	50,247
Crude oil	(596)	23,643	11,118	18,732
Foreign exchange	(175)	840	891	(95)
Natural gas embedded derivative	7,848	(22,535)	(6,236)	(32,705)
Unsecured debenture derivative	769	(530)	1,262	(798)
Total	28,808	23,297	37,980	35,381

The fair value of financial risk management derivatives has been allocated to current and non-current assets and liabilities based on the expected timing of cash settlements. The following table summarizes the estimated fair market value of the Corporation's outstanding financial risk management derivative contracts.

	September 30 2025	December 31 2024
Derivative type		
Natural gas derivative asset	16,618	27,204
Crude oil derivative asset	5,825	7,052
Foreign exchange derivative asset (liability)	136	(741)
Natural gas embedded derivative asset	69,238	81,950
Unsecured debentures derivative liability (note 11)	(73,258)	(40,344)
Net derivative asset	18,559	75,121
Consolidated statement of financial position classification		
Current derivative asset	42,458	50,358
Non-current derivative asset	58,773	78,631
Current derivative liability	(2,624)	(8,900)
Non-current derivative liability	(6,790)	(4,624)
Unsecured debentures derivative liability (note 11)	(73,258)	(40,344)
Net derivative asset	18,559	75,121

7. Financial risk management (continued)

(a) Commodity price risk

The Corporation's commodity derivative contracts are classified as Level 2 within the fair value hierarchy. As at September 30, 2025 and October 28, 2025, the Corporation had the following commodity derivative contracts in place:

Description of Derivative	Term	Volume	Price
Natural gas - AECO			
Fixed price swap	October 2025	135,064 Mcf/d	\$2.62/Mcf
Fixed price swap	November 2025 to March 2026	142,173 Mcf/d	\$3.54/Mcf
Fixed price swap	April 2026 to October 2026	75,825 Mcf/d	\$3.15/Mcf ⁽¹⁾
Fixed price swap	November 2026 to March 2027	94,782 Mcf/d	\$3.39/Mcf
Fixed price swap	April 2027 to March 2028	14,217 Mcf/d	\$3.23/Mcf
Natural gas - Chicago			
Fixed price swap	October 2025	4,739 Mcf/d	\$5.10/Mcf
Natural gas - Dawn			
Fixed price swap	October 2025	47,391 Mcf/d	\$4.04/Mcf
Fixed price swap	November 2025 to March 2026	28,435 Mcf/d	\$4.65/Mcf
Fixed price swap	April 2026 to October 2026	28,435 Mcf/d	\$4.52/Mcf
Fixed price swap	November 2026 to March 2027	9,478 Mcf/d	\$4.25/Mcf
Crude oil – WTI NYMEX			
Fixed price swap	October 2025 to December 2025	4,000 bbls/d	US \$71.89/bbl
Fixed price swap	January 2026 to June 2026	1,500 bbls/d	US \$63.47/bbl

(1) Contains contracts entered into subsequent to September 30, 2025.

7. Financial risk management (continued)

(a) Commodity price risk (continued)

Natural Gas - Embedded Derivative

Advantage is party to a long-term natural gas supply agreement, delivering 25,000 MMBtu/d of natural gas for a 10-year period. Commercial terms of the agreement are based upon a spark-spread pricing formula, providing Advantage exposure to PJM electricity prices, back-stopped with a natural gas price collar. The contract contains an embedded derivative as a result of the spark-spread pricing formula and the natural gas price collar. The Corporation defined the host contract as a natural gas sales arrangement with a fixed price of US \$2.50/MMBtu. The Corporation will realize derivative gains or losses when the price received under the contract deviates from US \$2.50/MMBtu. As at September 30, 2025 the fair value of the natural gas embedded derivative resulted in an asset of \$69.2 million (December 31, 2024 – \$82.0 million asset).

The below table provides the impact to the valuation of the natural gas embedded derivative by adjusting the inputs below:

\$ millions	Increase	(Decrease)
10% change in PJM electricity price	13.6	(18.7)
1% change in implied inflation rate	0.1	(0.2)

7. Financial risk management (continued)

(b) Foreign exchange risk

The Corporation's foreign exchange derivative contracts are classified as Level 2 within the fair value hierarchy. As at September 30, 2025, the Corporation had the following foreign exchange derivative contracts in place:

Description of Derivative	Term	Notional Amount	Rate
Forward rate - CAD/USD			
Average rate currency swap	October 2025 to December 2025	US \$ 1,000,000/month	1.4320

(c) Capital management

Working capital

Working capital is a capital management financial measure that provides Management and users with a measure of the Corporation's short-term operating liquidity. By excluding current derivatives, financing liability, provisions and other liabilities and unsecured debentures, Management and users can determine if the Corporation's operations are sufficient to cover the short-term operating requirements. Working capital is not a standardized measure and therefore may not be comparable with the calculation of similar measures by other entities.

A summary of working capital as at September 30, 2025 and December 31, 2024 is as follows:

	September 30 2025	December 31 2024
Cash and cash equivalents	18,468	20,146
Trade and other receivables	59,365	83,188
Prepaid expenses and deposits	13,196	10,000
Trade and other accrued liabilities	(105,367)	(116,609)
Working capital deficit	(14,338)	(3,275)

7. Financial risk management (continued)

(c) Capital management (continued)

Net Debt

Net debt is a capital management financial measure that provides Management and users with a measure to assess the Corporation's liquidity. Net debt is not a standardized measure and therefore may not be comparable with the calculation of similar measures by other entities.

A summary of the reconciliation of net debt as at September 30, 2025 and December 31, 2024 is as follows:

	September 30 2025	December 31 2024
Bank indebtedness (note 8)	411,895	470,424
Convertible debentures (note 9)	143,750	143,750
Unsecured debentures (note 11)	205,740	101,000
Working capital deficit	14,338	3,275
Net debt	775,723	718,449

Advantage's capital structure as at September 30, 2025 and December 31, 2024 is as follows:

	September 30 2025	December 31 2024
Shares outstanding (note 13)	166,938,122	166,931,440
Share closing market price (\$/share)	11.41	9.86
Market capitalization	1,904,764	1,645,944
Net debt	775,723	718,449
Total capitalization	2,680,487	2,364,393

8. Bank indebtedness

	September 30 2025	December 31 2024
Revolving credit facility	415,000	475,000
Unamortized financing fees	(3,105)	(4,576)
Balance, end of period	411,895	470,424

In June 2025, the Credit Facility was renewed with no changes to the borrowing base of \$650 million, comprised of a \$60 million extendible revolving operating loan facility from one financial institution and a \$590 million extendible revolving loan facility from a syndicate of financial institutions. The Credit Facility has a tenor of two years with a maturity date in June 2027 and is subject to an annual review and extension by the lenders. The Corporation had letters of credit of \$8.5 million outstanding at September 30, 2025 (December 31, 2024 - \$5.5 million). The Corporation did not have any financial covenants at September 30, 2025 and December 31, 2024.

9. Convertible debentures

	Convertible Debentures (# of Debentures)	Liability Component	Equity Component
Balance, December 31, 2023	-	-	-
Issuance of convertible debentures	143,750	126,261	17,489
Issuance costs	-	(5,694)	(788)
Deferred income tax liability	-	-	(3,842)
Accretion of discount	-	2,016	-
Balance at December 31, 2024	143,750	122,583	12,859
Accretion of discount	-	2,958	-
Balance at September 30, 2025	143,750	125,541	12,859

The Corporation has \$143.8 million aggregate principal amount of convertible unsecured subordinated debentures (the "Debentures") at a price of \$1,000 per debenture outstanding as at September 30, 2025. The Debentures will mature and be repayable on June 30, 2029 and accrue interest at the rate of 5.0% per annum.

The fair value of the Debentures at September 30, 2025 was \$157.6 million using quoted market prices on the Toronto Stock Exchange ("TSX").

10. Financing liability

The Corporation has take-or-pay volume commitment with a 12.5% working interest partner in the Corporation's Glacier Gas Plant, with a term due to expire in 2035. The volume commitment agreement is treated as a financing transaction with an effective interest rate of 9.1%.

A reconciliation of the financing liability is provided below:

	Nine months ended September 30, 2025	Year ended December 31, 2024
Balance, beginning of the year	88,083	92,897
Interest expense	5,875	8,272
Financing payments	(9,761)	(13,086)
Balance, end of period	84,197	88,083
Current financing liability	5,624	5,256
Non-current financing liability	78,573	82,827

11. Unsecured debentures

During the nine months ended September 30, 2025, Entropy issued unsecured debentures for gross proceeds of \$95.0 million (September 30, 2024 - \$30.0 million) and incurred \$4.5 million of issuance costs (September 30, 2024 - \$2.3 million). For the nine months ended September 30, 2025, Entropy incurred interest of \$9.7 million which was paid-in-kind (September 30, 2024 - \$3.4 million).

The exchange features of the unsecured debentures meet the definition of a derivative liability, as the exchange features allow the unsecured debentures to be potentially exchanged for a variable amount of common shares in certain situations, and as such does not meet the fixed-for-fixed criteria for equity classification. The unsecured debenture - derivative liability is classified as Level 3 within the fair value hierarchy.

The following table provides a summary of the outstanding aggregate principal balance of Entropy's unsecured debentures.

	Nine months ended September 30, 2025	Year ended December 31, 2024
Aggregate principal balance, beginning of the year	101,000	40,807
Unsecured debentures issued	95,000	55,000
Interest paid-in-kind	9,740	5,193
Aggregate principal balance, end of period	205,740	101,000

The following tables disclose the components associated with the unsecured debentures at initial recognition. The changes in the unsecured debentures are as follows:

	Nine months ended September 30, 2025	Year ended December 31, 2024
Balance, beginning of the year	64,682	27,819
Initial recognition	70,564	39,159
Issuance costs	(4,453)	(3,528)
Accretion expense	2,282	1,232
Balance, end of period	133,075	64,682

The changes in the unsecured debentures - derivative liability related to the exchange features are as follows:

	Nine months ended September 30, 2025	Year ended December 31, 2024
Balance, beginning of the year	40,344	18,444
Initial recognition	34,176	21,034
Revaluation	(1,262)	866
Balance, end of period	73,258	40,344

The Corporation determined the value of the conversion feature using a probability weighted Black-Scholes calculation. Unobservable inputs used to determine the valuation at September 30, 2025 includes estimated share price, estimated timing of an initial public offering ("IPO"), share price volatility and credit spread. The below table provides the impact to the valuation of the derivative liability by adjusting the inputs below:

\$ millions	Increase	(Decrease)
\$1 change in estimated share price	17.9	(17.9)
1% change in credit spread	4.4	(4.6)
1 year change in estimated timing of an IPO	8.1	(7.3)

12. Provisions and other liabilities

	Nine months ended September 30, 2025	Year ended December 31, 2024
Performance Awards (note 14 (c))	3,051	2,312
Deferred Share Units (note 14 (d))	5,538	4,869
Deferred revenue (a)	4,952	5,639
Lease liability (b)	2,273	2,820
Decommissioning liability (c)	118,617	126,753
Balance, end of period	134,431	142,393
Current provisions and other liabilities	13,644	14,724
Non-current provisions and other liabilities	120,787	127,669

(a) Deferred revenue

Deferred revenue represents an advance payment received by Advantage in consideration for the future sales of natural gas. Deferred revenue is recognized over the course of the 10-year natural gas supply agreement (note 7(a)).

	Nine months ended September 30, 2025	Year ended December 31, 2024
Balance, beginning of the year	5,639	6,603
Additions	-	240
Recognized in natural gas and liquids sales	(687)	(1,204)
Balance, end of period	4,952	5,639
Current deferred revenue	660	852
Non-current deferred revenue	4,292	4,787

(b) Lease liability

The Corporation incurs lease payments related to its office leases and other miscellaneous equipment. The Corporation has recognized a lease liability in relation to all lease arrangements measured at the present value of the remaining lease payments.

A reconciliation of the lease liability is provided below:

	Nine months ended September 30, 2025	Year ended December 31, 2024
Balance, beginning of the year	2,820	1,967
Additions	184	1,366
Leases acquired	-	272
Interest expense	128	160
Lease payments	(859)	(945)
Balance, end of period	2,273	2,820
Current lease liability	1,052	929
Non-current lease liability	1,221	1,891

12. Provisions and other liabilities (continued)

(c) Decommissioning liability

The Corporation's decommissioning liability results from net ownership interests in natural gas and liquids assets including well sites, gathering systems, facilities and carbon capture equipment, all of which will require future costs of decommissioning under environmental legislation. These costs are expected to be incurred between 2025 and 2075. A risk-free rate of 3.61% (December 31, 2024 – 3.30%) and an inflation factor of 2.0% (December 31, 2024 – 2.0%) were used to calculate the fair value of the decommissioning liability at September 30, 2025. As at September 30, 2025, the total estimated undiscounted, uninflated cash flows required to settle the Corporation's decommissioning liability was \$166.3 million (December 31, 2024 – \$168.7 million).

A reconciliation of the decommissioning liability is provided below:

	Nine months ended September 30, 2025	Year ended December 31, 2024
Balance, beginning of the year	126,753	62,155
Accretion expense	1,064	2,141
Liabilities incurred	2,238	12,229
Liabilities disposed	(2,339)	(1,990)
Liabilities acquired	-	28,269
Revaluation of liabilities acquired	-	24,694
Change in estimates	2,416	4,647
Effect of change in risk-free rate	(7,404)	(2,333)
Liabilities settled	(4,111)	(3,059)
Balance, end of period	118,617	126,753
Current decommissioning liability	4,814	7,000
Non-current decommissioning liability	113,803	119,753

13. Share capital

(a) Authorized

The Corporation is authorized to issue an unlimited number of shares without nominal or par value.

	Common Shares (# of shares)	Share capital (\$000)
Balance at December 31, 2023	162,225,180	1,952,241
Issuance of common shares	5,910,000	62,643
Shares issued on Performance Share Unit settlements (note 14 (a))	1,251,060	-
Contributed surplus transferred on Performance Share Unit vesting	-	3,891
Shares purchased and cancelled under NCIB	(2,454,800)	(29,536)
Balance at December 31, 2024	166,931,440	1,989,239
Shares issued on Performance Share Unit settlements (note 14 (a))	668,382	-
Contributed surplus transferred on Performance Share Unit vesting	-	6,298
Shares purchased and cancelled under NCIB	(661,700)	(7,882)
Balance at September 30, 2025	166,938,122	1,987,655

(b) Issued

For the nine months ended September 30, 2025, the Corporation issued 0.7 million common shares in connection with Corporation's Performance Award Incentive Plan (note 14(a)).

(c) Normal Course Issuer Bid ("NCIB")

For the nine months ended September 30, 2025, the Corporation purchased 0.7 million common shares for cancellation for a total of \$6.7 million. Share capital was reduced by \$7.9 million while contributed surplus was increased by \$1.2 million, representing the excess average carrying value of the common shares over the purchase price.

On May 8, 2025, the TSX approved the renewal of the NCIB. The NCIB commenced on May 14, 2025 and will terminate on May 13, 2026. Pursuant to the NCIB, Advantage was approved to purchase for cancellation, from time to time, as it considered advisable, up to a maximum of 14,415,014 common shares of the Corporation.

Purchases pursuant to the NCIB are made on the open market through the facilities of the TSX or alternative trading systems. The price that Advantage paid for its common shares under the NCIB was the prevailing market price on the TSX at the time of such purchase, including commissions. All common shares acquired under the NCIB were cancelled.

14. Long-term compensation plans

(a) Restricted and Performance Award Incentive Plan – Performance Share Units

Under the Restricted and Performance Award Incentive Plan, service providers can be granted two types of equity incentive awards: Restricted Share Units and Performance Share Units. As at September 30, 2025, no equity Restricted Share Units have been granted. Performance Share Units granted vest over three years from the grant date and are subject to a Payout Multiplier that is determined based on the achievement of corporate performance measures during that three-year period, as approved by the Board of Directors.

The following table is a continuity of Performance Share Units:

	Performance Share Units
Balance at December 31, 2023	2,819,414
Granted	882,858
Vested	(1,191,708)
Forfeited	(178,864)
Balance at December 31, 2024	2,331,700
Granted	1,232,919
Vested	(617,476)
Forfeited	(7,114)
Balance at September 30, 2025	2,940,029

On March 27, 2025, 0.6 million Performance Share Units vested which were settled with the issuance of 0.7 million common shares in April 2025.

(b) Share-based compensation expense

Share-based compensation expense after capitalization for the three and nine months ended September 30, 2025, and 2024 are as follows:

	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Total share-based compensation	3,231	3,033	8,448	4,698
Capitalized	(575)	(686)	(1,492)	(1,017)
Share-based compensation expense	2,656	2,347	6,956	3,681

14. Long-term compensation plans (continued)

(c) Performance Award Incentive Plan - Performance Awards

Under the Performance Award Incentive Plan, service providers can be granted cash Performance Awards. Such grants vest over three years from the grant date are subject to a Payout Multiplier that is determined based on the achievement of corporate performance measures during that three-year period, as approved by the Board of Directors. Performance Awards are expensed to general and administrative expense with the recording of a current and non-current liability (note 12) until eventually settled in cash.

The following table is a continuity of the Corporation's liability related to outstanding Performance Awards:

	Nine months ended September 30, 2025	Year ended December 31, 2024
Balance, beginning of the year	2,312	6,687
Performance Award expense	1,586	543
Interest expense	56	61
Performance Awards settled	(903)	(4,979)
Balance, end of period	3,051	2,312
Current	1,580	1,074
Non-current	1,471	1,238

(d) Deferred Share Units

Deferred Share Units are issued to Directors of the Corporation. Each Deferred Share Unit entitles participants to receive cash equal to the Corporation's common shares, multiplied by the number of DSUs held. All Deferred Share Units vest immediately upon grant and become payable upon retirement of the Director from the Board.

The following table is a continuity of Deferred Share Units:

	Deferred Share Units
Balance at December 31, 2023	536,680
Granted	69,653
Settled	(112,498)
Balance at December 31, 2024	493,835
Granted	76,746
Settled	(85,220)
Balance at September 30, 2025	485,361

The expense related to Deferred Share Units is calculated using the fair value method based on the Corporation's share price at the end of each reporting period and is charged to general and administrative expense. The following table is a continuity of the Corporation's liability related to outstanding Deferred Share Units:

	Nine months ended September 30, 2025	Year ended December 31, 2024
Balance, beginning of the year	4,869	4,579
Granted	818	672
Revaluation of outstanding Deferred Share Units	796	576
Settled	(945)	(958)
Balance, end of period	5,538	4,869

15. Net income (loss) per share attributable to Advantage shareholders

The calculations of basic and diluted net income (loss) per share are derived from both net income (loss) attributable to Advantage shareholders and weighted average shares outstanding, calculated as follows:

	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Net income (loss) attributable to Advantage shareholders				
Basic and diluted	(43)	(6,490)	43,435	4,589
Weighted average shares outstanding				
Basic	166,968,084	166,972,093	166,990,081	162,940,712
Performance Share Units	-	-	3,414,670	3,175,420
Diluted	166,968,084	166,972,093	170,404,751	166,116,132
Net income (loss) per share attributable to Advantage shareholders				
Basic (\$/share)	-	(0.04)	0.26	0.03
Diluted (\$/share)	-	(0.04)	0.25	0.03

In computing diluted per share amounts at September 30, 2025, the Entropy common shares potentially issuable on the conversion of the unsecured debentures were excluded as they were determined to be anti-dilutive. If the aggregate principal balance of unsecured debentures were converted at September 30, 2025, Advantage's ownership would have been 52% (September 30, 2024 – 69%).

In computing diluted per share amounts at September 30, 2025, the common shares potentially issuable on the conversion of the convertible debentures were excluded as they were determined to be anti-dilutive.

16. Revenues

Advantage's revenue is comprised of natural gas, crude oil, condensate and NGLs sales to multiple customers. For the three and nine months ended September 30, 2025, and 2024, natural gas and liquids sales was as follows:

	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Crude oil	65,819	71,717	195,607	121,860
Condensate	5,334	9,259	20,856	31,165
NGLs	12,463	18,155	48,255	48,156
Liquids	83,616	99,131	264,718	201,181
Natural Gas	47,189	40,709	252,470	178,637
Natural gas and liquids sales	130,805	139,840	517,188	379,818

At September 30, 2025, receivables from contracts with customers, which are included in trade and other receivables, were \$36.7 million (December 31, 2024 - \$63.2 million).

Advantage markets its natural gas and liquids production to major North American marketers, three of which each account for greater than 10% of natural gas and liquids sales. These customers account for 23%, 19%, and 14%, respectively, of the Corporation's total natural gas and liquids sales.

17. Supplementary cash flow information

Changes in non-cash working capital is comprised of:

	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Source (use) of cash:				
Trade and other receivables	17,391	(18,690)	23,823	(6,532)
Prepaid expense and deposits	(3,446)	(1,196)	(3,196)	3,378
Trade and other accrued liabilities	14,031	29,078	(11,242)	21,172
Inventory	-	-	(101)	620
Deferred revenue	(165)	(165)	(687)	(990)
Performance Awards	758	481	739	(4,112)
Deferred Share Units	79	(208)	669	(146)
	28,648	9,300	10,005	13,390
Related to operating activities	12,470	(4,662)	14,177	2,164
Related to financing activities	(1,524)	-	-	-
Related to investing activities	17,702	13,962	(4,172)	11,226
	28,648	9,300	10,005	13,390

17. Supplementary cash flow information (continued)

The following table provides a detailed breakdown of the cash and non-cash changes in financing liabilities arising from financing activities:

	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Cash flows				
Common shares repurchased	(860)	-	(6,725)	(21,347)
Common shares issued	-	-	-	65,010
Issuance costs on shares issued	-	-	-	(2,905)
Draws on Credit Facility	-	145,000	50,000	715,000
Repayment of Credit Facility	(30,000)	(165,000)	(110,000)	(455,000)
Bankers' acceptance and other fees	(163)	(229)	(1,573)	(15,050)
Proceeds from unsecured debentures	-	20,000	95,000	30,000
Issuance costs on unsecured debentures	(4)	(1,145)	(4,453)	(2,300)
Proceeds from convertible debentures	-	-	-	143,750
Issuance costs on convertible debentures	-	(59)	-	(6,482)
Lease payments	(291)	(259)	(859)	(685)
Financing payments	(3,290)	(3,289)	(9,761)	(9,796)
Net cash flows	(34,608)	(4,981)	11,629	440,195
Non-cash changes				
Amortization of bankers' acceptance and other fees	1,101	1,772	3,044	11,747
Lease liability interest expense	40	46	128	112
Financing liability interest expense	1,951	2,066	5,875	6,234
Changes in non-cash working capital	(1,524)	-	-	-
Total non-cash changes	1,568	3,884	9,047	18,093
Cash provided by (used in) financing activities	(33,040)	(1,097)	20,676	458,288

18. Commitments and contingencies

(a) Commitments

At September 30, 2025, Advantage had commitments relating to building operating cost, processing commitments, and transportation commitments. The estimated remaining payments are as follows:

(\$ millions)	Payments due by period						
	2025		2026	2027	2028	2029	Beyond
	Total	3 months					
Building operating cost ⁽¹⁾	1.6	0.2	0.8	0.6	-	-	-
Processing	175.4	7.4	31.1	29.4	28.2	26.4	52.9
Transportation	750.0	25.0	99.8	94.2	75.7	66.4	388.9
Total commitments	927.0	32.6	131.7	124.2	103.9	92.8	441.8

⁽¹⁾ Excludes fixed lease payments which are included in the Corporation's lease liability.

(b) Contingencies

In 2025, Entropy purchased an interest in three carbon hubs for \$25.2 million which includes contingent consideration of up to \$15 million based on commercial milestones achieved by various projects. As the likelihood and timing of these milestones remain uncertain, no liability has been recognized for the contingent consideration at September 30, 2025.

Advantage Energy Ltd.
Supplemental Financial Information (unaudited)
Exhibit to the September 30, 2025 Condensed Consolidated Financial Statements

The following ratio has been calculated on a consolidated basis for the twelve-month period ended September 30, 2025. This ratio is based on Advantage Energy Ltd.'s Condensed Consolidated Financial Statements that are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

	Twelve months ended September 30, 2025
Earnings Coverage Ratio ⁽¹⁾	2.2x

- ⁽¹⁾ Calculated as net income (loss) and comprehensive income (loss) attributed to Advantage shareholders, before finance expense and income tax expense divided by finance expense (including capitalized interest).

ABBREVIATIONS

Crude Oil and Natural Gas Liquids		Natural Gas	
bbl	barrel	Mcf	thousand cubic feet
bbls	barrels	MMcf	million cubic feet
Mbbls	thousand barrels	bcf/d	billion cubic feet per day
NGLs	natural gas liquids	Mcf/d	thousand cubic feet per day
BOE or boe	barrel of oil equivalent	MMcf/d	million cubic feet per day
Mboe	thousand barrels of oil equivalent	Mcfe	thousand cubic feet of natural gas equivalent, using the ratio of 6 Mcf of natural gas being equivalent to one bbl of oil
MMboe	million barrels of oil equivalent	MMcfe/d	million cubic feet of natural gas equivalent per day
boe/d	barrels of oil equivalent per day	MMbtu	million British Thermal Units
bbls/d	barrels of oil per day	MMbtu/d	million British Thermal Units per day
		GJ/d	Gigajoules per day
Other			
AECO	a notional market point on the NGTL system, located at the AECO 'C' hub in Southeastern Alberta, where the purchase and sale of natural gas is transacted		
CCS	means "Carbon Capture and Storage"		
Henry Hub	a central delivery location, located near Louisiana's Gulf Coast connecting several intrastate and interstate pipelines, that serves as the official delivery location for futures contracts on the NYMEX		
MSW	means "Mixed Sweet Blend", the reference price paid for conventionally produced light sweet crude oil at Edmonton, Alberta		
NCIB	means "Normal course issuer bid"		
PJM	a regional transmission organization that coordinates the movement of wholesale electricity in the Mid Atlantic region of the US		
TSX	Toronto Stock Exchange		
WTI	means "West Texas Intermediate", the reference price paid in U.S. dollars at Cushing, Oklahoma for the crude oil standard grade		
Crude oil	Light Crude Oil and Medium Crude Oil as defined in National Instrument 51-101		
Natural gas	"Conventional Natural Gas" and "Shale Gas" as defined in National Instrument 51-101		
"NGLs" & "condensate"	Natural Gas Liquids as defined in National Instrument 51-101		
Liquids	Total of crude oil, condensate and NGLs		

Directors

Jill T. Angevine⁽²⁾⁽³⁾
Michael Belenkie
Deirdre M. Choate⁽¹⁾⁽⁴⁾
Donald M. Clague⁽¹⁾⁽²⁾
Daniel S. Farb⁽³⁾⁽⁴⁾
John L. Festival⁽³⁾
Norman W. MacDonald⁽²⁾⁽⁴⁾
Larry S. Massaro⁽²⁾
Katherine L. Minyard⁽¹⁾⁽³⁾
David G. Smith⁽¹⁾⁽⁴⁾

⁽¹⁾ Member of Audit Committee

⁽²⁾ Member of Reserves and Health, Safety and Environment Committee

⁽³⁾ Member of Compensation Committee

⁽⁴⁾ Member of Governance & Sustainability Committee

Officers

Michael Belenkie, President and CEO
Craig Blackwood, CFO
Neil Bokenfohr, Senior Vice President
John Quaife, Vice President, Finance
Darren Tisdale, Vice President, Geosciences
Geoff Keyser, Vice President, Corporate Development
Brian Bagnell, Vice President, Commodities and Capital Markets

Corporate Secretary

Jay P. Reid, Partner
Burnet, Duckworth and Palmer LLP

Auditors

PricewaterhouseCoopers LLP

Bankers

The Bank of Nova Scotia
National Bank of Canada
Royal Bank of Canada
Canadian Imperial Bank of Commerce
ATB Financial
The Toronto – Dominion Bank
Business Development Bank of Canada
Wells Fargo Bank N.A., Canadian Branch

Independent Reserve Evaluators

McDaniels & Associates Consultants Ltd.

Legal Counsel

Burnet, Duckworth and Palmer LLP

Transfer Agent

Computershare Trust Company of Canada

Corporate Office

2200, 440 – 2nd Avenue SW
Calgary, Alberta T2P 5E9
(403) 718-8000

Contact Us

Toll free: 1-866-393-0393
Email: ir@advantageog.com
Visit our website at www.advantageog.com

Toronto Stock Exchange Trading Symbols

AAV: Common shares
AAV.DB: Debentures



Corporate Office

2200, 440 – 2nd Avenue SW
Calgary, Alberta T2P 5E9
(403) 718-8000

Contact Us

Toll free: 1-866-393-0393
Email: ir@advantageog.com
Visit our website at www.advantageog.com