A Progressive Montney Producer for the New Energy Market

A final base shelf prospectus containing important information relating to the securities described in this presentation has been filed with the securities regulatory authorities in each of the provinces of Canada, other than the province of Quebec. A copy of the final base shelf prospectus, any amendment to the final base shelf prospectus and any applicable shelf prospectus supplement that has been filed, is required to be delivered with this presentation. An electronic or paper copy of the final base shelf prospectus, a copy of the final base shelf prospectus, any applicable shelf prospectus supplement that has been filed, and any amendments to the documents may be obtained without charge, from TD Securities Inc. at 1625 Tech Avenue, Mississauga, Ontario L4W 5P5, Attention Symcor, NPM, or by telephone at (289) 360-2009 or by email at sdcconfirms@td.com by providing such contact with an email address or address, as applicable.

This presentation does not provide full disclosure of all material facts relating to the securities offered. Investors should read the final base shelf prospectus, any amendment and any applicable shelf prospectus supplement for disclosure of those facts, especially the risk factors relating to the securities offered, before making an investment decision.

ADVANTAGE
ENERGY LTD.

Investor Overview of the Strategic Asset Acquisition

June 2024

Advantage Corporate Highlights – Prior to Close of the Acquisition[1]

Market Overview

Market Capitalization: $1.9 b

Enterprise Value: $2.1 b

Net Debt[2]: $233.1 m[3] *(Advantage only)*

Shares Outstanding: 161.1 m

TSX 52-week high/low: AAV $11.73 - $7.24

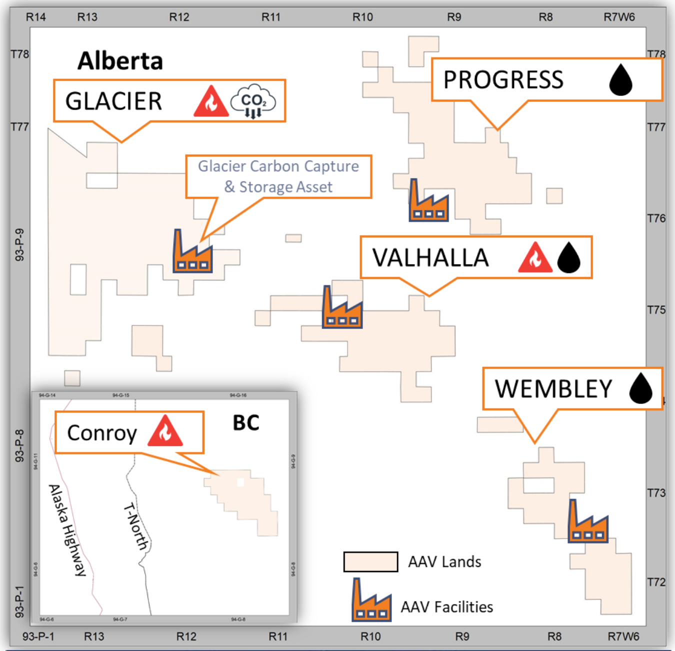
2024 Guidance [4]

Strategic focus: AFF per share[2] growth

65,000 to 68,000 boe/d

$220 m to $250 m capital spending

All free cash flow[2] dedicated to buybacks



Advantage Glacier Gas Plant

Pure Play Montney Producer

Decades of top-tier inventory

Glacier Gas Plant capacity of 425 mmcf/d

Operating cost ~$0.64/mcfe

Carbon Capture and Storage Developer

Subsidiary, Entropy Inc., financed by Brookfield and Canada Growth Fund

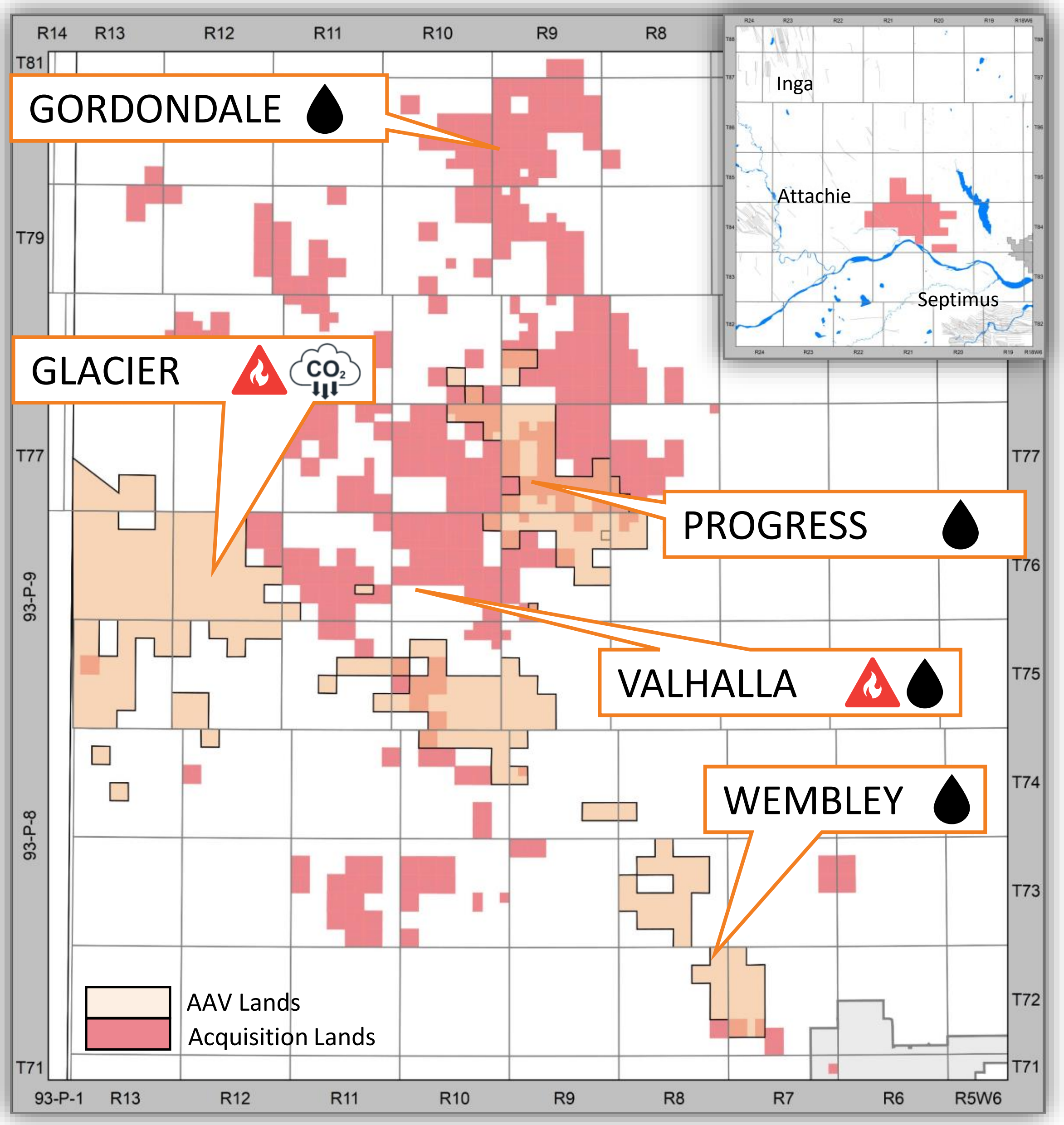
Developing global scale “pipeline” of projects

Post-combustion CCS project at Glacier is first-in-kind globally

Ownership of leading solvent and process technologies

1. Advantage announced that it entered into a definitive asset purchase agreement to acquire assets (the “Assets”) for cash consideration of $450 million (the “Acquisition”) that is expected to close by the end of June 2024. All corporate capitalization, guidance and operating figures above are presented prior to successfully closing the Acquisition. See press release dated June 10, 2024.
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 where required, a reconciliation of the specified financial measure to the most directly comparable IFRS measure.
3. Net debt for Advantage Energy Ltd. as at March 31, 2024, excluding Entropy Inc., a subsidiary of Advantage.
4. All 2024 Guidance excludes the financial and operating results of Entropy Inc., a subsidiary of Advantage.

Acquisition Highlights[1]



Cash consideration of $450 million, before closing adjustments

14,100 boe/d of production (53% oil & liquids, 47% natural gas)[2]; liquids are mostly high-value oil and condensate

163 net sections of Charlie Lake rights in the premium Charlie Lake oil producing fairway

37 net sections of Montney rights in the Alberta Montney and 33 net sections of Montney rights in Northeast British Columbia

Stacked Charlie Lake and Montney rights provide multiple benches of gas and liquids resource

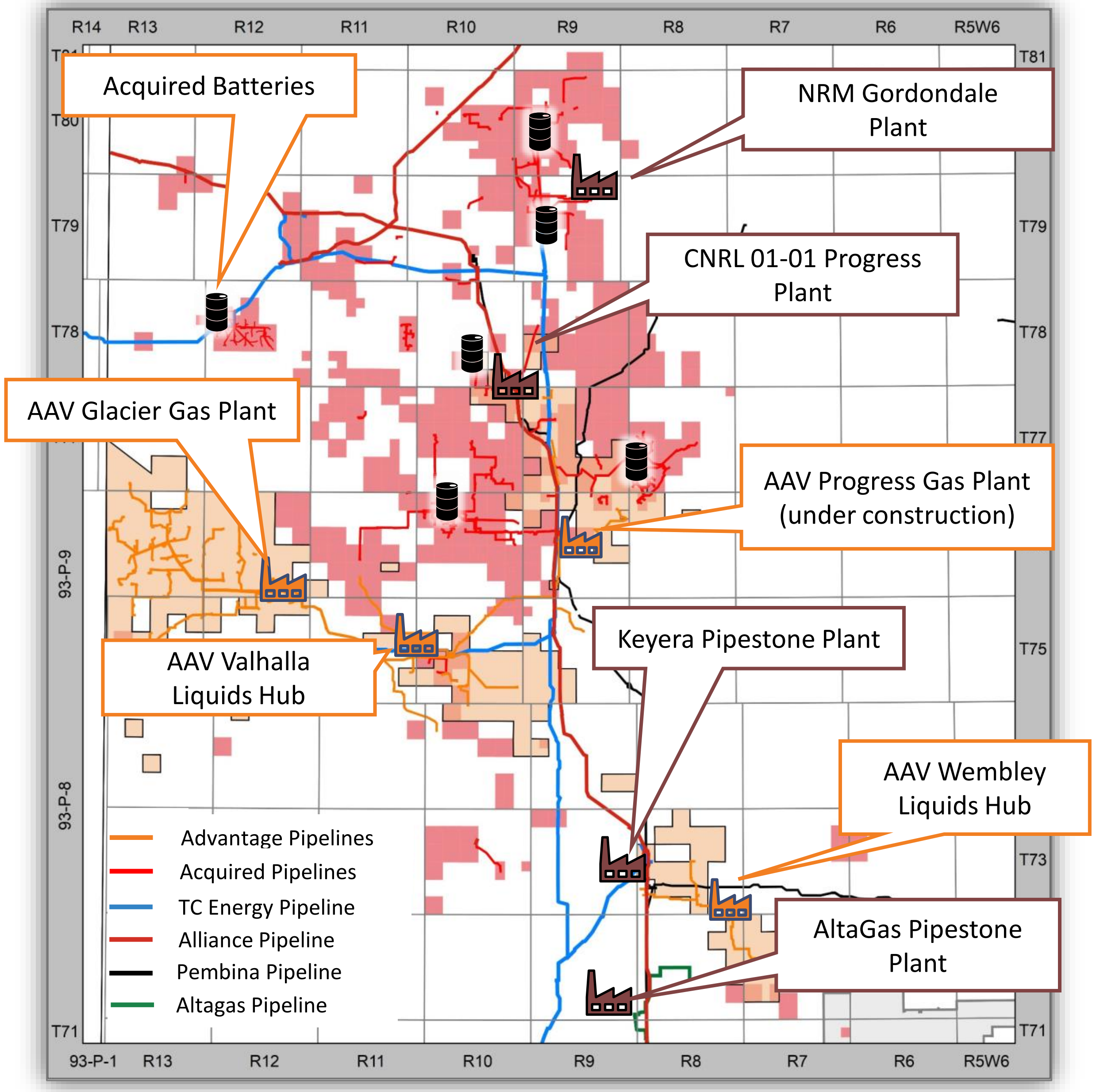
Over 100 Tier 1 Charlie Lake locations, representing >10 years of drilling inventory[3]

Over 60 mmcf/d and ~22,500 bbl/d of operated complementary infrastructure capacity

Pro forma development plan leverages Advantage's established position and core competencies

1. Advantage announced that it entered into a definitive asset purchase agreement to acquire assets (the "Assets") for cash consideration of $450 million (the "Acquisition") that is expected to close by the end of June 2024. See press release dated June 10, 2024.
2. Includes 6,685 bbls/d light and medium oil, 810 bbls/d of NGLs, and 39.7 mmcf/d of natural gas
3. Based on McDaniel & Associates Consultants Ltd. December 31, 2023 Reserves Report and Management estimates. See Advisory.

Overlapping Assets Drive Strong Operating Synergies



<u>Regional consolidation benefits Advantage in several key areas:</u>

Acquired gas volumes can be re-directed to the Progress Gas Plant upon completion

Cost savings through elimination of redundant infrastructure investments

Advantage's existing plant capacity allows optimization of acquired production at a very low cost

Future cost reductions from dual-use surface facilities

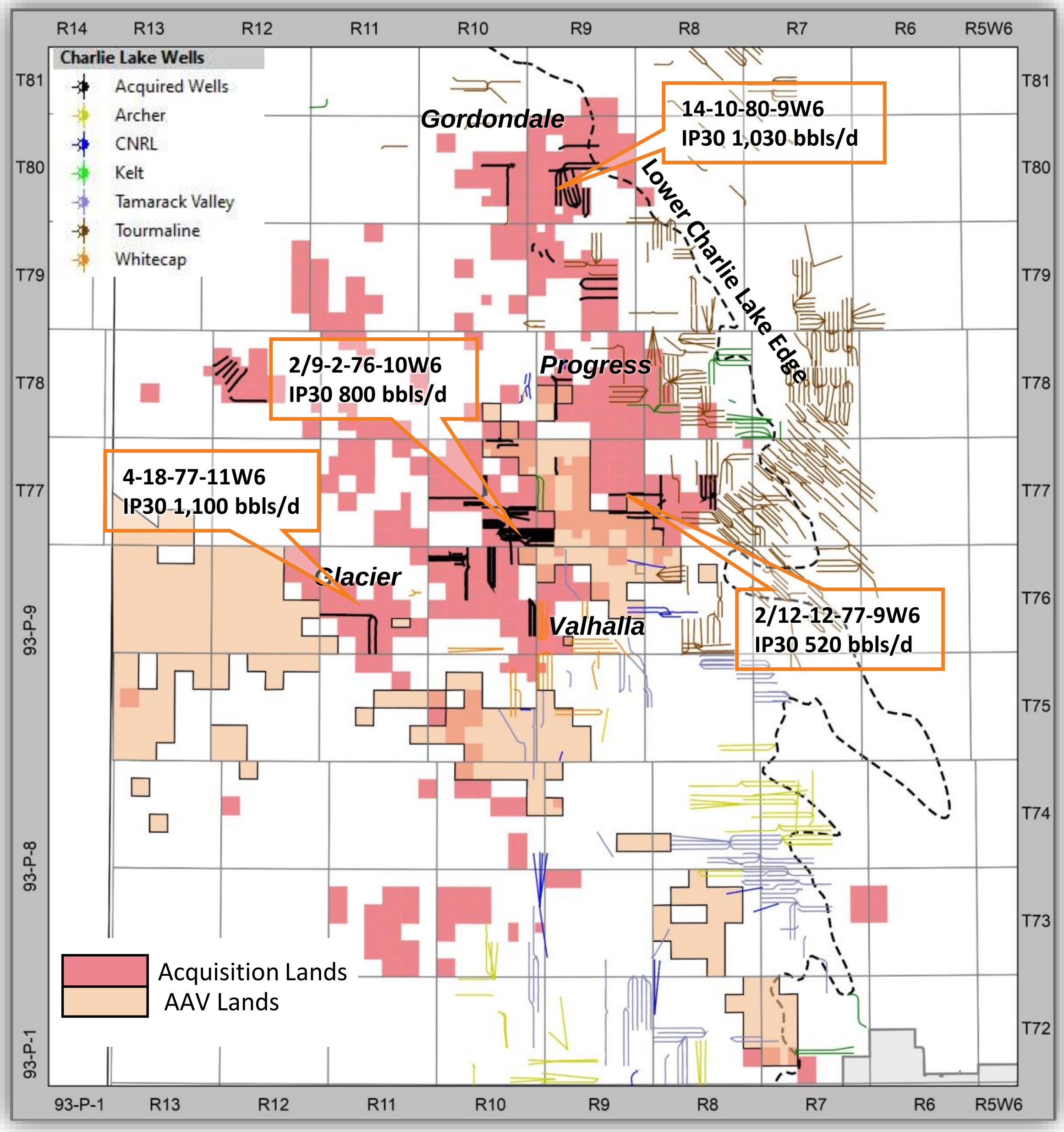
Advantage can high-grade development and selectively target wells with the highest returns

11% ownership of CNRL 01-01 Progress facility provides 15 mmcf/d of processing capacity

40 mmcf/d of additional contracted processing capacity, including at CSV Albright which unlocks growth at Wembley

1. Advantage announced that it entered into a definitive asset purchase agreement to acquire assets (the “Assets”) for cash consideration of $450 million (the “Acquisition”) that is expected to close by the end of June 2024. See press release dated June 10, 2024.

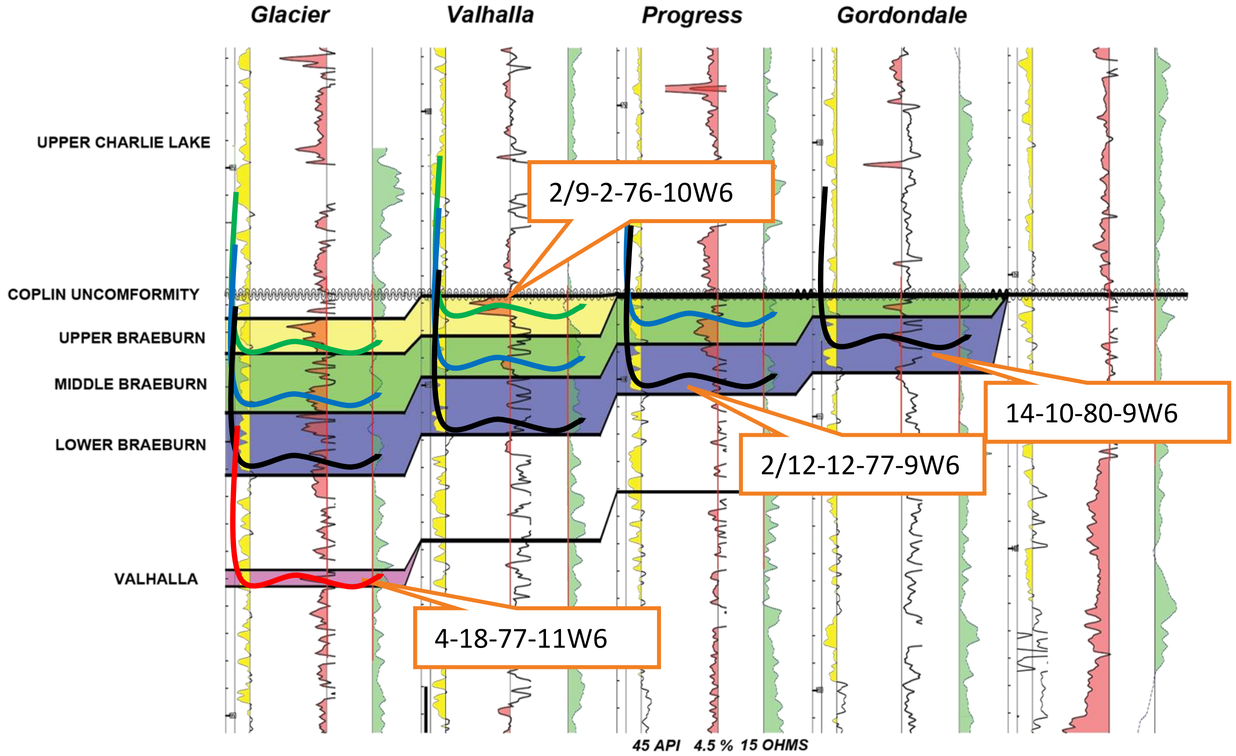
Premium Charlie Lake Asset in Heart of the Fairway



Acquiring 163 net sections of Charlie Lake rights in the premium Charlie Lake oil producing fairway

Regional delineation strategy has derisked multiple horizons including recent 4-18 well at IP30 of 1,100 bbls/d

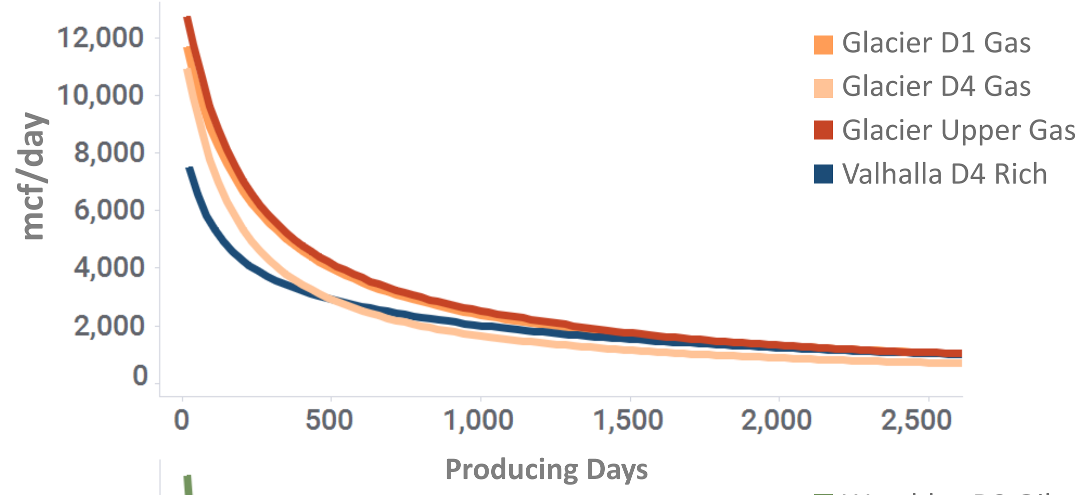
Inventory of Tier 1 drill-ready locations throughout the asset

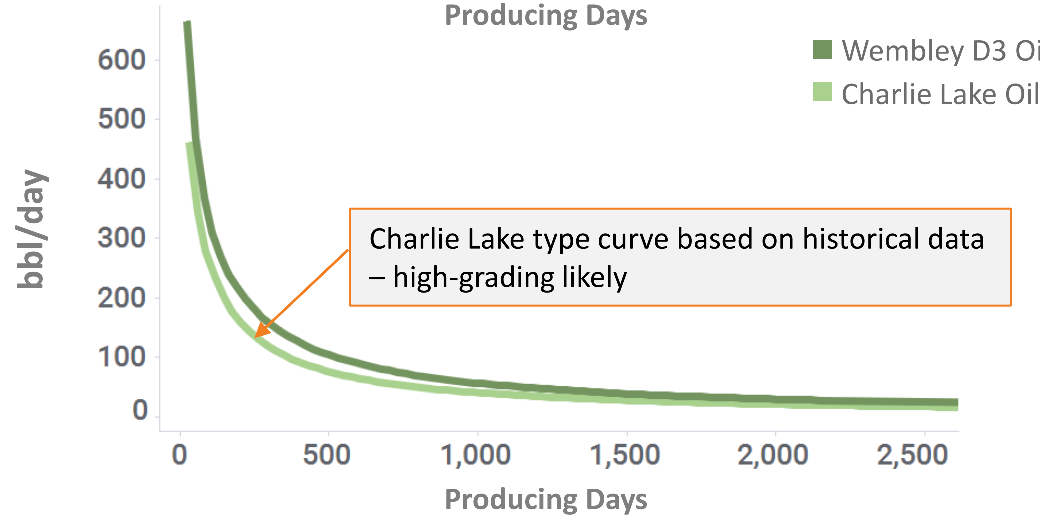


1. Advantage announced that it entered into a definitive asset purchase agreement to acquire assets (the "Assets") for cash consideration of $450 million (the "Acquisition") that is expected to close by the end of June 2024. See press release dated June 10, 2024.

Compelling Economics Across Multiple Assets

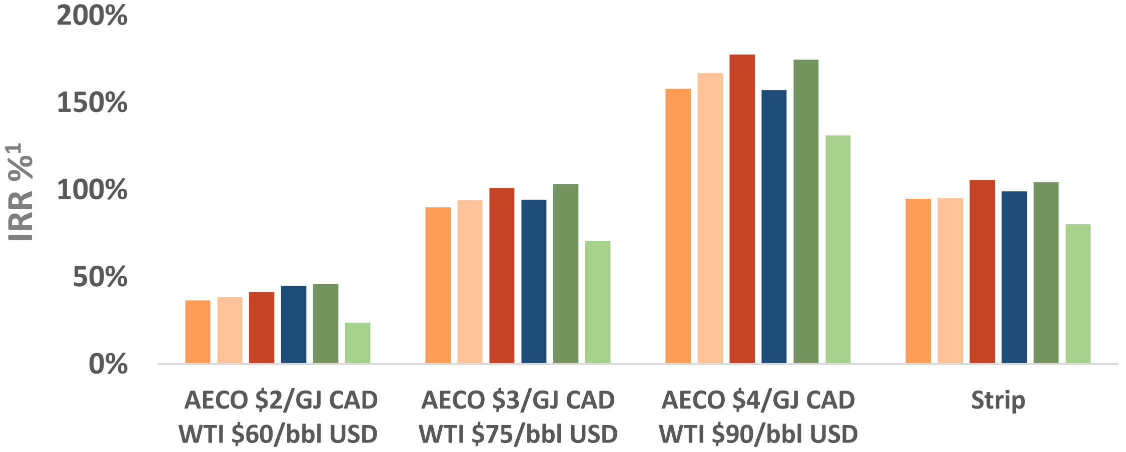
AAV Tier 1 Half Cycle Production Generic Type Wells[3]





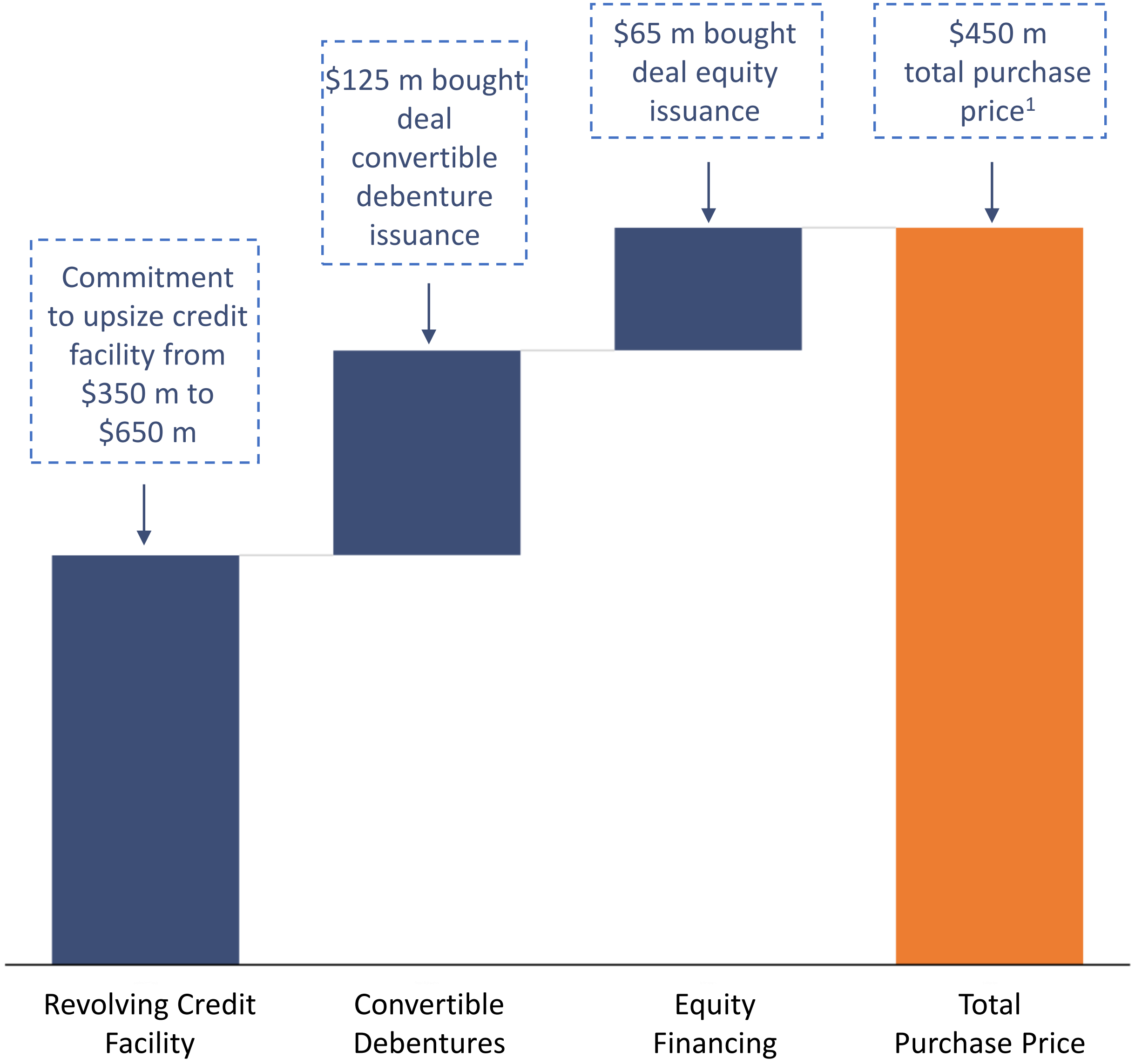
Type Curve[4]	Generic IRR[1,4] (%)	Generic Payout[1,4] (months)	Generic Type Well Capital ($MM)[3]	Liquids (%)	Oil & C5+ (%)
Glacier D1 Gas	95%	13	$6.8	2%	1%
Glacier D4 Gas	95%	12	$6.8	6%	3%
Glacier Upper Gas	106%	12	$6.8	2%	1%
Valhalla D4 Rich	99%	12	$7.8	25%	22%
Wembley D3 Oil	104%	10	$8.5	57%	50%
Charlie Lake Oil[6]	80%	10	$5.8	56%	53%

AAV Tier 1 Half Cycle Type Well Economics[4,5]



1. 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".
2. Forward-looking information. See "Corporate Update" on page 3 in Advantage's MD&A for the year ended December 31, 2023 for an explanation of significant differences in forward-looking information and historical results. Refer to the Advisory in this presentation for material assumptions and risk factors.
3. Production and economic forecasts per internal management estimates. Type well capital inclusive of drilling, completions, equip and tie in of a generic multi-well pad.
4. Economic calculations based on forward pricing assumptions: WTI US$/bbl (2024–$78, 2025–$73), AECO $CDN/GJ (2024–$1.80, 2025–$2.95), FX $CDN/$US (2024–1.36, 2025–1.35). Well payout is calculated from onstream date. Type curves assume November 2024 onstream.
5. Flat pricing assumptions calculated using FX $CDN/$US of 1.35, inflation (2026+ @ 2%). Commodity prices referenced are AECO $CDN/GJ and WTI $US/bbl.
6. Charlie Lake Oil Type Curve uses Longshore Resources Ltd.'s ("Longshore") price and cost structure, prior to Advantage synergies

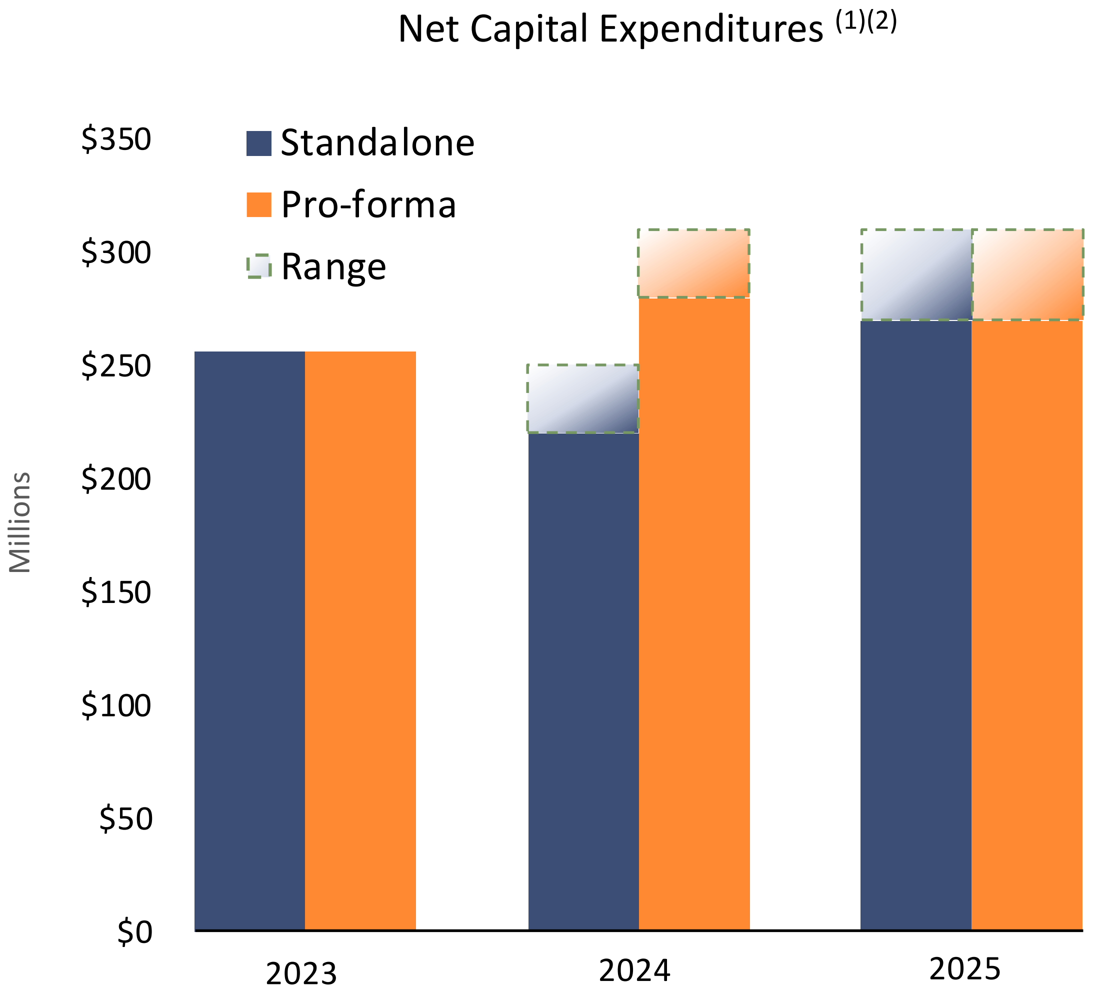
Prudent, Low-cost Acquisition Financing Mix

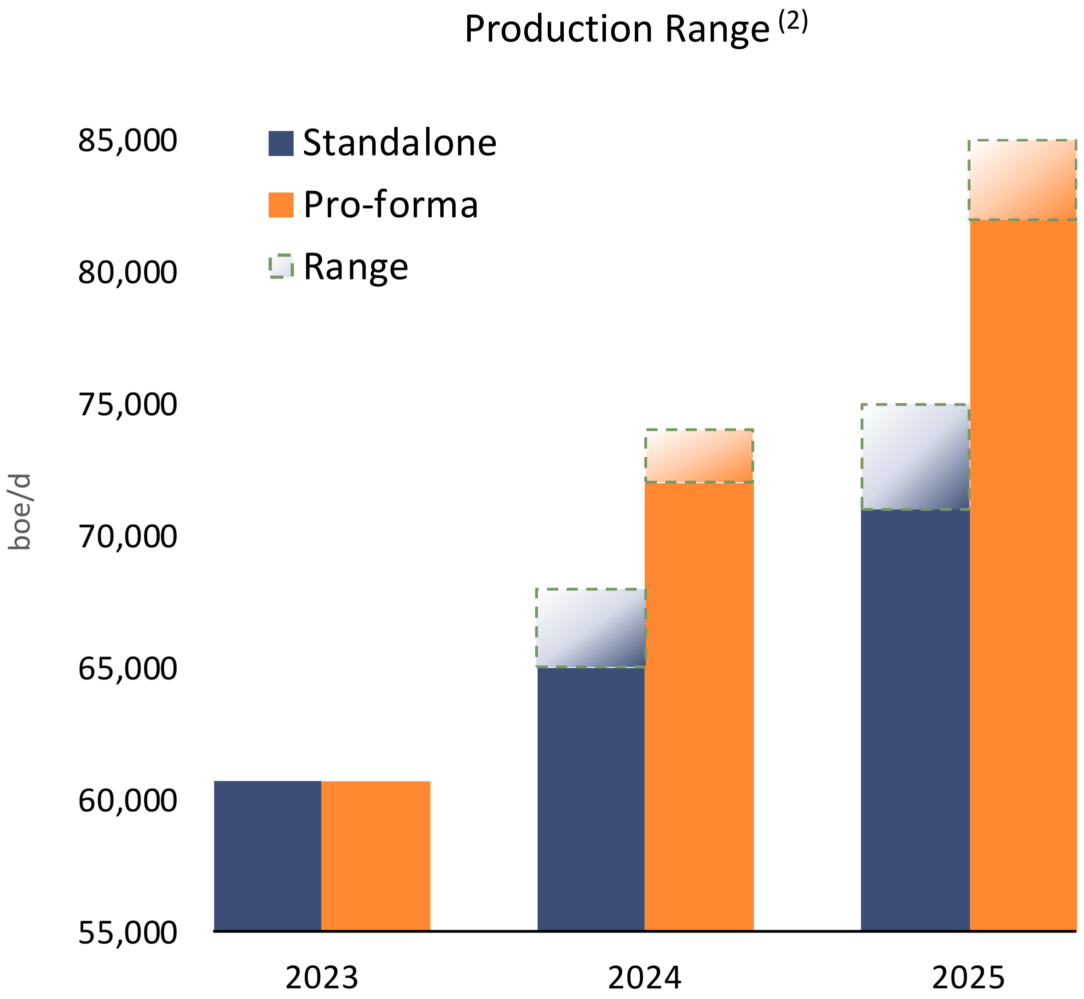


- **Combination of equity, debentures, and debt maintains balance sheet strength while providing meaningful shareholder accretion**
- **Convertible debentures provide flexibility and stability to the capital structure through 5-year term**
- **Strong liquidity maintained with upsized revolving credit facility to $650 million**
- **<1.0x Net Debt / AFF(2) target by year-end 2025 supported by disciplined hedging program and significant pro forma Free Cash Flow(2) accretion**

1. Advantage announced that it entered into a definitive asset purchase agreement to acquire assets (the "Assets") for cash consideration of $450 million (the "Acquisition") that is expected to close by the end of June 2024. See press release dated June 10, 2024. Purchase price is prior to closing adjustments and transaction fees.
2. See "Specified Financial Measures" in Advantage's MD&A for the year ended December 31, 2023 and the three months ended March 31, 2024 for information relating to these measures, which information is incorporated by reference into this presentation. See "Specified Financial Measures" in the Advisory of this presentation.

Three-Year Strategic Plan Augmented by Strategic Acquisition



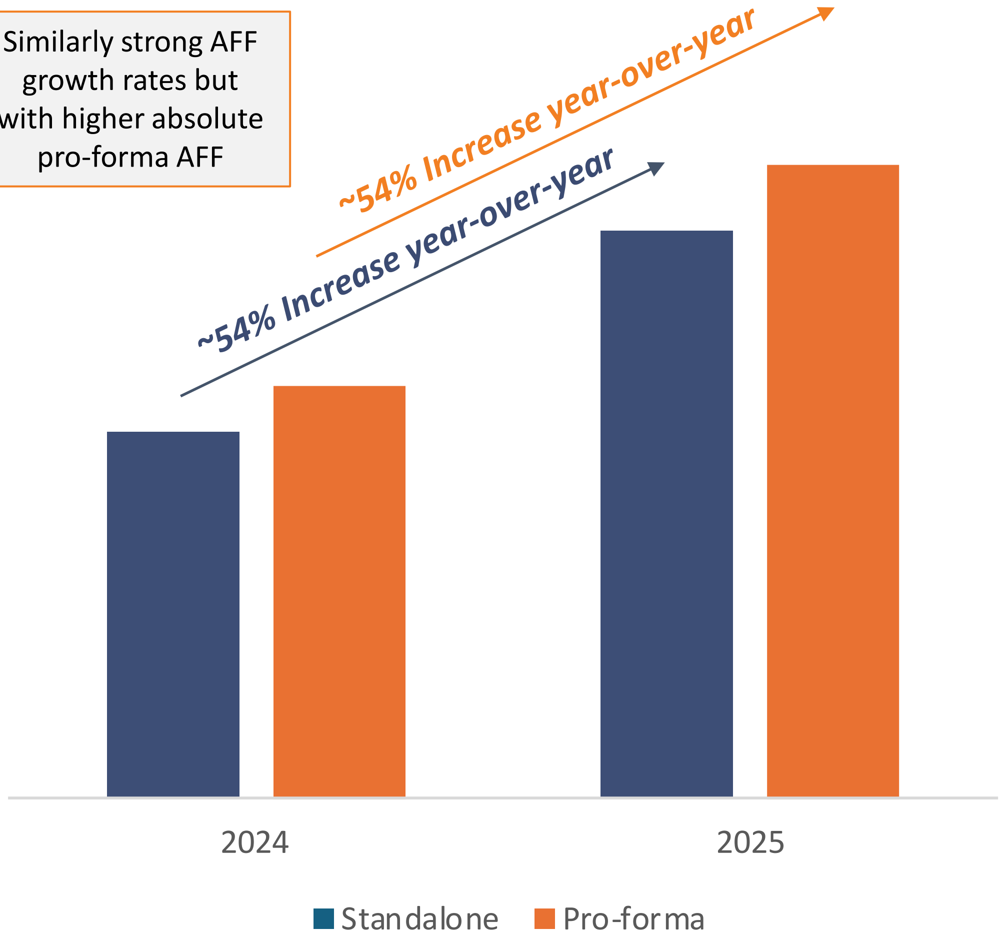


1. See "Specified Financial Measures" in Advantage's MD&A for the year ended December 31, 2023 and the three months ended March 31, 2024 for information relating to these measures, which information is incorporated by reference into this presentation. See "Specified Financial Measures" in the Advisory of this presentation.
2. Forward-looking information. See "Corporate Update" on page 3 in Advantage's MD&A for the year ended December 31, 2023 for an explanation of significant differences in forward-looking information and historical results. Refer to the Advisory in this presentation for material assumptions and risk factors. 2025 for illustration purposes only and is subject to a number of factors including recent well results.
3. Advantage announced that it entered into a definitive asset purchase agreement to acquire assets (the "Assets") for cash consideration of $450 million (the "Acquisition") that is expected to close by the end of June 2024. See press release dated June 10, 2024. Purchase price is prior to closing adjustments and transaction fees.

Acquisition Result: Higher AFF per Share, Stronger Business Overall

Adjusted Funds Flow per Share at Forward Pricing[1][2]

Similarly strong AFF growth rates but with higher absolute pro-forma AFF



- **Immediately accretive to all key metrics, including 24% AFF-per-share**[1] **and 12% production-per-share over the next 12 months**
- **Synergies and capex reduction significantly lowers Advantage's Pro Forma payout ratio and almost doubles Free Cash Flow compared to prior stand-alone estimates**
- **Acquisition adds ~14,100 boe/d** [2] **of liquids-weighted production, nearly doubling Advantage's standalone 2023-2025 production CAGR, while improving cash netbacks**
- **Enhanced Free Cash Flow coupled with oil diversification allows for a fortified return of capital framework upon reaching net debt target of $450 million** [1]

1. 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".
2. Includes 6,685 bbls/d light and medium oil, 810 bbls/d of NGLs, and 39.7 mmcf/d of natural gas
3. Forward-looking information. See "Corporate Update" on page 3 in Advantage's MD&A for the year ended December 31, 2023 for an explanation of significant differences in forward-looking information and historical results. Refer to the Advisory in this presentation for material assumptions and risk factors.
4. Forward pricing assumptions: WTI US$/bbl (2024–$78, 2025–$73), AECO $CDN/GJ (2024–$1.80, 2025–$2.95), FX $CDN/$US (2024–1.36, 2025–1.35), includes hedges.
5. Advantage announced that it entered into a definitive asset purchase agreement to acquire assets (the "Assets") for cash consideration of $450 million (the "Acquisition") that is expected to close by the end of June 2024. See press release dated June 10, 2024.

Advisory

This presentation relates to a public offering (the "Offering") of subscription receipts (the "Subscription Receipts") and extendible convertible unsecured subordinated debentures (the "Debentures") of Advantage Energy Ltd. (the "Corporation" or "Advantage"). The information provided in this presentation is not intended to provide financial, tax, legal or accounting advice. Each offeree, prior to investing in the Offering should perform and rely on its own investigation and analysis of the Corporation and the terms of the Offering, including the merits and risks involved.

THIS PRESENTATION DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY SECURITIES IN THE UNITED STATES, NOR MAY ANY SECURITIES REFERRED TO HEREIN BE OFFERED OR SOLD IN THE UNITED STATES ABSENT REGISTRATION OR AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") AND THE RULES AND REGULATIONS THEREUNDER. THE SECURITIES REFERRED TO HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OR ANY STATE SECURITIES LAWS. ACCORDINGLY, THE OFFERED SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT IN TRANSACTIONS EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS.

Forward-Looking Information and Statements

The information in this presentation contains certain forward-looking information and forward-looking statements (collectively, "forward-looking statements") within the meaning of applicable securities laws relating to the Corporation's plans and other aspects of its anticipated future operations, management focus, strategies, financial, operating and production results and business opportunities. These statements relate to future events or our future intentions or performance. All statements other than statements of historical fact may be forward-looking statements. The statements have been prepared by Management to provide an outlook of the Corporation's activities and results and may not be appropriate for other purposes. Forward- looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "guidance", "demonstrate", "expect", "may", "can", "will", "project", "predict", "potential", "target", "objectives", "intend", "could", "might", "should", "believe", "would" and similar expressions and include statements relating to, among other things: Advantage's focus, strategy and development plans both prior to and as a result of the proposed Acquisition; Advantage's 2024 guidance prior to the Acquisition, including its strategic focus of growing adjusted funds flow per share, anticipated average annual production, anticipated annual capital spending and its expectation that all free cash flow will be dedicated to share buybacks prior closing to the Acquisition; the anticipated benefits to be derived from the Acquisition, including, but not limited to, the pro-forma effects of the Acquisition on Advantage's production, infrastructure capacity, corporate efficiencies and operating synergies, cost savings, economic factors, business plans, and anticipated financial results, including Advantage's net debt to adjusted funds flow target by year-end 2025, adjusted funds flow per share at forward pricing (with and without share buybacks), decreases in payout ratio, increases in free cash flow, adjusted funds flow per share, production per share, production CAGR, improved netbacks and expectation of an accelerated and sustainable return of capital framework; Advantage's three-year strategic plan, including its anticipated net capital expenditures and annual production in 2024 and 2025; expectations that Advantage's pro forma development plan will leverage Advantage's established position and core competencies; and Advantage's anticipated means of financing the Acquisition and the anticipated terms thereof and benefits to be derived therefrom. Advantage's actual decisions, activities, results, performance or achievement could differ materially from those expressed in, or implied by, such forward-looking statements and accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur or, if any of them do, what benefits that Advantage will derive from them.

Advisory

With respect to the forward-looking statements contained in this presentation, Advantage has made a number of material assumptions regarding, but not limited to: conditions in general economic and financial markets; effects of regulation by governmental agencies; current and future commodity prices; the Corporation's current and future hedging program; future exchange rates; future production and composition including natural gas and liquids; royalty regimes and future royalty rates; future operating costs; future transportation costs and availability of product transportation capacity; future general and administrative costs; the estimated well costs including frac stages and lateral lengths per well; the number of new wells required to achieve the objectives of the three-year strategic plan; that the Corporation will have sufficient financial resources required to fund its capital and operating expenditures and requirements as needed; timing and amount of net capital expenditures; the impact of increasing competition; 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 properties in the manner currently contemplated; current or, where applicable, proposed assumed industry conditions, laws and regulations will continue in effect or as anticipated; the closing of the Acquisition and the Acquisition financings will occur when anticipated and on the terms anticipated; ability to meet the conditions to closing of the Acquisition, including receipt of regulatory approvals; ability to meet the conditions to closing of the Offering, including the listing of the Subscription Receipts, the Debentures and the Common Shares issuable pursuant to the terms of the Subscription Receipts and the Debentures on the TSX; anticipated debt levels, operational expenses and tax rates following closing of the Acquisition and Financing; the performance of Advantage's business and the assets Acquired pursuant to the Acquisition; impacts of the acquisition on the Corporation's hedging program; and timing and receipt of regulatory approvals and the estimates of the Corporation's production and reserves volumes and the assumptions related thereto (including commodity prices and development costs) are accurate in all material respects.

This presentation contains additional forward-looking statements which are estimates of Advantage's 2024 to 2025 net capital expenditures and annual production. The foregoing estimates are based on various assumptions and are provided for illustration only and are based on budgets and forecasts that have not been finalized and are subject to change and a variety of contingencies including prior years' results. In addition, the foregoing estimates and assumptions underlying the 2025 forecasts are Management prepared only and have not been approved by the Board of Directors of Advantage. These forecasts are made as of the date of this presentation and except as required by applicable securities laws, Advantage undertakes no obligation to update such forecasts. In addition to the assumptions listed above including that the Acquisition and the Offering closes as expected, Advantage has made the following assumptions with respect to the 2024 to 2025 forecasts contained in this presentation, unless otherwise specified:

- *Production growth of approximately 20% in 2024 and 14% in 2025 with the proportion of liquids representing 13% in 2024 and 16% in 2025.*
- *Net capital expenditures of $280 million to $310 million for each of 2024 and 2025.*
- *Assumed no share buybacks until net debt target of $450 million is achieved.*
- *Commodity prices utilizing forward pricing assumptions: WTI US$/bbl (2024–$78, 2025–$73), AECO $CDN/GJ (2024–$1.80, 2025–$2.95), FX $CDN/$US (2024–1.36, 2025–1.35).*
- *Current hedges (See Advantage's website).*
- *Advantage expects it will not be subject to cash taxes until calendar 2027 due to its over $1 billion in high-quality tax pools (See note 15 "Income taxes" in Advantage's Consolidated Financial Statements for the year ended December 31, 2023 for estimated tax pools available). Tax pools are increased for net capital expenditures and reduced for tax pools used to reduce taxable income in a specific year.*

Advisory

- *Advantage expects it will not be subject to cash taxes until calendar 2027 due to its over $1 billion in high-quality tax pools (See note 15 "Income taxes" in Advantage's Consolidated Financial Statements for the year ended December 31, 2023 for estimated tax pools available). Tax pools are increased for net capital expenditures and reduced for tax pools used to reduce taxable income in a specific year.*
- *Approximately 1% of the current production and 4% of the year-end 2023 reserves attributable to the Assets are subject to rights of first refusal held by third parties. The information set forth in this presentation assumes that none of these rights of first refusal will be exercised by such parties. To the extent that such rights are exercised, the above pro-forma financial, operational and reserves information will be modified to the extent that such Assets are not acquired by Advantage.*

These statements involve substantial known and unknown risks and uncertainties, certain of which are beyond Advantage's control, including, but not limited to: changes in general economic, market and business conditions; industry conditions; impact of significant declines in market prices for oil and natural gas; actions by governmental or regulatory authorities including increasing taxes and changes in investment or other regulations; changes in tax laws, royalty regimes and incentive programs relating to the oil and gas industry; the effect of acquisitions; Advantage's success at acquisition, exploitation and development of reserves; failure to achieve production targets on the timelines anticipated, or at all; unexpected drilling results; the risk that the Acquisition or the Acquisition financings may not close when anticipated, or at all, and may not result in the benefits anticipated; the risk that Advantage may not satisfy all closing conditions or receive all necessary regulatory approvals for the Acquisition when anticipated, or at all; the risks that Advantage's forecasts and estimates may be inaccurate; the risk that Advantage's net capital expenditures in 2024 and 2025 may be greater than anticipated; the risk that Advantage's production in 2024 and 2025 may be less than anticipated; the risk that the assets being acquired pursuant to the Acquisition may have lower levels of production than anticipated; the risk that the Acquisition may not lead to the financial results anticipated; the risk that Advantage may not complete the Acquisition financings when anticipated on the terms anticipated, or at all; the risk that the Subscription Receipts, the Debentures and the Common Shares issuable pursuant to the terms of the Subscription Receipts and the Debentures may not be listed on the TSX; the risk that Advantage may not file a Prospectus Supplement when anticipated, or at all. Many of these risks and uncertainties and additional risk factors are described in the Corporation's Annual Information Form dated March 4, 2024, which is available at www.sedarplus.ca and www.advantageog.com.

The future acquisition by the Corporation of the Corporation's shares pursuant to a share buyback program, if any, and the level thereof is uncertain. Any decision to implement a share buyback program or acquire shares of the Corporation 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, satisfaction of the solvency tests imposed on the Corporation under applicable corporate law and receipt of regulatory approvals. There can be no assurance that the Corporation will buyback any shares of the Corporation in the future.

Advisory

Management has included the summary of assumptions and risks related to forward-looking information in order to provide readers with a more complete perspective on Advantage's future operations and such information may not be appropriate for other purposes. Advantage's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that Advantage will derive therefrom. Readers are cautioned that the foregoing lists of factors are not exhaustive.

The Corporation and Management believe that the statements have been prepared on a reasonable basis, reflecting management's best estimates and judgments. However, because this information is highly subjective and subject to numerous risks including the risks discussed above, it should not be relied on as necessarily indicative of future results.

Financial Outlook

This presentation 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: Advantage's 2024 guidance prior to the Acquisition, including its strategic focus of growing adjusted funds flow per share, anticipated annual capital spending and its expectation that all free cash flow will be dedicated to share buybacks prior to closing the Acquisitions; Advantage's anticipated financial results as a result of the Acquisition, including its net debt to adjusted funds flow target by year-end 2025, adjusted funds flow per share at forward pricing (with and without share buybacks), decreases in payout ratio, increases in free cash flow, adjusted funds flow per share, production per share and production CAGR; Advantage's three-year strategic plan, including its anticipated net capital expenditures in 2024 and 2025; and Advantage's anticipated means of financing the Acquisition and the anticipated terms thereof and benefits to be derived therefrom; 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 presentation 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. Accordingly, these estimates are not to be relied upon. Because this information is subjective and subject to numerous risks, it should not be relied on 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 presentation was made as of the date of this presentation 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 presentation is not conclusive and is subject to change. Certain economic calculations disclosed on the slide titled "Compelling Economics Across Multiple Assets" based on forward pricing assumptions: WTI US$/bbl (2024–$78, 2025–$73), AECO $CDN/GJ (2024–$1.80, 2025–$2.95), FX $CDN/$US (2024–1.36, 2025–1.35) and flat pricing assumptions calculated using FX $CDN/$US of 1.35, inflation (2026+ @ 2%). Commodity prices referenced are AECO $CDN/GJ and WTI $US/bbl.

Advisory

Oil and Gas Metrics

This presentation contains a number of oil and gas and finance metrics, including "CAGR", "payout", "internal rate of return (IRR)" and "IP30" which do not have standardized meanings or standard methods of calculation and therefore such measures may not be comparable to similar measures used by other companies and should not be used to make comparisons. Such metrics have been included herein to provide readers with additional measures to evaluate the Corporation's performance; however, such measures are not reliable indicators of the future performance of the Corporation and future performance may not compare to the performance in previous periods and therefore such metrics should not be unduly relied upon. Management uses these oil and gas and finance metrics for its own performance measurements and to provide securityholders with measures to compare Advantage's operations over time. Readers are cautioned that the information provided by these metrics, or that can be derived from the metrics presented in this presentation, should not be relied upon for investment or other purposes.

Specified Financial Measures

Throughout this presentation 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 specified 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. Refer to "Specified Financial Measures" in the Corporation's Management's Discussion & Analysis for the year ended December 31, 2023 and the three months ended March 31, 2024 which are available at www.sedarplus.ca and www.advantageog.com, for additional information about certain financial measures, including reconciliations to the nearest GAAP measures, as applicable.

Non-GAAP Financial Measures

<u>Adjusted Funds Flow</u>

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.

Advisory

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. In this presentation, the Corporation also discloses, cumulative net capital expenditures, which is net capital expenditures generated over a multiple year period. Additionally, the Corporation also discloses per well gross capital expenditures, which is net capital expenditures before considering working interest.

Free Cash Flow

Advantage computes free cash flow as adjusted funds flow less net capital expenditures. Advantage uses free cash flow as an indicator of the efficiency and liquidity of Advantage's business by measuring its cash available after net capital expenditures to settle outstanding debt and obligations and potentially return capital to shareholders by paying dividends or buying back common shares. In this presentation, the Corporation also discloses, cumulative free cash flow, which is free cash flow generated over a multiple year period.

Non-GAAP Ratios

Adjusted Funds Flow per Share

Adjusted funds flow per share is derived by dividing adjusted funds flow by the basic weighted average shares outstanding of the Corporation. Management believes that adjusted funds flow per share provides investors an indicator of funds generated from the business that could be allocated to each shareholder's equity position.

Payout

Payout is the point at which all costs associated with a well or project are recovered from the operating netback of the well or project. Payout is considered by Management to be a useful performance measure as a common metric used to evaluate capital allocation decisions.

Advisory

Net Debt to Adjusted Funds Flow Ratio

Net debt to adjusted funds flow is derived by dividing net debt, which is a capital management measure, by adjusted funds flow for the previous four quarters, which is a non-GAAP financial measure. Net debt to adjusted funds flow is a coverage ratio that provides Management and users the ability to determine how long it would take the Corporation to repay its debt if it devoted all of its adjusted funds flow to debt repayment.

Capital Management Measures

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.

Supplementary Financial Measures

Internal Rate of Return ("IRR")

Internal rate of return means the rate of return of a well or the discount rate required to arrive at a NPV equal to zero.

Oil and Gas Information

Barrels of oil equivalent ("boe") and thousand cubic feet of natural gas equivalent ("mcfe") may be misleading, particularly if used in isolation. Boe and mcfe conversion ratios have been calculated using a conversion rate of six thousand cubic feet of natural gas equivalent to one barrel of oil. A boe and mcfe conversion ratio of 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. Given that the value ratio based on the current price of crude oil as compared to natural gas 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.

Advisory

This presentation discloses drilling locations in three categories: (i) proved locations; (ii) probable locations; and (iii) unbooked locations. In respect of the assets being acquired pursuant to the proposed Acquisition, proved locations and probable locations are derived from the evaluation by McDaniel & Associates Consultants Ltd., Longshore's independent reserves evaluators, dated June 7, 2024 with an effective date of December 31, 2023, and account for drilling locations that have associated proved and/or probable reserves, as applicable. Unbooked locations are internal estimates based on prospective acreage and an assumption as to the number of wells that can be drilled per section based on industry practice and internal review. Unbooked locations do not have attributed reserves. In respect of the assets to be acquired pursuant to the Acquisition, the 100 gross drilling locations identified herein, 72 gross are proved locations, 21 gross are probable locations and 7 gross are unbooked locations. Unbooked locations have been identified by management as an estimation of Advantage's multi-year drilling activities based on evaluation of applicable geologic, seismic, engineering, production and reserves information. There is no certainty that Advantage will drill all unbooked drilling locations and if drilled there is no certainty that such locations will result in additional oil and gas reserves or production. The drilling locations on which Advantage actually drills wells will ultimately depend upon the availability of capital, regulatory approvals, seasonal restrictions, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors.

While certain of the unbooked drilling locations have been de-risked by drilling existing wells in relative close proximity to such unbooked drilling locations, some of the other unbooked drilling locations are further away from existing wells where management has less information about the characteristics of the reservoir and therefore there is more uncertainty whether wells will be drilled in such locations, and if drilled there is more uncertainty that such wells will result in additional oil and gas reserves or production.

References in this presentation to production test rates, initial production rates, IP30 other short-term production rates are useful in confirming the presence of hydrocarbons; however, such rates are not determinative of the rates at which such wells will commence production and decline thereafter and are not indicative of long-term performance or of ultimate recovery. Additionally, such rates may also include recovered "load oil" fluids used in well completion stimulation. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production of Advantage. Advantage cautions that the test results should be considered to be preliminary.

Advantage has presented certain type curves and well economics for its Glacier, Valhalla, Wembley and Charlie Lake areas. The type curves presented with respect to Glacier, Vahalla and Wembley are Management estimates based on Advantage's historical production, and with respect to Charlie Lake, based on Longshore's historical production. Such type curves and well economics are useful in understanding Management's assumptions of well performance in making investment decisions in relation to development drilling in such areas and for determining the success of the performance of development wells; however, such type curves and well economics are not necessarily determinative of the production rates and performance of existing and future wells and such type curves do not reflect the type curves used by our independent qualified reserves evaluator in estimating our reserves volumes. The type curves differ as a result of varying horizontal well length, stage count and stage spacing. The type curves represent the average type curves expected. In this presentation, estimated ultimate recovery represents the estimated ultimate recovery associated with the type curves presented; however, there is no certainty that Advantage will ultimately recover such volumes from the wells it drills.

Advisory

Production estimates contained herein are expressed as anticipated average production over the calendar year. Advantage's production disclosed herein is from conventional natural gas, natural gas liquids and light and medium crude oil product types. In determining anticipated production for the years 2024 to 2025, Advantage considered historical drilling, completion and production results for prior years and took into account the estimated impact on production of the Corporation's 2024 to 2025 expected drilling and completion activities.

Abbreviations

The following abbreviations used in this presentation have the meanings set forth below.

bbl	*barrel*
bbl/d	*barrel per day*
bbls/d	*barrels per day*
boe	*barrels of oil equivalent of natural gas, on the basis of one barrel of oil or natural gas liquids for six thousand cubic feet of natural gas*
boe/d	*barrels of oil equivalent per day*
GJ	*Gigajoule*
Mboe	*million barrels of oil equivalent*
Mcf	*thousand cubic feet*
mcfe	*thousand cubic feet equivalent on the basis of six thousand cubic feet of natural gas for one barrel of oil or natural gas liquids*
mcf/d	*thousand cubic feet per day*
mm	*million*
Mmbtu	*million British thermal units*
mmcf	*million cubic feet*
mmcf/d	*million cubic feet per day*
C5+	*pentanes plus*

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