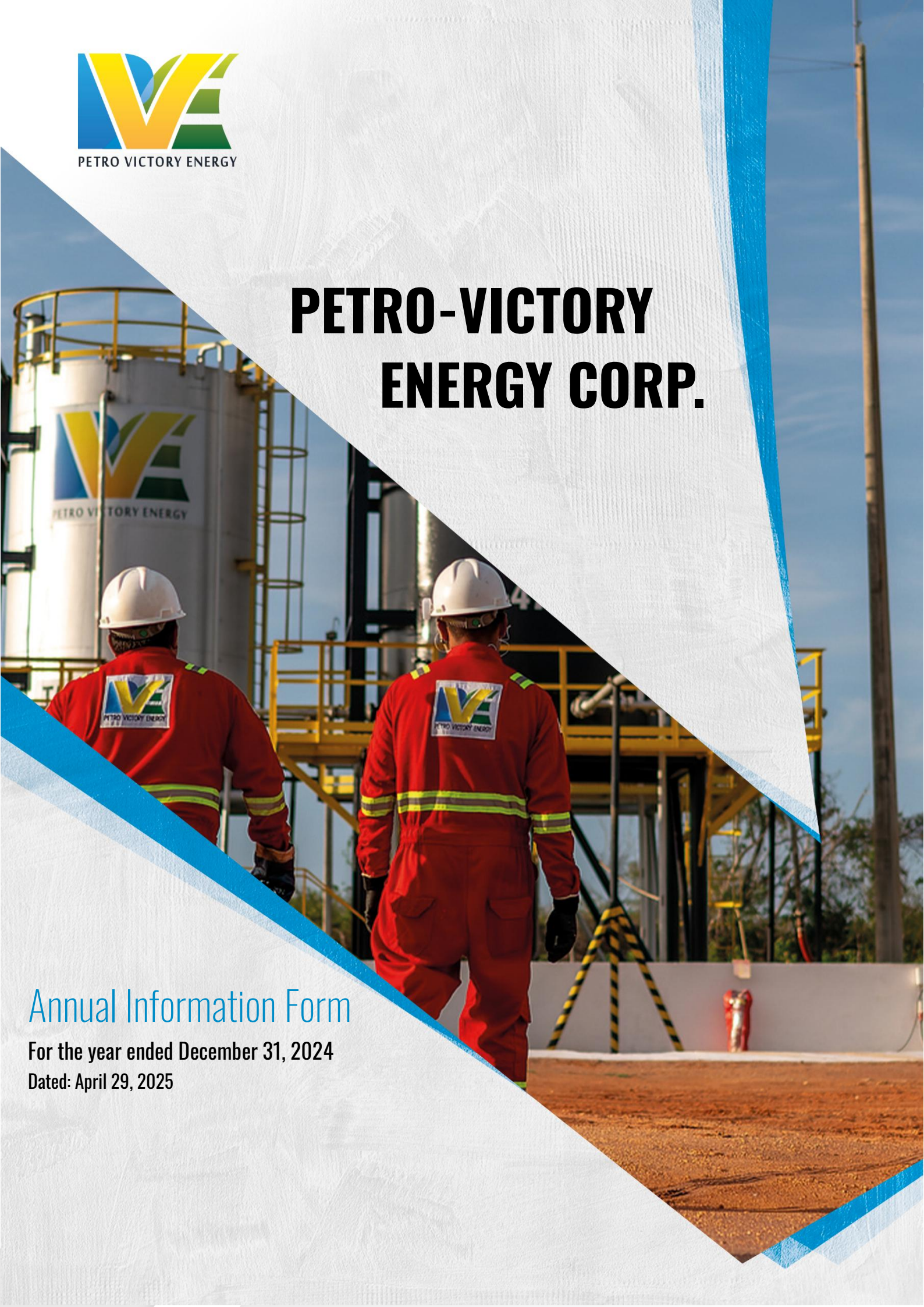
PETRO VICTORY ENERGY

PETRO-VICTORY ENERGY CORP.



Annual Information Form

For the year ended December 31, 2024

Dated: April 29, 2025

TABLE OF CONTENTS

DEFINITIONS AND ABBREVIATIONS 3
ABBREVIATIONS AND CONVERSION 4
NON-GAAP AND OTHER FINANCIAL MEASURES 5
NOTES ON RESERVES AND RESOURCES DATA AND OTHER OIL AND NATURAL GAS INFORMATION 6
FORWARD-LOOKING STATEMENTS 11
PETRO-VICTORY ENERGY CORP. 13
BVI CORPORATE LAW 14
GENERAL DEVELOPMENT OF THE BUSINESS 23
DESCRIPTION OF THE BUSINESS 27
PRINCIPAL PROPERTIES 29
STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION 29
INDUSTRY CONDITIONS 39
RISK FACTORS 42
DIVIDENDS AND DISTRIBUTIONS 52
DESCRIPTION OF CAPITAL STRUCTURE 52
MARKET FOR SECURITIES 54
DIRECTORS AND OFFICERS 56
CONFLICTS OF INTEREST 58
LEGAL PROCEEDINGS AND REGULATORY ACTIONS 59
AUDIT COMMITTEE 59
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS 61
AUDITORS, TRANSFER AGENT AND REGISTRAR 62
MATERIAL CONTRACTS 63
INTERESTS OF EXPERTS 63
ADDITIONAL INFORMATION 63

SCHEDULES

SCHEDULE A – REPORT ON RESERVES DATA BY INDEPENDENT QUALIFIED RESERVES EVALUATOR OR AUDITOR (FORM 51-101F2), EFFECTIVE DECEMBER 31, 2024

SCHEDULE B – DISCLOSURE OF CONTINGENT RESOURCES

SCHEDULE C – REPORT OF MANAGEMENT AND DIRECTORS ON OIL AND GAS DISCLOSURE (FORM 51-101F3)

SCHEDULE D – AUDIT COMMITTEE MANDATE

DEFINITIONS AND ABBREVIATIONS

Unless the context indicates otherwise, the following terms shall have the meanings set out below when used in this Annual Information Form. Certain other terms and abbreviations used herein, but not defined herein, are defined in NI 51-101 or the COGE Handbook and, unless the context otherwise requires, shall have the same meanings herein as in NI 51-101 or the COGE Handbook.

"**AIF**" or "**Annual Information Form**" means this amended and restated annual information form;

"**ANP**" means Agencia Nacional do Petroleo, Gas Natural e Biocombustiveis, or National Agency of Petroleum, Natural Gas and Biofuels, an agency of the Brazilian government;

"**Board**" or "**Board of Directors**" means the board of directors of Petro-Victory as it may be comprised from time to time;

"**BVI**" means the British Virgin Islands;

"**BVI Act**" means the BVI Business Companies Act, 2004 (British Virgin Islands), as amended;

"**COGE Handbook**" means the Canadian Oil and Gas Evaluation Handbook maintained by the Society of Petroleum Evaluation Engineers (Calgary chapter) as amended from time to time;

"**Common Shares**" means the common shares in the capital of Petro-Victory;

"**Company**" or "**Petro-Victory**" means, Petro-Victory Energy Corp., a company incorporated pursuant to the laws of the BVI, and where the context so requires, includes the Company's direct and indirect subsidiaries, Pirity Hidrocarburos S.R.L., Petro-Victory Energy Services Ltd., Petro-Victory, LLC, Petro-Victory Energia Ltda. and any other subsidiaries;

"**Foreign Private Issuer**" means an issuer incorporated or organized outside of the United States except for an issuer meeting both of the following conditions as of the last business day of its most recently completed second fiscal quarter: (i) more than 50 percent of the issuer's outstanding voting securities are directly or indirectly held of record by residents of the United States; and (ii) any one of the following: (A) the majority of the executive officers or directors are United States citizens or residents, (B) more than 50 percent of the assets of the issuer are located in the United States or (C) the business of the issuer is administered principally in the United States;

"**GLJ**" means GLJ Ltd., independent qualified reserves evaluator;

"**GLJ Reserves Report**" means the independent reserves assessment and evaluation dated April 24, 2025 and effective December 31, 2024 prepared by GLJ evaluating the oil, NGLs and natural gas reserves attributable to the Company;

"**NI 51-101**" means National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities*;

"**Petro-Victory Energia**" means Petro-Victory Energia Ltda. a company organized under the laws of Brazil on August, 11, 2017;

"**Petro-Victory, LLC**" means the limited liability company that was organized under the laws of the State of Texas on December 27, 2006 and that holds the Company's interests in Pirity Hidrocarburos S.R.L., Petro-Victory Energia and is a wholly-owned subsidiary of Petro-Victory Energy Corp.;

"**Petro-Victory US**" means Petro-Victory Energy Service Company, the wholly-owned subsidiary of the Company that was organized under the laws of the State of Texas, USA on May 20, 2014;

"**Restricted Voting Shares**" means the Class B common shares of the Company. The Restricted Voting Shares cannot be voted at meetings of shareholders of the Company for matters concerning the nomination and/or election of directors. The Restricted Voting Shares are convertible at any time into Common Shares and, except for the restriction on voting as set forth above, are otherwise identical to the Common Shares in respect of preferences and privileges;

"**Shareholders**" means the holders from time to time of Common Shares, collectively or individually, as the context requires;

"**Tax Act**" means the *Income Tax Act*, R.S.C. 1985, c.1 (5th Supp.) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time;

"**TSXV**" means the TSX Venture Exchange; and

"**United States**" or "**U.S.**" means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia.

Words importing the singular number only include the plural, and vice versa, and words importing any gender include all genders. **Except as otherwise indicated, all dollar amounts set forth in this Annual Information Form are in United States dollars and references to $ are to United States dollars. References to C$ are to Canadian dollars.**

ABBREVIATIONS AND CONVERSION

In this Annual Information Form, the abbreviations set forth below have the following meanings:

	Oil and Natural Gas Liquids
bbl	barrel
bbls	barrels
bbl/d	barrels per day
Mbbls	one thousand barrels
MMbbls	one million barrels
bopd	barrels of oil and natural gas liquids per day
NGL	natural gas liquids

	Natural Gas
Mcf	thousand cubic feet
MMcf	million cubic feet
Mcf/d	thousand cubic feet per day
Mcfpd	thousand cubic feet per day
MMcfpd	million cubic feet per day
MMBtu	million British Thermal Units
boe	barrels of oil equivalent
boepd	barrels of oil equivalent per day
Mboe	thousands of barrels of oil equivalent
MMboe	millions of barrels of oil equivalent
Bcf	billion cubic feet

The following table sets forth certain standard conversions from Standard Imperial Units to the International System of Units (or metric units).

To Convert From	**To**	**Multiply By**
Mcf	Cubic metres	28.174
Cubic metres	Mcf	35.494
bbls	Cubic metres	0.159
Cubic metres	bbls	6.293
Feet	Metres	0.305

Metres	Feet	3.281
Miles	Kilometres	1.609
Kilometres	Miles	0.621
Acres	Hectares	0.405
Hectares	Acres	2.50
Gigajoules	MMbtu	0.950
MMbtu	Gigajoules	1.0526

Other

API	American Petroleum Institute
°API	an indication of the specific gravity of crude oil measured on the API gravity scale. Liquid petroleum with a specified gravity of 28' API or higher is generally referred to as light crude oil
BOE or boe	barrel of oil equivalent on the basis of 1 boe to 6 Mcf of natural gas
Mcfe	thousand cubic feet of gas equivalent on the basis of 6 Mcfe to 1 barrel of oil
m^3	cubic metre
C$	Canadian dollars
M$	Thousands of U.S. or United States dollars
R$	Brazilian real
USD	U.S. dollars
$	U.S. or United States dollars

NON-GAAP AND OTHER FINANCIAL MEASURES

This AIF makes reference to various non-GAAP financial measures, non-GAAP ratios, capital management measures and supplementary financial measures as such terms are defined in National Instrument 52-112 *Non-GAAP and Other Financial Measures Disclosure*. Such measures are not recognized measures under GAAP and do not have a standardized meaning prescribed by International Financial Reporting Standards (IFRS) and therefore might not be comparable to similar financial measures disclosed by other issuers. While these measures may be common in the oil and gas industry, the Company's use of these terms may not be comparable to similarly defined measures presented by other companies. The non-GAAP and other financial measures referred to in this report should not be considered an alternative to, or more meaningful than measures prescribed by IFRS, and they are not meant to enhance the Company's reported financial performance or position. These are complementary measures that are used by management in assessing the Company's financial performance, efficiency and liquidity and they may be used by investors or other users of this document for the same purpose. For more information with respect to financial measures which have not been defined by GAAP, including reconciliations to the closest comparable GAAP measure, see the "*Non-GAAP and Other Financial Measures*" section of the Company's management discussion and analysis accompanying its most recent audited annual financial statements which are available on SEDAR+.

Below is a description of the non-GAAP financial measures, non-GAAP ratios, capital management measures and supplementary financial measures used in this AIF.

Non-GAAP Financial Measures

Operating Netback

Operating netback is calculated as natural gas, oil and condensate sales revenues less royalties and production expenses. Operating netback is a common metric used in the oil and gas industry to demonstrate profitability from operations. For a computation of operating netback, see the table entitled "Average Daily Production Volume, Prices

Received, Royalties Paid, Production Costs and Netback—Natural Gas, Light & Medium Crude Oil and Natural Gas Liquids (NGLs)" in the section entitled *Statement of Reserves and Other Oil and Gas Information*.

Non-GAAP Financial Ratios

Operating Netback per BOE

Operating netback is calculated on a per unit basis, which is per barrel of oil equivalent ("**boe**"). It is a common non-GAAP measure used in the oil and gas industry and management believes this measurement assists in evaluating the operating performance of the Company. It is a measure of the economic quality of the Company's producing assets and is useful for evaluating variable costs as it provides a reliable measure regardless of fluctuations in production. Petro-Victory calculated operating netback per boe as operating netback divided by total sales volumes (barrels of oil equivalent). For a computation of operating netback and operating netback per boe, see the table entitled "Average Daily Production Volume, Prices Received, Royalties Paid, Production Costs and Netback - Natural Gas, Light & Medium Crude Oil and Natural Gas Liquids (NGLs)" in the section entitled *Statement of Reserves and Other Oil and Gas Information*.

Supplementary Financial Measures

"Average realized natural gas price - $/Mcf" is comprised of natural gas sales as determined in accordance with IFRS, divided by the Company's natural gas sales volumes.

"Average realized NGL - condensate price - $/bbl" is comprised of condensate sales as determined in accordance with IFRS, divided by the Company's NGL sales volumes from condensate.

"Average realized oil price - $/bbl" is comprised of oil sales as determined in accordance with IFRS, divided by the Company's oil sales volumes.

"Averaged realized price - $/boe" is comprised of natural gas, condensate and oil sales as determined in accordance with IFRS, divided by the Company's total natural gas, condensate and oil sales volumes (barrels of oil equivalent).

"Royalties per boe" is comprised of royalties, as determined in accordance with IFRS, divided by the total natural gas, condensate and oil sales volumes (barrels of oil equivalent).

"Production expenses per boe" is comprised of production expenses, as determined in accordance with IFRS, divided by the total natural gas, condensate and oil sales volumes (barrels of oil equivalent).

NOTES ON RESERVES AND RESOURCES DATA AND OTHER OIL AND NATURAL GAS INFORMATION

Caution Respecting Reserves Information

The determination of oil and natural gas reserves involves the preparation of estimates that have an inherent degree of associated uncertainty. Categories of reserves have been established to reflect the level of these uncertainties and to provide an indication of the probability of recovery. The estimation and classification of reserves requires the application of professional judgment combined with geological and engineering knowledge to assess whether or not specific reserves classification criteria have been satisfied. Knowledge of concepts including uncertainty and risk, probability and statistics, and deterministic and probabilistic estimation methods is required to properly use and apply reserves definitions.

The recovery and reserve estimates of oil, NGL and natural gas reserves provided herein are estimates only. Actual reserves may be greater than or less than the estimates provided herein. The estimated future net revenue

from the production of the Company's natural gas and petroleum reserves does not represent the fair market value of the Company's reserves.

Caution with respect to BOE

In this AIF, the abbreviation boe means barrel of oil equivalent on the basis of 1 boe to 6 Mcf of natural gas when converting natural gas to boes. Boes may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Met to 1 boe 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 of oil compared to natural gas based on currently prevailing prices is significantly different than the energy equivalency conversion ratio of 6 Mcf to 1 boe, utilizing a conversion ratio of 6 Mcf to 1 boe may be misleading as an indication of value.

Oil and Gas Reserves-related Definitions

Certain terms used in this AIF in describing reserves and other oil and natural gas information are defined below. Certain other terms and abbreviations used in this AIF, but not defined or described, are defined in NI 51-101 or the COGE Handbook and, unless the context otherwise requires, shall have the same meanings herein as in NI 51-101 or the COGE Handbook.

Reserves

Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on: (a) analysis of drilling, geological, geophysical and engineering data; (b) the use of established technology; and (c) specified economic conditions, which are generally accepted as being reasonable and shall be disclosed. Reserves are classified according to the degree of certainty associated with the estimates as follows:

"**proved reserves**" are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

"**probable reserves**" are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

"**possible reserves**" are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves.

The qualitative certainty levels referred to in the definitions above are applicable to "individual reserves entities" (which refers to the lowest level at which reserves calculations are performed) and to "Reported Reserves" (which refers to the highest-level sum of individual entity estimates for which reserves estimates are presented). Reported Reserves should target the following levels of certainty under a specific set of economic conditions:

- at least a 90 percent probability that the quantities actually recovered will equal or exceed the estimated proved reserves;
- at least a 50 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable reserves; and
- a least a 10 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable plus possible reserves.

Each of the reserves categories (proved, probable and possible) may be divided into developed and undeveloped categories as follows:

- "**developed reserves**" are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (e.g., when compared to the cost of drilling a well) to put the reserves on production. The developed category may be subdivided into producing and non-producing as follows:
- "**developed producing reserves**" are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.
- "**developed non-producing reserves**" are those reserves that either have not been on production, or have previously been on production, but are shut-in, and the date of resumption of production is unknown.
- "**undeveloped reserves**" are those reserves expected to be recovered from known accumulations where a significant expenditure (for example, when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves classification (proved, probable, possible) to which they are assigned.

In multi-well pools, it may be appropriate to allocate total pool reserves between the developed and undeveloped categories or to sub-divide the developed reserves for the pool between developed producing and developed non-producing. This allocation should be based on the estimator's assessment as to the reserves that will be recovered from specific wells, facilities and completion intervals in the pool and their respective development and production status.

Contingent Resources

Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingencies may include factors such as economic, legal, environmental, political, and regulatory matters, or a lack of markets. It is also appropriate to classify as contingent resources the estimated discovered recoverable quantities associated with a project in the early evaluation stage. Contingent Resources are further classified in accordance with the level of certainty associated with the estimates and may be subclassified based on project maturity and/or characterized by their economic status.

Total Petroleum Initially-in-place (PIIP)

Total Petroleum Initially-In-Place (PIIP) is that quantity of petroleum that is estimated to exist originally in naturally occurring accumulations. It includes that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations, prior to production, plus those estimated quantities in accumulations yet to be discovered (equivalent to “total resources”).

Discovered Petroleum Initially-In-Place (equivalent to discovered resources) is that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations prior to production. The recoverable portion of discovered petroleum initially in place includes production, reserves, and contingent resources; the remainder is unrecoverable.

Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on the analysis of drilling, geological, geophysical, and engineering data; the use of established technology; and specified economic conditions, which are generally accepted as being reasonable. Reserves are further classified according to the level of certainty associated with the estimates and may be subclassified based on development and production status.
Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingencies may include factors such as economic, legal, environmental, political, and regulatory matters, or a lack of markets. It is also appropriate to classify as contingent resources the estimated discovered recoverable quantities associated with a project in the early evaluation stage. Contingent Resources are further classified in accordance with the level of certainty associated with the estimates and may be subclassified based on project maturity and/or characterized by their economic status.

Undiscovered Petroleum Initially-In-Place (equivalent to undiscovered resources) is that quantity of petroleum that is estimated, on a given date, to be contained in accumulations yet to be discovered. The recoverable portion of undiscovered petroleum initially in place is referred to as "prospective resources," the remainder as "unrecoverable."

Prospective Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated chance of discovery and a chance of development. Prospective Resources are further subdivided in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development and may be subclassified based on project maturity.

Uncertainty Categories for Resources Estimates

The range of uncertainty of estimated recoverable volumes may be represented by either deterministic scenarios or by a probability distribution. Resources should be provided as low, best, and high estimates as follows:

> **Low Estimate**: This is considered to be a conservative estimate of the quantity that will actually be recovered. It is likely that the actual remaining quantities recovered will exceed the low estimate. If probabilistic methods are used, there should be at least a 90 percent probability (P90) that the quantities actually recovered will equal or exceed the low estimate.
>
> **Best Estimate:** This is considered to be the best estimate of the quantity that will actually be recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the best estimate. If probabilistic methods are used, there should be at least a 50 percent probability (P50) that the quantities actually recovered will equal or exceed the best estimate.
>
> **High Estimate:** This is considered to be an optimistic estimate of the quantity that will actually be recovered. It is unlikely that the actual remaining quantities recovered will exceed the high estimate. If probabilistic methods are used, there should be at least a 10 percent probability (P10) that the quantities actually recovered will equal or exceed the high estimate.

This approach to describing uncertainty may be applied to reserves, contingent resources, and prospective resources. There may be significant risk that sub-commercial and undiscovered accumulations will not achieve commercial

production. However, it is useful to consider and identify the range of potentially recoverable quantities independently of such risk.

Interests in Reserves, Production, Wells and Properties

"**gross**" means: (a) in relation to an issuer's interest in production or reserves, its "company gross reserves", which are its working interest (operating or non-operating) share before deduction of royalties and without including any royalty interests of the issuer; (b) in relation to wells, the total number of wells in which an issuer has an interest; and (c) in relation to properties, the total area of properties in which an issuer has an interest.

"**net**" means: (a) in relation to an issuer's interest in production or reserves its working interest (operating or non-operating) share after deduction of royalty obligations, plus its royalty interests in production or reserves; (b) in relation to an issuer's interest in wells, the number of wells obtained by aggregating the issuer's working interest in each of its gross wells; and (c) in relation to an issuer's interest in a property, the total area in which the issuer has an interest multiplied by the working interest owned by the issuer.

"**working interest**" means the percentage of undivided interest held by an issuer in the oil and/or natural gas or mineral lease granted by the mineral owner, which interest gives the issuer the right to "work" the property (lease) to explore for, develop, produce and market the leased substances.

Description of Exploration and Development Wells and Costs

"**development costs**" means costs incurred to obtain access to reserves and to provide facilities for extracting, treating, gathering and storing the crude oil and natural gas from the reserves. More specifically, development costs, including applicable operating costs of support equipment and facilities and other costs of development activities, are costs incurred to: (a) gain access to and prepare well locations for drilling, including surveying well locations for the purpose of determining specific development drilling sites, clearing ground, draining, road building, and relocating public roads, gas lines and power lines, to the extent necessary in developing the reserves; (b) drill and equip development wells, development type stratigraphic test wells and service wells, including the costs of platforms and of well equipment such as casing, tubing, pumping equipment and wellhead assembly; (c) acquire, construct and install production facilities such as flow lines, separators, treaters, heaters, manifolds, measuring devices and production storage tanks, natural gas cycling and processing plants, and central utility and waste disposal systems; and (d) provide improved recovery systems.

"**development well**" means a well drilled inside the established limits of an oil or gas reservoir, or in close proximity to the edge of the reservoir, to the depth of a stratigraphic horizon known to be productive.

"**exploration costs**" means costs incurred in identifying areas that may warrant examination and in examining specific areas that are considered to have prospects that may contain oil and natural gas reserves, including costs of drilling exploratory wells and exploratory type stratigraphic test wells. Exploration costs, which include applicable operating costs of support equipment and facilities and other costs of exploration activities, are: (a) costs of topographical, geochemical, geological and geophysical studies, rights of access to properties to conduct those studies, and salaries and other expenses of geologists, geophysical crews and others conducting those studies (collectively sometimes referred to as "geological and geophysical costs"); (b) costs of carrying and retaining unproved properties, such as delay rentals, taxes (other than income and capital taxes) on properties, legal costs for title defence, and the maintenance of land and lease records; (c) dry hole contributions and bottom hole contributions; (d) costs of drilling and equipping exploratory wells; and (e) costs of drilling exploratory type stratigraphic test wells.

"**exploration well**" means a well that is not a development well, a service well or a stratigraphic test well.

"**service well**" means a well drilled or completed for the purpose of supporting production in an existing field. Wells in this class are drilled for the following specific purposes: gas injection (natural gas, propane, butane or flue gas), water injection, steam injection, air injection, salt water disposal, water supply for injection, observation or injection for combustion.

"**stratigraphic test well**" means a drilling effort, geologically directed, to obtain information pertaining to a specific geologic condition. Ordinarily, such wells are drilled without the intention of being completed for hydrocarbon production. They include wells for the purpose of core tests and all types of expendable holes related to hydrocarbon exploration. Stratigraphic test wells are classified as: (a) "exploratory type" if not drilled into a proved property; or (b) "development type", if drilled into a proved property. Development type stratigraphic wells are also referred to as "evaluation wells".

FORWARD-LOOKING STATEMENTS

Certain statements or disclosures contained in this Annual Information Form constitute forward-looking statements. The use of any of the words "anticipate", "believe", "continue", "estimate", "expect", "forecast", "intend", "may", "will", "plan", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Such forward-looking statements included in this Annual Information Form should not be unduly relied upon. These statements speak only as of the date of this Annual Information Form.

In particular, this Annual Information Form may contain forward-looking statements and information pertaining to the following:

- the size of, and future net revenues from natural gas, oil, NGLs and reserves of the Company;
- the performance characteristics of the Company's properties and projected/future oil, NGL and natural gas production and sales levels;
- planned capital expenditures, including the timing thereof, costs and the method of funding;
- projections of commodity prices and costs;
- the anticipated outcomes of regulatory determinations and timing of receipt of regulatory approvals;
- expectations regarding the ability to fund planned expenditures and raise capital;
- supply and demand for oil and natural gas;
- timing of development of undeveloped reserves;
- activities to be undertaken in various areas, including the fulfillment of exploration work commitments;
- payment of dividends;
- tax horizon and future tax rates enacted in the Company's areas of operations;
- estimated abandonment and reclamation costs;
- Petro-Victory's expectations regarding the development and production potential of its properties including the Company's working interest of such properties;
- expectations with respect to the expiration of rights to explore, develop and exploit Petro-Victory's properties and the Company's ability to obtain contract extensions or fulfill the required contractual obligations to retain such rights;
- expected trends in environmental regulation, including the anticipated impact the trends may have on operations and compliance costs;

- intentions with respect to the implementation of programs that support an environmental management system and attempts to manage and mitigate the environmental impact of Petro-Victory's operations; and
- treatment under governmental regulatory regimes and tax and royalty laws and anticipated impact of amendments to existing royalty rates;

With respect to forward looking statements contained in this Annual Information Form, the Company has made assumptions regarding:

- estimated future natural gas, NGL and oil production and sales levels;
- the success of the Company's operations and exploration and development activities;
- prevailing commodity prices and foreign exchange rates;
- the timing and amount of capital expenditures;
- the timing and receipt of government approvals and permits, where required;
- compliance with and liabilities under environmental laws and regulations;
- general economic and financial market conditions;
- the ability of the Company to secure additional financing sources to fund planned expenditures if required;
- the ability of the Company to secure necessary personnel, equipment and services;
- the outcomes of any negotiations, legal actions or disputes involving the Company; and
- government regulation in the areas of taxation, royalty rates and environmental protection.

The actual results, performance or achievements of the Company may differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this Annual Information Form:

- volatility in market prices for natural gas, NGLs and oil;
- volatility in foreign exchange rates;
- economic dependence on one counterparty for the sale of natural gas;
- reliance on third party operators and personnel;
- exploration, development and production risks;
- local supply and demand conditions for natural gas;
- failure to implement projects on schedule;
- inability to secure labour, services or equipment on a timely basis or on favourable terms;
- the outcome and duration of the COVID-19 pandemic or future unforeseen circumstances with a global impact;
- unfavourable weather conditions (including climate change) and trends;
- uncertainties associated with estimating natural gas, NGL and oil reserves;
- the uncertainty of Petro-Victory's ability to secure debt or equity financing as needed;
- failure to obtain required approvals and permits from regulatory authorities, or failure to obtain such permits in a timely manner;
- competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel and equipment;
- impacts relating to general economic conditions in Canada, Brazil, the United States, and global markets;
- failure to commercialize discoveries;
- the impact of amendments to applicable tax legislation, including the Tax Act and Brazilian tax legislation, including regional tax incentives, on Petro-Victory;
- changes in or the introduction of new government regulations, in particular related to hydraulic fracturing and stimulation in Brazil;
- incorrect assessments of the value of acquisitions and exploration and development programs;

- geological, technical, drilling, completion and processing challenges;
- ability to manage expiries and other commitments and to successfully obtain extensions, suspensions or approvals from the ANP as may be needed to manage the Company's assets;
- changes in legislation, including changes in incentive programs relating to the oil and gas industry;
- the outcome of negotiations, legal actions or disputes involving the Company or litigation brought against the Company; and
- other factors discussed under the heading "*Risk Factors*".

Statements relating to "reserves" or “resources” are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions that the reserves described can be profitably produced in the future.

Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking statements contained in this Annual Information Form are expressly qualified by this cautionary statement. The Company does not undertake any obligation to publicly update or revise any forward-looking statements other than as required under applicable securities laws.

PETRO-VICTORY ENERGY CORP.

Introduction

Petro-Victory is a natural resources company engaged in the exploration, development and production of hydrocarbons in Brazil.

Petro-Victory is listed on the TSXV under the symbol "VRY". It was originally listed on July 24, 2014 when the Common Shares commenced trading on the TSXV.

Name, Address and Incorporation

Petro-Victory Energy Corp. was incorporated under the BVI Act on May 20, 2014, as “Petro-Victory Energy Corp.”. The registered head office of the Company is located at Codan Trust Company (B.V.I.) Ltd., P.O. Box 3140, Commerce House, Wickhams Cay 1, Road Town, Tortola VG 1110, British Virgin Islands. The principal office of the Company is located at Codan Trust Company (B.V.I.) Ltd., Commerce House, Wickhams Cay 1, Road Town, Tortola VG 1110, British Virgin Islands.

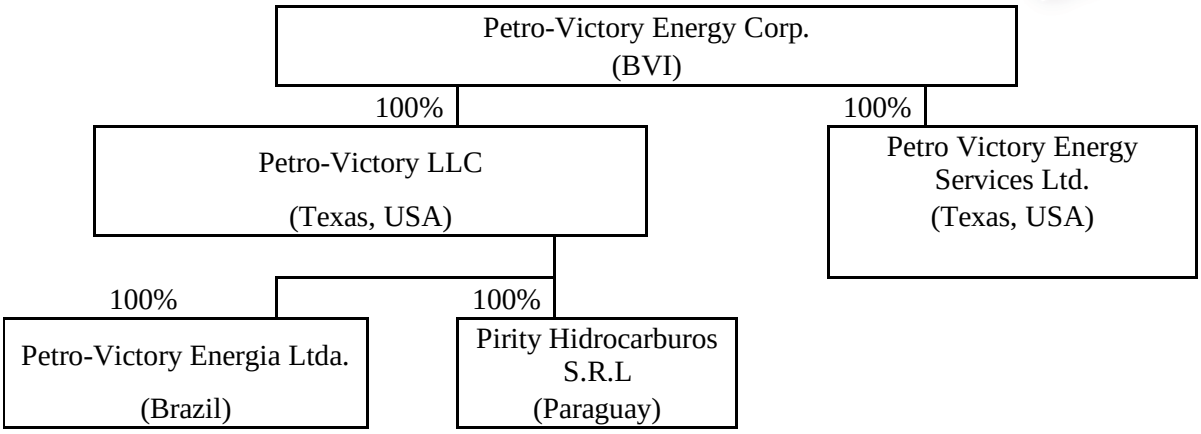
The Brazil office location is Rua Artur Paula, 2, Nova Betania, Mossoró – Rio Grande do Norte.

The Charter Documents, which do not place limitations on the business of the Company or limit the life of the Company, authorize the Company to issue an unlimited number of Common Shares, an unlimited number of Restricted Voting Shares, and an unlimited number of preferred shares issuable in series, each without par value. See “*BVI Corporate Law – Summary*”.

Petro-Victory amended its articles to consolidate its common shares on a 40:1 basis on January 24, 2020.

Intercorporate Relationships

The organizational structure of Petro-Victory is as set out below. Petro-Victory holds a 100% voting interest, either directly or indirectly, in each of its subsidiaries.



BVI CORPORATE LAW

General

The following is a summary only of certain provisions of the BVI Act, the statute that governs the corporate affairs of the Company. As a number of the BVI company law summary provisions set out below are capable of being qualified by the memorandum and articles of association of a company, it is important that this summary be read in conjunction with the Charter Documents of the Company available for review on SEDAR+ at www.sedarplus.com under the Company's profile.

Where applicable, the rules and policies of the TSX-V and each of the jurisdictions where this prospectus is filed, as well as any other applicable securities legislation, have been incorporated into the Charter Documents.

Nothing that follows should be construed as legal advice to any shareholder, all of whom are advised to consult their own legal advisors. The summary below does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of BVI company law. The summary does, however, outline certain matters that may affect the rights of the Shareholders.

Summary

The following summary highlights some of the matters that could materially affect the rights and obligations of the Company's shareholders.

Charter Documents

A company incorporated under the BVI Act has charter documents which consist of a "memorandum of association", which must include, the company's name, whether the company is limited by shares or by guarantee or is an unlimited liability company, the address of the company's first registered office, the name and address of the first registered agent, the maximum number of shares that the company is authorized to issue (although the company can specify that the number is to be unlimited), the classes of shares, the rights, privileges, restrictions and conditions attaching to each class of shares (if the company is authorized to issue two or more classes of shares), confirmation that the company is a segregated portfolio company (if that is the case), a statement as to whether or not the company is authorized to issue bearer shares, and if so on what terms, a statement as to whether or not there are any restrictions on the activities of the company. Unless the memorandum of association restricts the activities of the company, the company has full

capacity to carry on or undertake any business or activity, and may do any act or enter into any transaction. The "articles of association" regulate the corporate business and affairs of the company.

Amendments to the Charter Documents of the Company

The shareholders of a company incorporated under the BVI Act may, by resolution, amend the memorandum or articles of association of the company. The memorandum of association of a company may include a provision:

(a) that specified provisions of the memorandum or articles of association may not be amended;

(b) that a resolution passed by a specified majority of shareholders, greater than 50 percent, is required to amend the memorandum or articles of association or specified provisions of the memorandum or articles of association; and

(c) that the memorandum or articles of association, or specified provisions of the memorandum or articles of association, may be amended only if certain specified conditions are met.

The memorandum of association of a company may authorize the directors, by resolution, to amend the memorandum or articles of association of the company.

Where a resolution is passed to amend the memorandum or articles of association of a company, the company must file for registration:

(a) a notice of amendment in the approved form; or

(b) a restated memorandum or articles of association incorporating the amendment made.

An amendment to the memorandum or articles of association has effect from the date that the notice of amendment, or restated memorandum or articles incorporating the amendment, is registered by the BVI Registrar or from such other date as may be ordered by the BVI Court.

Sale of Company's Assets

The BVI Act provides that, subject to any limitations or provisions to the contrary in its memorandum and articles of association, any sale, transfer, lease, exchange or other disposition, other than a mortgage, charge or other encumbrance of the enforcement thereof, of more than 50 percent in value of the assets of a company, if not made in the usual or regular course of business carried on by the company, must be approved by a resolution of shareholders. Although this provision may be disapplied in a company's articles of association it has not been disapplied in the case of the Charter Documents. In addition, the BVI Act provides that any shareholder of a company is entitled to payment of the fair value of his shares upon dissenting from any sale, transfer, lease, exchange or other disposition of more than 50 percent in value of the assets or business of the company if not made in the usual or regular course of the business carried on by the company but not including:

(a) a disposition pursuant to an order of the court having jurisdiction in the matter;

(b) a disposition for money on terms requiring all or substantially all net proceeds to be distributed to the shareholders in accordance with their respective interests within one year after the date of disposition; or

(c) a transfer pursuant to the power of the directors to transfer assets for the protection thereof.

Rights of Dissent and Appraisal

The BVI Act provides that any shareholder of a company is entitled to payment of the fair value of his shares upon dissenting from any of the following:

(a) a merger, unless the company is the surviving company and the shareholder continues to hold the same or similar shares;

(b) a consolidation;

(c) any sale, transfer, lease, exchange or other disposition of more than 50 percent in value of the assets or business of the company if not made in the usual or regular course of the business carried on by the company as described above;

(d) a redemption of ten percent or less of the issued shares of the company required by the holders of 90 percent or more of the shares of the company pursuant to the terms of the BVI Act; and

(e) an arrangement, if permitted by the BVI Court.

Representative Actions

A shareholder of a company incorporated under the BVI Act is able to bring an action against the company for a breach of a duty owed by the company to the shareholder in his capacity as a shareholder. Where a shareholder brings such an action and other shareholders have the same (or substantially the same) action against the company, the court may appoint the first shareholder to represent all or some of the shareholders having the same interest and may make an order:

(a) as to the control and conduct of the proceedings;

(b) as to the costs of the proceedings; and

(c) directing the distribution of any amount order to be paid by a defendant in the proceedings among the shareholders represented.

Generally, any other claims against a company by its shareholders must be based on the general laws of contract or tort applicable in the BVI or their individual rights as shareholders as established by the company's memorandum and articles of association.

Oppression Remedies

A shareholder of a company incorporated under the BVI Act who considers that the affairs of the company have been, are being or are likely to be, conducted in a manner that is, or any acts of the company have been, or are, likely to be oppressive, unfairly discriminatory, or unfairly prejudicial to him, may apply to the court for an order and, if the court considers that it is just and equitable to do so, it may make such order as it thinks fit, including, without limitation, one or more of the following orders:

(a) in the case of a shareholder, requiring the company or any other person to acquire the shareholder's shares;

(b) requiring the company or any other person to pay compensation to the shareholder;

(c) regulating the future conduct of the company's affairs;

(d) amending the memorandum or articles of association of the company;

(e) appointing a receiver of the company;

(f) appointing a liquidator of the company under section 159(1) of the BVI Insolvency Act;

(g) directing the rectification of the records of the company; and

(h) setting aside any decision made or action taken by the company or its directors in breach of the BVI Act or the company's memorandum and articles of association.

Shareholder Derivative Actions

A BVI Court may, on the application of a shareholder of a company, grant leave to that shareholder to:

(a) bring proceedings in the name and on behalf of that company; or

(b) intervene in proceedings to which the company is a party for the purpose of continuing, defending or discontinuing the proceedings on behalf of the company.

Requisition of Meetings

Under the BVI Act, shareholders meetings must be convened by the directors on the written request of shareholders holding more than 30 percent of the outstanding voting shares, or such lesser percentage specified in the memorandum or articles of association. In the case of the Company, shareholders holding at least five percent of the outstanding voting shares may requisition a meeting. Not less than seven days' notice of general meetings must be given. Subject to such company's memorandum and articles of association, a meeting of the shareholders of the company may be held at such time and in such place, within or outside the BVI, as such shareholder convening the meeting consider appropriate. A BVI Court may order a meeting of shareholders to be held and to be conducted in such manner as the BVI Court orders if it is of the opinion that:

(a) it is impracticable to call or conduct a meeting of the shareholders of a company in the manner specified in the BVI Act or in the memorandum and articles of association of the company; or

(b) it is in the interests of the shareholders of the company that a meeting of shareholders is held.

An application for the order described above may be made by a shareholder or director of the company. The BVI Court may make an order on such terms, including as to costs of conducting the meeting and as to the provision of security for those costs, as it considers appropriate.

Form of Proxy

A shareholder may be represented at a meeting of shareholders by a proxy who may speak and vote on behalf of the shareholder.

Giving Financial Assistance

Subject to the BVI Act, any other enactment in the BVI and the company's memorandum and articles of association, a company has, irrespective of corporate benefit, full capacity to carry on or undertake any business or activity, do any act, or enter into any transaction including:

(a) unless it is a company limited by guarantee or an unlimited company that in either case is not authorized to issue shares:

issue and cancel shares and hold treasury shares,

grant options over unissued shares in the company and treasury shares,

issue securities that are convertible into shares, and

give financial assistance to any person in connection with the acquisition of its own shares;

(b) issue debt obligations of every kind and grant options, warrants and rights to acquire debt obligations;

(c) guarantee a liability or obligation of any person and secure any of its obligations by mortgage, pledge or other charge, of any of its assets for that purpose; and

(d) protect the assets of the company for the benefit of the company, its creditors and its shareholder and, at the discretion of the directors, for any person having a direct or indirect interest in the company.

The BVI Act does not limit the circumstances in which a company can give financial assistance.

Compulsory Acquisition

Subject to any limitations in the memorandum or articles of association of a company, shareholders holding 90 percent of the votes of the outstanding shares entitled to vote and shareholders holding 90 percent of the votes of the outstanding shares of each class of shares entitled to vote as a class may give a written instruction to a company directing the company to redeem the shares held by the remaining members. Upon receipt of the written instruction, the company is required to redeem the shares, irrespective of whether or not the shares are by their terms redeemable and give written notice to each member whose shares are to be redeemed stating the redemption price and the manner in which the redemption is to be effected. A shareholder whose shares are to be so redeemed is entitled to dissent from such redemption, and to be paid the fair value of his shares, as described above under the subheading 'Rights of Dissent and Appraisal'.

Place of Meetings

The BVI Act does not contain any requirements in respect to the place of shareholder meetings. In the case of the Company, shareholder meetings may be held within or outside the BVI as the Board considers appropriate.

Directors

The BVI Act provides that a company must have at least one director. The BVI Act does not contain any residency requirements for directors.

British Virgin Islands Taxation

A BVI business company and all dividends, interest, rents, royalties, compensations and other amounts paid by the BVI business company to persons who are not persons resident in the British Virgin Islands are exempt from the provisions of the Income Tax Act in the British Virgin Islands, and any capital gains realized by persons who are not persons resident in the British Virgin Islands with respect of any shares, debt obligations, or other securities of the BVI business company are exempt from all forms of taxation in the British Virgin Islands. As of January 1, 2005, the Payroll Taxes Act, 2004 came into force. It will not apply to a BVI business company except to the extent that the BVI business company has employees (and deemed employees) rendering services to the BVI business company wholly or mainly in the British Virgin Islands.

No estate, inheritance, succession or gift tax, rate, duty, levy or other charge is payable by persons who are not persons resident in the BVI with respect to any shares, debt obligations or other securities of a BVI business company.

Subject to the payment of stamp duty on the acquisition of property in the BVI by the BVI company (and in respect of certain transactions in respect of the shares, debt obligations or other securities of BVI incorporated companies owning interests in land in the BVI or whose subsidiaries own interests in land in the BVI), all instruments relating to transfers of property to or by a BVI business company and all instruments relating to transactions in respect of the shares, debt obligations or other securities of a BVI business company and all instruments relating to other transactions relating to the business of the BVI business company are exempt from the payment of stamp duty in the British Virgin Islands.

There are currently no withholding taxes or exchange control regulations in the British Virgin Islands applicable to a BVI business company or its members. However, Council Directive 2003/48/EC adopted by the Council of the European Union on 3rd June, 2003, known as the "EU Savings Tax Directive" (the "**Directive**") on the taxation of savings income in the form of interest payments which took effect from July 1, 2005 aimed originally only at a member state of the European Union, was extended to include also certain overseas territories (including the British Virgin Islands) and a number of non- European Union countries.

The Directive was implemented in the British Virgin Islands by way of a series of bi-lateral agreements, together with amendments to the Mutual Legal Assistance (Tax Matters) Act 2003, as amended, and the Mutual Legal Assistance (Tax Matters) (Automatic Exchange of Information) Order, 2011. With effect from January 1, 2012, institutions established in the British Virgin Islands are obliged to disclose certain minimum information to the BVI Inland Revenue, which in turn will comply with the information exchange policy under the Directive.

Shareholders who are individuals resident in a member state of the European Union should be aware that any income realized upon the sale, refund or redemption of their Shares, together with any income in the form of dividends or other distributions, may become subject to the reporting regime (or the withholding tax regime) imposed by the Directive on taxation of savings income in the form of interest payments, if payment of such income is made by a paying agent established either in another member state of the European Union or in certain other jurisdictions which have agreed to introduce an equivalent reporting (or withholding tax) regime in respect of such payments.

However, because these rules are complex and the precise extent of their application has not yet been confirmed by all member states of the European Union or other relevant jurisdictions which have agreed to introduce an equivalent reporting (or withholding tax) regime, application of the regime cannot be excluded in all cases and shareholders who are individuals should consult their own tax advisors in relation to the purchase of the Shares.

A BVI company is required to pay an annual government fee which is determined by reference to the amount shares such company is authorized to issue.

Shareholder Voting Rights

Under the BVI Act and the Charter Documents, when a vote is taken at a meeting of shareholders, each shareholder is entitled to vote the number of votes attaching to the total number of shares held by such shareholder. The BVI Act and the Charter Documents currently allow for a vote by show of hands except where a ballot is demanded.
Under the BVI Act, the quorum for a meeting of shareholders for the purpose of a resolution of shareholders is that fixed by the memorandum and articles of association of a company; where no quorum is so fixed, a meeting of shareholders is properly constituted for all purposes if at the commencement of the meeting there are present in person or by proxy shareholders entitled to exercise at least fifty percent of the votes. The Charter Documents provide that a quorum for any meeting of shareholders is two or more shareholders holding not less than five percent of the shares of the vote at the meeting, present in person or by proxy.

Under the BVI Act, a company's directors may convene a meeting of shareholders on the written request of shareholders holding more than 30 percent of the outstanding voting shares, or such lesser percentage specified in the memorandum or articles of association. The Charter Documents provide that notice of all meetings of shareholders must be sent not less than twenty-one (21) days prior to a meeting of shareholders and not more than sixty (60) days to all shareholders whose names appear on the register of members of the Company.

Any action that may be taken by the shareholders in a meeting may also be taken by a unanimous resolution of shareholders consented to in writing without the need for any notice.

Inspection Rights

Under the BVI Act, a shareholder of a company is entitled, on giving written notice to the company, to inspect the memorandum and articles of association of a company, the register of members, the register of directors and minutes of meetings and resolutions of shareholders, and to make copies of or extracts from such documents and records. The directors may, if they are satisfied that it would be contrary to the company's interests to allow a shareholder to inspect any document, or part of a document, refuse to permit the shareholder to inspect the document or limit the inspection of the document, including limiting the making of copies or the taking of extracts from the records. The directors shall, as soon as reasonably practicable, notify a shareholder of any exercise of these powers. Where a company fails or refuses to permit a shareholder to inspect a document or permits a shareholder to inspect a document subject to limitations, that shareholder may apply to the BVI Court for an order that he should be permitted to inspect the document or to inspect the document without limitation. On an application, the BVI Court may make such order as it considers just.

Pre-emptive Rights

While under the BVI Act, there are statutory pre-emptive rights with respect to the issuance of shares, the rights only apply to a company if the company expressly provides in its memorandum or articles of association that such rights are applicable to it but not otherwise. The Charter Documents expressly provide that the statutory pre-emptive rights are not applicable to the Company.

Dividends and Repurchases of Shares

Under the BVI Act and subject to the memorandum and articles of association of a company, the directors of a company may, by resolution, authorize a distribution by the company to shareholders at such time and of such an amount, as they think fit if they are satisfied, on reasonable grounds, that the company will, immediately after the distribution, satisfy the solvency test. A distribution means the direct or indirect transfer of an asset, other than company's own shares, to or for the benefit of the shareholder, or the incurring of a debt to or for the benefit of a shareholder, in relation to shares held by the shareholder, and whether by means of the purchase of an asset, the purchase, redemption or other acquisition of shares, a transfer of indebtedness or otherwise, and includes a dividend. A company satisfies the solvency

test if the value of the company's assets exceeds its liabilities, and the company is able to pay its debts as they fall due. A resolution of directors shall contain a statement that, in the opinion of the directors, the company will, immediately after the distribution, satisfy the solvency test. If, after a distribution is authorized and before it is made, the directors cease to be satisfied on reasonable grounds that the company will, immediately after the distribution is made, satisfy the solvency test, any distribution made by the company is deemed not to have been authorized.

Return of Capital on Winding-Up, Liquidation or Dissolution of the Company

Under the BVI Act, a share of a company confers on the holder the right to an equal share in the distribution of the surplus assets of the company provided that a company may issue shares in more than one class of shares and may issue shares subject to terms of the memorandum or articles of association that negate, modify or add to this right.

Term of the Board of Directors

The BVI Act does not require that the directors be elected every year or for different terms. However, the Charter Documents provide that the directors shall hold office for a term, if any, as may be specified in the resolution appointing such director or until his/her earlier death, resignation or removal.

Removal of Directors

Under the BVI Act and subject to any limitation in a company's memorandum or articles of association, a director may be removed from office by a resolution of shareholders. Such resolution may only be passed at a meeting of the shareholders called for the purpose of removing the director or for purposes including the removal of the director, or by a written resolution passed by at least 75 percent of the votes of the shareholders of the company entitled to vote. The notice of a meeting of shareholders called for this purpose shall state that the purpose of the meeting is, or the purposes of the meeting include, the removal of a director. Where permitted by the memorandum or articles of association of a company, a director of the company may be removed from office by a resolution of the directors.

Vacancies on the Board of Directors

Under the BVI Act and unless the memorandum or articles of association of a company provide otherwise, the directors of a company may appoint one or more directors to fill a vacancy on the board. There is a vacancy on the board if a director dies, or in the case of a director that is not an individual, ceases to exist, or otherwise ceases to hold office as a director prior to the expiration of his term of office, and the directors may not appoint a person for a term exceeding the term that remained when the person who has ceased to be a director left or otherwise ceased to hold office. The Charter Documents provide that a vacancy may be filled by the board. The directors may also appoint additional persons to the board so long as the total number of directors does not exceed the maximum number fixed by the Charter Documents.

Fiduciary Duties of Directors

The BVI Act provides that every director of a company incorporated or continued under the BVI Act in exercising his powers or performing his duties, shall act honestly and in what the director believes to be in the best interests of the company and that a director shall exercise his powers as a director for a proper purpose and shall not act, or agree to the company acting, in a manner that contravenes the BVI Act or the memorandum or articles of association of the company. The BVI Act provides that a director of a company, when exercising powers or performing duties as a director, shall exercise the care, diligence and skill that a reasonable director would exercise in the same circumstances taking into account, but without limitation, the nature of the company, the nature of the decision, and the position of the director and the nature of the responsibilities undertaken by him. Common law duties also apply to directors of BVI companies.

Conflict of Interest of Directors and Officers

A director of a company incorporated or continued under the BVI Act shall, forthwith after becoming aware of the fact that he is interested in a transaction entered into or to be entered into by the company, disclose the interest to the board of the company, provided that a director is not required to disclose the interest if the transaction or proposed transaction is between the director and the company, and the transaction or proposed transaction is or is to be entered into in the ordinary course of the company's business and on usual terms and conditions. Subject to the following sentence, the failure of a director to disclose the interest does not affect the validity of a transaction entered into by the director or the company. Notwithstanding the previous sentence, under the BVI Act, a transaction entered into by a company in respect of which a director is interested is voidable by the company unless (i) the interest was disclosed to the board prior to the company entering into the transaction, (ii) the interest was not required to be disclosed to the board, (iii) the material facts of the interest of the director in the transaction are known by the shareholders entitled to vote at a meeting of shareholders and the transaction is approved or ratified by resolution of shareholders, or (iv) the company received fair value for the transaction.

Indemnification of Directors, Officers and Others

BVI law does not limit the extent to which a company's articles of association may provide for indemnification of directors, officers and any other person, except to the extent any such provision may be held by the court to be contrary to public policy (e.g. for purporting to provide indemnification against the consequences of committing a crime), provided that the indemnified person acted honestly and in good faith and in what he believed to be in the best interests of the company and, in the case of criminal proceedings, the person had no reasonable cause to believe that his conduct was unlawful.

Under the BVI Act, a company may indemnify against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonably incurred in connection with legal, administrative or investigative proceedings any person who: (i) is or was a party or is threatened to be made a party to any threatened, pending or completed proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that the person is or was a director of the company; or (ii) is or was, at the request of the company, serving as a director of, or in any other capacity is or was acting for, another body corporate or a partnership, joint venture, trust or other enterprise.

The foregoing paragraph only applies to a person referred to in that paragraph if the person acted honestly and in good faith in what he believed to be the best interests of the company and, in the case of criminal proceedings, the person has no reasonable cause to believe that his conduct was unlawful. The termination of any proceedings by any judgment, order, settlement, conviction or the entering of a nolle prosequi does not, by itself, create a presumption that the person did not act honestly and in good faith and with a view to the best interests of the company or that the person had reasonable cause to believe that his conduct was unlawful.

Director Liability

A director who ceased, after authorization but before the making of a distribution, to be satisfied on reasonable grounds for believing that the company would satisfy the solvency test immediately after the distribution is made and failed to take reasonable steps to prevent the distribution being made is personally liable to the company to repay to the company so much of the distribution as it is not able to be recovered from shareholders. There is no provision in the BVI Act providing for the liability of directors for the issue of shares of a company or for any losses suffered by a company as a result of the company issuing shares for consideration other than money.

Issuance of Securities

Subject to the BVI Act and to the memorandum and articles of association of the company, shares in a BVI company may be issued, and options to acquire shares in a company may be granted, at such times, to such persons, for such consideration and on such terms as the directors may determine.

Transferability of Shares

Subject to any limitations or restrictions on the transfer of shares in the memorandum or articles of association, registered shares of a company incorporated or continued under the BVI Act may be transferred by a written instrument of transfer signed by the transferor and containing the name and address of the transferee. The instrument of transfer of a registered share is required to be sent to the company for registration. If the directors are satisfied that an instrument transfer has been signed but that the instrument has been lost or destroyed, they may resolve to accept such evidence of the transfer of the shares as they consider appropriate and that the transferee's name should be entered in the register of members, notwithstanding the absence of the instrument of transfer.

GENERAL DEVELOPMENT OF THE BUSINESS

History

Petro-Victory Energy Corp. was incorporated under the BVI Act on May 20, 2014.

Petro-Victory completed an Initial Public Offering ("**IPO**") through a Prospectus dated July 11, 2014 filed in the Provinces of Alberta, Ontario, British Columbia, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador.

From the time of the Company's IPO in 2014 until 2016, the Company pursued an exploration and development program in Paraguay. The Company eventually discovered hydrocarbons in two separate reservoirs; however, such discoveries were not deemed to be commercially viable given the economic environment at the time. The Company eventually sold its 36% working interest in October 2015. During 2016, the Company sought to minimize cash outlays in Paraguay and evaluate new business opportunities for the Company which led it to enter Brazil.

Since 2017, the Company has raised $20 million in share capital equity financing primarily from non-brokered private placements and focused its efforts on a disciplined investment strategy by acquiring Exploration and Production ("**E&P**") assets in Brazil and participating in the ongoing Petrobras onshore E&P divestment program and The Brazilian National Agency of Petroleum, Natural Gas and Biofuels ("**ANP**") Permanent Offer auction rounds.

In 2017, the Company commenced its acquisition strategy for an E&P portfolio in Brazil by participating in a number of farm-in opportunities and the ongoing Petrobras (national oil company of Brazil) onshore E&P divestment program. On September 28, 2018 the Company completed the acquisition of production and working interests in 4 oil fields (Andorinha, Alto Alegre, Carapitanga, and São João), comprised of 12,850 gross acres, located within three developed onshore basins in Brazil for a US $1.6 million acquisition cost (US $125 per acre) with US $0.4 million paid at signing, and US $1.2 million paid upon ANP approval. The acquisition consisted of: 100% operating interest in the Andorinha onshore producing oil field in the Potiguar Basin; 100% operating interest in the Alto Alegre onshore oil field in the Potiguar Basin; 50% non-operating interest in the Carapitanga producing onshore oil field in the Sergipe-Alagoas Basin; and a 50% non-operating interest in the São João onshore oil field in the Barreirinhas Basin.

The acquisition of the 4 oil fields was the first crucial step in establishing a successful oil and gas business in the Country of Brazil and set up a platform to establish Petro-Victory as one of the leading independent onshore Brazil E&P companies. The initial acquisition allowed Petro-Victory to establish its Brazilian subsidiary, acquire debt financing in 2018 to support the acquisition, and participate in future bid rounds and Petrobras divestments, which has

resulted in a portfolio of 49 concession blocks in Brazil totalling 276,755 acres as of December 31, 2024. Petro-Victory also has an additional 6 concessions and 19,074 acres in joint venture with BlueOak in Capixaba Energia. The Company has executed multiple development agreements and strategic partnerships that not only fortify its position in Brazil's onshore sector but also validate the years of strategic work the experienced Board and management team have invested in building a high-quality asset base.

- In June 2024 the Company announced the partnership with Azevedo & Travassos Petroleum ("**ATP**") for the development of Andorinha field and Block 281.
- In September 2024 the Company announced an MOU for a fully carried initial development agreement with Eneva, one of Brazil's largest energy operators, for the development of SJ Field gas resources.
- In February 2025 the Company announced the acquisition of 13 fields from Brava Energia. The acquisition is a 50% partnership with ATP.
- In March 2025 the Company announced the formation of a joint venture with BlueOak Investments ("**BlueOak**") and the acquisition of Capixaba Energia, a fully integrated oil and gas company in the Espirito Santo basin in onshore Brazil.

Total portfolio under management as of the date of this AIF includes 49 concession contracts with 276,755 acres, net to Petro-Victory plus an additional 6 concessions and 19,074 acres in joint venture with BlueOak in Capixaba Energia.

With strategic capital partnerships in place, the Company is poised to unlock significant value across the portfolio and deliver meaningful growth for shareholders. Looking ahead, the Company's focus remains on disciplined execution, scaling production, and optimizing it's assets to drive long-term value.

Three Year History

The following is a summary of significant events in the general development of the business of Petro-Victory during the last three fiscal years ending December 31, 2022, December 31, 2023, and December 31, 2024:

Financial year ending December 31, 2022

In February 2022, the Company completed a private placement equity offering totaling C$10.8 million. This offering provided the Company with additional capital to commence its 2022 work program and ANP auction acquisition strategy and pay down debt.

Following the successful oil well tests at Trapiá and Alto Alegre fields in the Potiguar Basin, and the receipt of the 3D seismic re-processing in the first quarter of 2022, the Company integrated and revised the subsurface mapping, geologic interpretation, and development plans for these two fields. The result of this was seen in the year-end 2021 reserve report which showed a 98% increase in its reserve report valuation from 2P NPV_{10} $90.4 million as of December 31, 2020, to 2P NPV_{10} $178.7 million as of December 31, 2021.

In March 2022, the Company announced environmental drilling permits had been secured for a total of six development wells at the Andorinha field from Brazil's environmental agency; Instituto Brasileiro do Meio Ambiente e dos Recursos Naturais Renováveis ("**IBAMA**"). In May 2022, a seventh drilling permit was secured for the GALP-06 well in the Andorinha field.

On April 11, 2022, the Company launched its environmental, social and governance ("**ESG**") initiative and signed a contract to build a solar project adjacent to the Andorinha oil field (Figure 1). The Andorinha Solar Project has been

sized to provide all the electricity requirements of the Andorinha field through the next phase of development and can be upsized further for future development phases. The capacity of the project is on average 40MWh/month.

Figure 1: A section of PVE Solar Farm at Andorinha Field

On April 14, 2022, Petro-Victory announced that it had secured 19 new oil and natural gas blocks in the Potiguar Basin onshore Brazil, which is the Company's core operating geography. The acquisition marked Petro-Victory's status as one of the largest landholders in the highly oil prolific basin and expanded the Company's existing 100% operating portfolio to 38 blocks totaling 257,604 acres (1,042 sq km). Management worked quickly to finalize the transaction prior to the end of the year which included issuing work-program guarantees backed by cash deposits in order to facilitate the timely completion of the transaction. During the year, the Company deposited an additional $2.2 million in cash collateral for work-program guarantees with ANP.

On July 29th, 2022, the Company announced the GALP-06 well results in which the Company successfully drilled and cased down to 1,272 meters and conventional wireline logging tools identified 13 meters of potential net pay. While two reservoir intervals recovered oil to surface, and one reservoir recovered gas to surface, none of the tests yielded a commercial discovery of hydrocarbons and the Company suspended the well allowing for the potential to re-enter and resume testing at a later date.

On October 18th, 2022, the Company reached total depth on the PVE-01well and tested the well beginning on December 26th, 2022, announcing an oil discovery on January 23rd, 2023. The PVE-01 well is temporarily suspended for re-entry at a future date.

On December 19, 2022, the Company announced the successful workover program at the São João field in the Barreirinhas basin. SJ-11, SJ-06, and SJ-01 oil wells were re-entered and completed for production using pumpjacks to provide artificial lift. Initial flow rates from the SJ-11 workover suggested an initial production rate of 640 BOPD.

Financial year ending December 31, 2023

During 2023, the Company focused on maximizing value through geological, geophysical, and petrophysical evaluation to identify, quantify, and qualify reserves and prospective resources on the remaining concessions. On May 2, 2023 the Company announced a 43% increase in 2P reserves as of December 31, 2022. In August 2023 the Company completed the reprocessing of 2,396 km^2 of 3D seismic coverage in the Potiguar basin, a project that had been ongoing for more than 2 years.

In July 2023, the Company announced the appointment of industry expert, Gervasio Barzola, to lead the G&G subsurface team. As prospects are identified, the technical team performs risk assessments, prioritization, and recommends development plans for both existing fields and prospective fields.

The independent qualified reserve evaluator, GLJ, has assigned 8.4 million barrels of oil equivalent (boe) of contingent resources in the Barreirinhas basin. The contingent gas resources in the Barreirinhas basin are included in the GLJ reserves and resources report dated December 31, 2023 and are categorized as development pending and have a risked best estimate contingent resource valuation of NPV_{10} of $97.2 million.

Furthermore, during the first half of 2023, the Company received the first study of the source rock within the Company's blocks at the Potiguar basin. The study was conducted by GLJ, an independent third-party evaluator, and indicated an undiscovered and unrisked oil in place (mean case) of 36.2 billion boe. The potential for a shale play is under critical evaluation. Management will continue to evaluate the possibility of a shale play in the basin in the future.

In November 2023, the Company acquired three additional concessions in the Potiguar basin during the 4th permanent offer round bringing the total concessions to 41 concessions with total acreage 272,912 acres.

Total oil sales volume for 2023 was 23,866 bbls, an increase of 21% over 2022.

Financial year ending December 31, 2024

After a successful workover campaign in December 2022 in the São João field in the Barreirinhas basin, the Company returned again to the São João field in 1Q24. The Company has now expanded its facilities, and in February and March 2024 the Company successfully re-entered three wells previously drilled and tested by Petrobras with more than 300 meters of net oil pay estimated. These three wells have now been completed and combined, have produced more than 4,000 barrels of oil since completion.

Upon further subsurface evaluations, the Company decided not to close the acquisition of the three additional concessions previously announced in the 4th permanent offer round.

The Company has executed multiple development agreements and strategic partnerships that not only fortify its position in Brazil's onshore sector but also validate the years of strategic work its experienced Board and management team have invested in building a high-quality asset base.

- On June 24, 2024 the Company announced the partnership with Azevedo & Travassos Petroleum (ATP) for the development of Andorinha field and Block 281.

- On September 10, 2024 the Company announced an MOU for a fully carried initial development agreement with Eneva, one of Brazil's largest energy operators, for the development of SJ Field gas resources.

Subsequent to the Fiscal Year ending December 31, 2024

- In February 2025 the Company announced the acquisition of 13 fields from Brava Energia. The acquisition is a 50% partnership with ATP.

- In March 2025 the Company announced the formation of a joint venture with BlueOak and the acquisition of Capixaba Energia, a fully integrated oil and gas company in the Espirito Santo basin in onshore Brazil.

With strategic capital partnerships in place, the Company is now poised to unlock significant value across its portfolio and deliver meaningful growth for its shareholders. Looking ahead, its focus remains on disciplined execution, scaling production, and optimizing assets to drive long-term value.

Looking ahead, beginning in the first half of 2025, the Company will begin to realize the value of the 1P and 2P reserves and increase production to generate free cash flow.

Significant Acquisitions

As discussed in the history of the company total portfolio under management as of the date of this AIF includes 49 concessions contracts with 276,755 acres, net to Petro-Victory plus an additional 6 concessions and 19,074 acres in joint venture with BlueOak in Capixaba Energia. These concessions are found across three strategic onshore basins; Potiguar Basin, Barreirinhas Basin, and the Espirito Santo Basin.

The Company did not complete any significant acquisitions during its most recently completed financial year for which disclosure is required under National Instrument 51-102 - Continuous Disclosure Obligations.

DESCRIPTION OF THE BUSINESS

Business

Petro-Victory is engaged in the exploration for and the acquisition, development and production of hydrocarbons in LATAM and specifically with a focus in Brazil.

Strategy

Petro-Victory's business strategy is to deliver substantial returns to its shareholders through the growth of its on-shore upstream asset acquisition and development business model that focuses on disciplined investments in high impact, low-risk assets.

Petro-Victory builds and maximizes shareholder value through:
- Acquiring assets that are under-developed
- Assessing, analyzing, and updating geological and geophysical data
- Obtaining independently evaluated reserve reports
- Developing and executing drilling and work-over programs that maximize near and long-term production
- Methodical growth of low-cost and high margin production
- Methodical growth of proven reserves
- Conversion of under-developed assets into high-value and high-margin production

Specialized Skill and Knowledge

Exploration for and development of petroleum resources require specialized skills and knowledge, including in the areas of petroleum engineering, geophysics, geology, and petrophysics. The Company may face challenges in attracting and retaining employees, consultants and advisors to meet these needs. See "*Risk Factors*".

Competitive Conditions

The oil and gas industry is highly competitive, with respect to the acquisition of prospective oil and gas properties and reserves, in attracting financing sources for the acquisition of new reserves or the development of existing reserves, and in marketing production from existing reserves. Petro-Victory's competitive position depends on its geoscience and engineering expertise, its financial resources, its ability to develop its properties and its ability to select, acquire and develop proved reserves. Petro-Victory will compete with a substantial number of other companies having larger technical staff and greater financial and operational resources and access to capital. Many such companies not only engage in the acquisition, exploration, development and production of petroleum reserves, but also conduct refining operations and market refined products.

Cycles

Petro-Victory's revenues are reliant on international commodity prices, which have fluctuated widely during recent years and are determined by worldwide supply and demand factors, including weather and general economic conditions. Although Petro-Victory's business itself is not seasonal, seasonality may impact demand for oil and natural gas and may also impact the timing of operations as weather delays may affect the speed of completion of operations.

Employees

As of the date hereof, Petro-Victory has seven directors. Petro-Victory and its subsidiaries employ a dedicated team of 44 employees, of which 40 employees are based in Brazil with the remainder in Texas, driven by a shared commitment to excellence and innovation in the energy sector. As the Company continues to expand and pursue new opportunities, it acknowledges the importance of investing in its team, Petro-Victory may require additional employees based on future operational and administrative demands.

Foreign Operations

All of Petro-Victory's operations are in Brazil. International operations are subject to political, economic and other uncertainties, including but not limited to corruption, revolution, border disputes, expropriation, nationalization of assets by the Brazilian government, renegotiations or modification of existing contracts, import, export and transportation regulations and tariffs, taxation policies, including royalty and tax increases and retroactive tax claims,

exchange controls, limits on allowable levels of production, currency fluctuations, labour disputes and other uncertainties arising out of foreign government sovereignty over Petro-Victory's international operations. Petro-Victory's operations may also be adversely affected by applicable laws and policies of Brazil which could have a negative impact on Petro-Victory. The Company's international operations may also be adversely affected by laws and policies of US/Canada as they pertain to oil and gas development, foreign trade, taxation, and investment. See "*Risk Factors*" in this Annual Information Form for further details.

Reorganizations

There have been no material reorganizations of the Company or any of its subsidiaries within the three most recently completed financial years or proposed for the current financial year.

PRINCIPAL PROPERTIES

Total portfolio under management as of the date of this AIF includes 49 concessions contracts with 276,755 acres, net to Petro-Victory plus an additional 6 concessions and 19,074 acres in joint venture with BlueOak in Capixaba Energia.

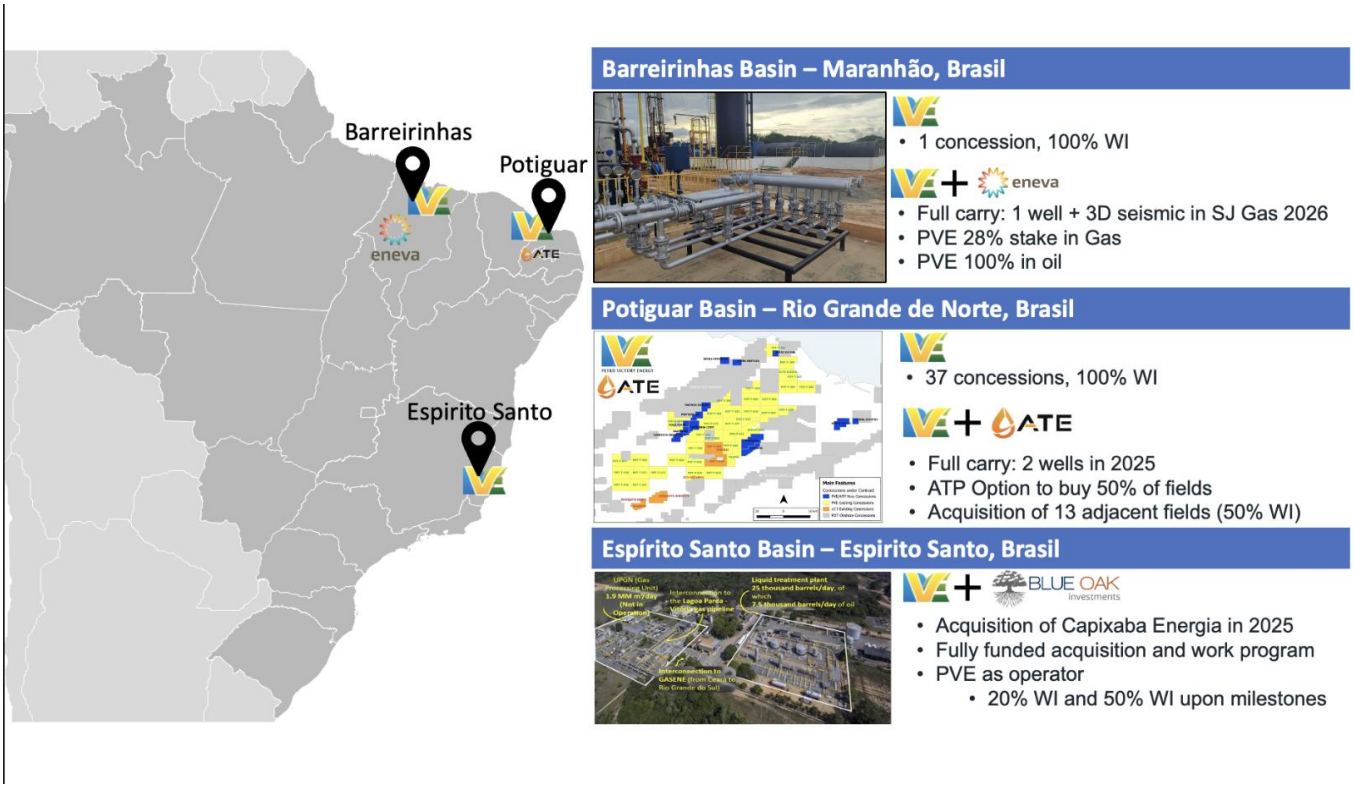


Figure 2 - Petro-Victory has operations in three basins onshore brasil. See reserves and resources section herein for more details. See the history of the company for details on strategic partnerships.

STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION

In accordance with NI 51-101, Petro-Victory engaged GLJ to prepare the GLJ Reserves Report. The GLJ Reserves Report included an evaluation of all reserves of Petro-Victory as of December 31, 2024. The GLJ Reserves Report is dated April 15, 2025 with an effective date of January 1, 2025. All of Petro-Victory's reserves are located in Brazil.

The tables below are a summary of the reserves attributable to the properties of the Company and the net present value of future net revenue attributable to such reserves as evaluated in the GLJ Reserves Report based on forecast price and cost assumptions as of December 31, 2024. The tables summarize the data contained in the GLJ Reserves Report and, as a result, may contain slightly different numbers than such report due to rounding. Also, due to rounding, certain columns may not add exactly.

The net present value of future net revenue attributable to reserves is stated without provision for interest costs and general and administrative costs, but after providing for estimated royalties, production costs, development costs, other income, future capital expenditures, well abandonment and reclamation costs for only those wells assigned reserves and material dedicated gathering systems and facilities. It should not be assumed that the undiscounted or discounted net present value of future net revenue attributable to reserves estimated by GLJ represent the fair market value of those reserves. Other assumptions and qualifications relating to costs, prices for future production and other matters are summarized herein. The recovery and reserve estimates of oil reserves provided herein are estimates only. Actual reserves may be greater than or less than the estimates provided herein.

The GLJ Reserves Report is based on certain factual data supplied by the Company and GLJ's opinion of reasonable practice in the industry. The extent and character of ownership and all factual data pertaining to petroleum properties and contracts (except for certain information residing in the public domain) were supplied by the Company to GLJ. GLJ accepted this data as presented and neither title searches nor field inspections were conducted.

Summary of Oil and Gas Reserves - Forecast Prices and Costs [(1),(2),(3)]

	Light & Medium Oil		Gas		Oil Equivalent	
	Company Gross	Company Net	Company Gross	Company Net	Company Gross	Company Net
	(Mbbl)	(Mbbl)	(MMcf)	(MMcf)	(Mboe)	(Mboe)
Proved						
Producing	30	29	0	0	30	29
Developed Non-Producing	482	451	988	934	646	606
Undeveloped	1,223	1,148	959	906	1,393	1,299
Total Proved	1,745	1,627	1,947	1,840	2,070	1,934
Probable	2,083	1,951	1,240	1,172	2,290	2,147
Total Proved plus Probable	3,828	3,579	3,187	3,012	4,360	4,081
Possible	2,164	2,021	2,661	2,515	2,608	2,441
Total Proved plus Probable plus Possible	5,993	5,600	5,848	5,527	6,967	6,521

Summary of Before Tax Net Present Value of Future Net Revenue [(1), (2), (3), (4)]
By Reserves Category

M,US$	0%	5%	10%	15%	20%
Proved					
Producing	729	728	716	698	679
Developed Non-Producing	32,127	26,007	21,725	18,578	16,177
Undeveloped	74,261	57,305	46,250	38,482	32,732
Total Proved	**107,117**	**84,039**	**68,691**	**57,758**	**49,587**
Probable	134,534	102,095	82,266	68,629	58,577
Total Proved plus Probable	**241,651**	**186,133**	**150,958**	**126,387**	**108,164**
Possible	164,279	111,683	84,320	67,307	55,604
Total Proved plus Probable plus Possible	**405,930**	**297,817**	**235,278**	**193,693**	**163,768**

Summary of After Tax Net Present Value of Future Net Revenue[(1), (2), (3) (4)]

M$	0%	5%	10%	15%	20%
Proved					
Producing	429	446	450	447	439
Developed Non-Producing	24,944	20,382	17,129	14,705	12,837
Undeveloped	60,057	47,045	38,323	32,071	27,376
Total Proved	**85,430**	**67,874**	**55,902**	**47,223**	**40,652**
Probable	106,588	82,311	66,963	56,171	48,098
Total Proved plus Probable	**192,018**	**150,184**	**122,865**	**103,394**	**88,750**
Possible	126,370	88,443	67,897	54,742	45,504
Total Proved plus Probable plus Possible	**318,388**	**238,628**	**190,762**	**158,136**	**134,255**

Notes:

(1) The tables above are a summary of the reserves of Petro-Victory and the net present value of future net revenue attributable to such reserves as evaluated in the GLJ Reserves Report based on forecast price and cost assumptions. The tables summarize the data contained in the GLJ Reserves Report and as a result may contain slightly different numbers than such report due to rounding. Also, due to rounding, certain columns may not add exactly.

(2) Company Gross reserves means the total working interest share of remaining recoverable reserves owned by Petro-Victory before deductions of royalties payable to others and without including any royalty interests owned by Petro-Victory.

(3) Possible reserves are those additional reserves that are less certain to be recovered than probable reserves. There is a 10% probability that the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible reserves.

(4) The net present value of future net revenue attributable to Petro-Victory's reserves is stated without provision for interest costs and general and administrative costs, but after providing for estimated royalties and production taxes, production costs, development costs, other income, future capital expenditures, well abandonment and reclamation costs for only those wells assigned reserves and material dedicated gathering systems and facilities. The net present values of future net revenue attributable to the Petro-Victory's reserves estimated by GLJ do not represent the fair market value of those reserves. Other assumptions and qualifications relating to costs, prices for future production and other matters are summarized herein. The recovery and reserve estimates of the Company's reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual reserves may be greater than or less than the estimates provided herein.

Summary of Before Tax Net Present Value of Future Net Revenue on a Unit Basis

	Unit Value Before Income Tax Discounted at 10%/year
	$/boe
Proved	
Producing	25.09
Developed Non-Producing	35.84
Undeveloped	35.59
Total Proved	**35.51**
Probable	38.32
Total Proved plus Probable	**36.99**
Possible	34.55
Total Proved plus Probable plus Possible	**36.08**

Note:
(1) Unit values are based on Company Net Reserves.

Total Future Net Revenue (Undiscounted) - Forecast Prices and Costs

M$ Undiscounted	Revenue	Royalties	Operating Costs	Capital Development Costs	Abandonment & Reclamation Costs	Future Net Revenue Before Income Taxes	Future Income Tax	Future Net Revenue After Income Taxes
Proved								
Producing	2,278	125	1,255	0	170	729	300	429
Developed Non-Producing	48,830	3,058	10,599	2,626	420	32,127	7,183	24,944
Undeveloped	107,700	7,349	12,195	13,294	601	74,261	14,205	60,057
Total Proved	**158,809**	**10,533**	**24,048**	**15,920**	**1,191**	**107,117**	**21,687**	**85,430**
Probable	177,926	11,260	26,169	5,392	570	134,534	27,946	106,588
Total Proved plus Probable	**336,735**	**21,793**	**50,217**	**21,312**	**1,761**	**241,651**	**49,633**	**192,018**
Possible	211,006	13,783	27,082	5,250	612	164,279	37,909	126,370
Total Proved plus Probable plus Possible	**547,741**	**35,577**	**77,299**	**26,561**	**2,373**	**405,930**	**87,542**	**318,388**

Pricing Assumptions — Forecast Prices and Costs

GLJ employed the following pricing and inflation rate assumptions as of December 31, 2024 in the GLJ Reserves Report in estimating reserves data using forecast prices and costs.

Year	Inflation %	Brent Spot Crude Oil USD/bbl
2025	0	75.25
2026	2	77.50
2027	2	80.08
2028	2	82.69
2029	2	84.34
2030	2	86.03
2031	2	87.76
2032	2	89.50
2033	2	91.20
2034	2	92.94
2035+	2	+2%/yr

GLJ's oil price forecast in effect on January 1, 2025 for Brent crude formed the basis for the prices used in its evaluation of the Company's oil reserves. The Company's pricing for conventional natural gas is based on marketing conditions in Brazil which are privately held gas contracts based on pricing formulas that utilize a combination of the historical price benchmarks of National Balancing Point (UK), NYMEX Henry Hub and Brent Crude Oil FOB North Sea pricing to calculate a market price on a monthly basis. The Company realized a weighted average historical price of $81.33/bbl for the year ended December 31, 2024.

Reconciliation of Changes in Reserves

The following table summarizes the changes in Gross Reserves from December 31, 2023 to December 31, 2024.

	Proved (Mboe)	Probable (Mboe)	Proved Plus Probable (Mboe)	Possible (Mboe)	Proved plus Probable plus Possible (Mboe)
December 31, 2023	**3,434**	**3,439**	**6,873**	**3,243**	**10,116**
Discoveries	-	-	-	-	-
Extensions	-	-	-	-	-
Improved Recovery	-	-	-	-	-
Technical Revisions	(1,348)	(1,149)	(2,497)	(635)	(3,133)
Acquisitions	-	-	-	-	-
Disposition	-	-	-	-	-
Economic Factors[1]	(1)	1	-	-	-
Production	(16)	-	(16)	-	(16)
December 31, 2024	**2,070**	**2,290**	**4,360**	**2,608**	**6,967**

Notes:

(1) During the period from 2023 to 2024 economic factors are calculated by running last year's pricing (in this case the YE2023 database on YE2024 pricing).

The key change in reserves is due to the technical revisions incorporate enhanced understanding of subsurface structures and reservoir characteristics, including geological assessments, advanced drilling technologies, and comprehensive economic evaluations.

Additional Information Relating to Reserves Data

Undeveloped Reserves

The following table sets forth the Company's Gross Reserves for proved undeveloped reserves and probable undeveloped reserves, each by product type, attributed to the Company's assets:

	Light & Medium Oil	Gas	Oil Equivalent
	Company Gross (Mbbl)	Company Gross (MMcf)	Company Gross (Mboe)
Proved Undeveloped	1,233	959	1,393
Probable Undeveloped	1,772	663	1,883

The following tables set forth the gross proved undeveloped reserves and the gross probable undeveloped reserves, each by product type, that were first attributed in each of the three most recent financial years and in the aggregate before such time, based on forecast prices and costs:

Company Gross Reserves First Attributed by Year

Proved Undeveloped Reserves

	Light & Medium Oil (Mbbl)		Heavy Oil (Mbbl)		Conventional Natural Gas (MMcf)		Natural Gas Liquids (Mbbl)		BOE (Mboe)	
	* Attributed This Year	Current Total	Attributed This Year	Current Total	Attributed This Year	Current Total	Attributed This Year	Current Total	Attributed This Year	Current Total
2022	1,214	2,017	-	-	-	1,047	-	-	1,214	2,191
2023	-	1,885	-	-	-	1,047	-	-	-	2,059
2024	-	1,233	-	-	-	959	-	-	-	1,393

Probable Undeveloped Reserves

	Light & Medium Oil (Mbbl)		Heavy Oil (Mbbl)		Conventional Natural Gas (MMcf)		Natural Gas Liquids (Mbbl)		BOE (Mboe)	
	* Attributed This Year	Current Total	Attributed This Year	Current Total	Attributed This Year	Current Total	Attributed This Year	Current Total	Attributed This Year	Current Total
2022	493	2,305	-	-	-	575	-	-	493	2,401
2023	-	2,265	-	-	-	574	-	-	-	2,360
2024	-	1,772	-	-	-	663	-	-	-	1,883

* Refers to reserves first attributed in this fiscal year ending on the effective date.

Significant Factors or Uncertainties Affecting Reserves Data

The process of estimating reserves is complex. It 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 activities and production performance becomes available and as economic conditions impacting oil and gas prices and costs change. The reserve estimates contained herein are based on current production forecasts, prices and economic conditions.

As circumstances change or additional data becomes available, reserve estimates can change. Estimates made are reviewed and revised, either upward or downward, as warranted by the new information. Revisions are often required due to changes in well performance, prices, economic conditions and governmental restrictions.

Although every reasonable effort is made to ensure that reserve estimates are accurate, reserve estimation is an inferential process based on information available at that time. As a result, subjective decisions, new geological or production information and a changing environment may impact these estimates. Revisions to reserve estimates can arise from changes in year-end oil and natural gas prices and reservoir performance. Such revisions can be either positive or negative.

Future Development Costs

The table below sets out the total estimated development costs deducted in the GLJ Reserves Report of future net revenue attributable to proved reserves, proved plus probable reserves and proved plus probable plus possible reserves (using forecast prices and costs). In addition the Company presents the 10% discounted amount for each reserve category's total development costs.

Company Capital Expenditures

MS, Undiscounted	Total Proved	Total Proved Plus Probable	Total PPP
2025	4,369	5,169	5,249
2026	6,068	8,085	8,085
2027	4,483	7,058	10,158
2028	1,000	1,000	2,050
2029	-	-	1,020
Total	**15,920**	**21,312**	**26,562**
10% Discounted	**13,524**	**18,055**	**21,944**

Other Oil and Gas Information

Oil and Gas Properties and Wells

The following table summarizes Petro-Victory's gross and net wells as at December 31, 2024, which are shut-in or are producing, or which Petro-Victory considers to be capable of production, and all of which are located onshore:

	Gross		Net	
	Producing	**Non-Producing**	**Producing**	**Non-Producing**
Brazil				
Oil	6	10	6	10
Gas	-	2	-	2
Total	6	12	6	12

Properties with no Attributed Reserves

As of December 31, 2024, Petro-Victory held 229.900 (gross and net) acres of unproved properties with no attributed reserves or production in Brazil. The portfolio encompassing 32 concession contracts across exploration blocks, among these properties, 25 are slated to expire in 2027. An additional seven contracts extend to 2028. These unproved properties underscores the Company commitment the effective exploration and development strategies.

Additional Information Concerning Abandonment and Reclamation Costs

The estimated costs used to calculate total future net revenue from proved plus probable reserves in the GLJ Reserves Report include abandonment and reclamation costs associated with existing and future wells with reserves assigned and material, dedicated gathering systems and facilities required to enable production of these wells. The estimated abandonment and reclamation costs (with respect to wells and facilities included in the GLJ Reserves Report) used to calculate total future net revenue from proved plus probable reserves is $1.8 million undiscounted, with all expected costs to be incurred between 2027 and 2049. The GLJ Reserves Report does not include abandonment and reclamation costs for existing wells and facilities with no assigned reserves which are included and set forth in the financial statements of Petro-Victory. See Note 9 of the Company's audited consolidated financial statements as at December 31, 2024 for further information.

Costs Incurred

Capital expenditures including capitalized general and administrative and finance expenses related to Petro-Victory's activities for the year ended December 31, 2024 are available in the consolidated financial statements footnote for PP&E and E&E assets.

Exploration and Development Activities

Exploration and development costs included SJ workovers costs and PVE-01 testing at the beginning of the year. Development costs in 2024 included G&G costs, licenses and preliminary costs and long-lead purchases associated with the workovers at SJ field occurring in the 1Q24.

Production Estimates

The following table discloses, for each product type, the average daily production estimated in the GLJ Reserves Report in the estimates of future net revenue from gross proved, gross proved plus probable reserves disclosed above for 2024. The first-year production estimate is primarily attributable to the Andorinha and São João natural gas fields.

Summary of First Year Production (average daily production)

	Light & Meduim Oil		Conventional Natural Gas		Oil Equivalent	
Entity Description	Company Gross bbl/d	Company Net bbl/d	Company Gross Mcf/d	Company Net Mcf/d	Company Gross boe/d	Company Net boe/d
Proved Producing						
Andorinha	0	0	0	0	0	0
Block 391	0	0	0	0	0	0
Other Properties	30	28	0	0	30	28
Total: Proved Producing	**30**	**28**	**0**	**0**	**30**	**28**
Proved Developed Non-Producing						
Andorinha	88	83	0	0	88	83
Block 391	51	47	0	0	51	47
Other Properties	56	53	0	0	56	53
Total: Proved Developed Non-Producing	**195**	**183**	**0**	**0**	**195**	**183**
Proved Undeveloped						
Andorinha	227	213	0	0	227	213
Block 391	12	11	0	0	12	11
Other Properties	0	0	0	0	0	0
Total: Proved Undeveloped	**239**	**224**	**0**	**0**	**239**	**224**
Total Proved						
Andorinha	315	296	0	0	315	296
Block 391	63	58	0	0	63	58
Other Properties	86	81	0	0	86	81
Total: Total Proved	**464**	**435**	**0**	**0**	**464**	**435**
Total Probable						
Andorinha	48	45	0	0	48	45
Block 391	35	32	0	0	35	32
Other Properties	26	25	0	0	26	25
Total: Total Probable	**109**	**102**	**0**	**0**	**109**	**102**
Total Proved Plus Probable						
Andorinha	362	341	0	0	362	341
Block 391	98	91	0	0	98	91
Other Properties	113	106	0	0	113	106
Total: Total Proved Plus Probable	**573**	**538**	**0**	**0**	**573**	**538**
Total Possible						
Andorinha	39	36	0	0	39	36
Block 391	74	68	0	0	74	68
Other Properties	19	18	0	0	19	18
Total: Total Possible	**132**	**122**	**0**	**0**	**132**	**122**
Total PPP						
Andorinha	401	377	0	0	401	377
Block 391	173	159	0	0	173	159
Other Properties	132	124	0	0	132	124
Total: Total PPP	**706**	**660**	**0**	**0**	**706**	**660**

Tax Horizon

The GLJ Reserves Report estimates that the Company will be taxable in 2025 and future years which is consistent with the Company's expectations.

The GLJ Reserves Report estimates income tax of $78.460 and $165.227 million, respectively, in the total proved and total proved plus probable categories. Ultimately, future taxability will depend on future activity levels and may change from that estimated in the GLJ Reserves Report due to additional capital spending and other additional costs such as general and administrative costs not included in the GLJ Reserves Report but included in the computation of the Company's taxable income.

Forward Contracts

As of December 31, 2024, Petro-Victory had no risk management contracts in place to hedge its exposure to commodity price fluctuations.

Production History

The following tables discloses, on a quarterly basis for the year ended December 31, 2024, information in respect of production.

Average Daily Production Volume:

	BO Total per month ended as at			
Field	**March 31, 2024**	**June 30, 2024**	**September 30, 2024**	**December 31, 2024**
Andorinha	272	289	259	221
Trapia	61	58	55	56
Alto Alegre	-	-	-	-
Sao Joao	983	1,657	1,111	835
Total	**1,316**	**2,004**	**1,424**	**1,112**

	Average BOPD ended as at			
Field	**March 31, 2024**	**June 30, 2024**	**September 30, 2024**	**December 31, 2024**
Andorinha	9	10	8	7
Trapia	2	2	2	2
Alto Alegre	-	-	-	-
Sao Joao	32	55	36	27
Total	**43**	**66**	**46**	**36**

The following table discloses, on a quarterly basis for the year ended December 31, 2024, the average prices, royalties paid, production costs incurred, and the resulting netback on a per unit volume basis:

	1Q24	**2Q24**	**3Q24**	**4Q24**
Realized sales price, net of sales tax	72.85	74.32	71.64	60.58
Royalties	(4.81)	(3.64)	(3.98)	(3.57)
Production Expense	(62.46)	(33.60)	(35.08)	(44.41)
Netback	**5.58**	**37.08**	**32.58**	**12.60**

INDUSTRY CONDITIONS

Brazil

Brazil, is the largest country in Latin America, the ninth largest economy in the world, and the eighth largest oil producer in the world. Brazil is a federal republic characterized by its large and growing domestic market, diversified economy, and oil industry. In 2024, Brazil saw a 5.92 percent increase in proven oil reserves compared to 2023. Companies contracted for exploration and production in the country declared 16.841 billion barrels of proven oil reserves. These figures are from the Annual Resources and Reserves Bulletin of the National Petroleum, Natural Gas, and Biofuels Agency (ANP), because of exploration success and a regulatory framework that allows for private investment.

Exploration in Brazil began in the 1930s and the first commercial discovery was made in 1939 in the Recôncavo Basin in the State of Bahia. However, production output did not experience substantial growth until the late 1970s when the state oil company, Petróleo Brasileiro SA ("**Petrobras**"), extended its operations offshore. In the Campos Basin, a series of deep-water discoveries were made in the 1980s and 1990s. The discovery of the "pre-salt" reserves (a group of reservoirs older than the salt layer) in the Santos Basin followed those in the Campos Basin and have become the focal point of current hydrocarbon development in Brazil. The pre-salt discoveries are credited with being the potential catalyst for making Brazil an increasingly important oil exporter. However, there are also other opportunities that extend beyond the shallow and deep waters' conventional potential, including the mature coastal basins that have yet to undergo next generation exploration and development methodologies. The onshore basin opportunities include new exploration models for additional trapping opportunities, unconventional or tight oil and gas plays, enhanced recovery methods in existing hydrocarbon pools, and the development of existing hydrocarbon discoveries that were viewed as marginal by Petrobras on discovery.

Brazil - Hydrocarbon Law & Concessions Regime

Until 1995, Brazilian oil and gas activities were monopolized by state-owned Petrobras. Constitutional Amendment No. 09 (1995) adjusted this monopoly by allowing that the Brazilian government could contract with state-owned and private companies to conduct many oil and gas activities. Today, state-owned or private company participation in these oil activities is regulated in large part by Federal Law No. 9,478 (1997) (the "**Petroleum Law**"). Under the "concession" regime regulated by the Petroleum Law, the ANP has conducted 17 bidding rounds and open acreage auctions to grant concession contracts ("**Concession Contract**") for onshore and offshore petroleum exploration and production blocks to concessionaries, and to grant production contracts.

In addition to the existing concession regime, newer Brazilian laws have confirmed a "production sharing contract" to be applied for future licensing of the defined pre-salt area and certain other areas to be deemed strategic by the government.

The primary regulatory agencies charged with regulating oil and gas activities in Brazil are:

(a) the Conselho Nacional de Politica Energetica, or National Council of Energy Policy, an agency of the Brazilian government, having the main purposes of fostering rational use of Brazil's energy resources, ensuring proper functioning of the national fuels inventories system, reviewing energy matrixes for different regions of Brazil, and establishing guidelines;

(b) the ANP, being the national regulator of the oil, gas and biofuels industries, is generally charged with regulating, contracting and supervising activities related to oil and natural gas, and establishing technical standards for various related activities; and

(c) the Ministerio de Minas e Energia, or Ministry of Mines and Energy, a Brazilian government ministry fostering investments in mining and energy related activities funding research and establishing government policies.

In addition to this regulatory framework, environmental regulations are applicable and certain licences and permits are required for the performance of oil and gas activities. Government environmental agencies are responsible for issuing such licences and permits and federal or state rules may apply depending on the activity to be carried out. As mentioned above, there are two different regulatory frameworks for the granting of exploration and production rights in Brazil: the concession regime and the production sharing contract regime. The exploration and production rights held by Petro-Victory fall under the concession regime.

Under the concession regime, oil and gas blocks are awarded by means of bidding rounds or open acreage auctions carried out by the ANP. The ANP has the authority to define which oil and gas blocks shall be tendered and to release general terms and conditions comprised in the tender documents. Such tender documents establish all technical, financial and legal documents and requirements that the would-be concessionaire must present or satisfy in order to be qualified to participate in the bidding round under various categories of participation. The ANP's bid evaluation criteria are signature bonus, minimum exploration program, and local content. Federal, state and local governments are recompensed through "government takes", which are defined as all payments to be made by a concessionaire as a result of the activities of exploration and production of oil and natural gas. Government takes consist of:

- Signature Bonus: a lump-sum payable in a single instalment upon execution of the concession agreement;
- Royalties: financial compensation to be paid monthly by the concessionaries;
- Special Participation: extraordinary financial compensation payable in the event that high volumes of oil or natural gas are produced or a certain field otherwise enjoys high profitability; and
- Payment for area occupation or retention: consists of a yearly sum to be paid for the occupation or retention of oil prospecting areas. ANP sets the amounts to be paid in the bidding documents and concession agreements, but there are minimum and maximum standards established by law.

There is no restriction on direct or indirect foreign participation in exploration and production rights, provided that the foreign investor incorporates a company under Brazilian law with head office and management in Brazil and complies with all technical, legal and financial requirements established by the ANP. No preference rule is established.

Operations are generally divided into two phases: exploration and production. The exploration phase can be 5 years for mature blocks or 8 years for frontier blocks. The exploration terms are outlined in each bid round instruction and for Petro-Victory's blocks are 5 years, consisting of two phases of three and two years. The minimum exploration program of the first exploration phase is the work program bid to win the block, and for the second phase the minimum work program is typically one exploration well. As a result of the COVID-19 Pandemic, ANP authorized an 18-month extension to existing concessionaires at that time.

In the case of a discovery in the exploration phase, the company must notify ANP and, to assess the discovery, submit a "Development Assessment" as part of the PAD phase that may include a specific request for a long-term production test, if required. Once the assessment is complete, the company submits a "Final Discovery Assessment Report" and then can declare "Commerciality". A Development Plan would then need to be submitted to the ANP within 6 months following commercial declaration. Once the ANP has accepted and approved the development plan, the operator is granted the area for production purposes with the remaining land returned to the ANP. The development and production phase is for 27 years after the declaration of commerciality but may be extended if approved by the ANP. At the end of the development and production phase, any required abandonment and reclamation will be carried out and the field will be returned to the ANP.

Brazilian Government Initiatives

The Brazilian government has initiatives in place to encourage investment in the country, including "The New Gas Market" program and the Revitalization of Exploration and Production Activity of Oil and Natural Gas Onshore ("**REATE**").

The New Gas Market

The goal of the New Gas Market program is to create a new natural gas market comprised of numerous suppliers and operators of pipelines, as well as distribution companies. The program aims to boost production and demand by improving the regulatory framework and providing third party access for essential gas infrastructure.

REATE 2020

The new version of this program, REATE 2020, seeks to expand the national policy of promoting oil and natural gas activities, providing synergies between producers, suppliers financiers, and regulatory agencies, in order to increase exploration and production, on land, of oil, and especially, of natural gas, in favor of a strong and competitive industry, with increasing efficiency and with increased operators and providers of goods and services, contributing greatly to regional development.

Local Content

All concession contracts have local content requirements, which are determined during the bidding process for each block and assessed at end of the expiry phase of each bock. If the committed level of local content is not met, the operator will be penalized. Penalties can be levied based on local content at the project level or at the expenditure level. Companies must submit local content details as part of a regular quarterly report to the ANP. In 2018, the ANP introduced revised local content regulations which reduced the local content requirements for all blocks and fields held by Petro-Victory to 50%. As at December 31, 2023, the Company does not have any local content penalties estimated or accrued.

Brazil — Royalties and Sales Taxes

Royalties are chargeable on oil and gas production. The basic royalty payable under the Petroleum Law is 10%. This rate can be lowered at the discretion of the ANP but cannot be reduced below 5%. Reduced rates have occasionally been set during the initial licensing process. In addition, in 2018, the ANP published new legislation allowing companies to apply to reduce the royalty rate for mature fields to as low as 5% on incremental production, subject to the approval of the ANP. Concession Contracts held by Petro-Victory are subject to a base 5% royalty (Andorinha, Alto Alegre, Trapiá, and Sao Joao) and 7.5% royalty (15 exploration blocks). Royalties are computed based on production volumes of the raw natural gas or crude oil produced at either a reference price determined and published by the ANP for each field within Brazil or at the sales price.

In addition, landowners are entitled to a percentage of the production from their lands, which may vary from 0.5% to 1.0%, to be defined by the ANP according to the Petroleum Law.

Sales taxes are due on all oil, condensate and natural gas revenues. All revenues are subject to Assistance Contribution ("**COFINS**") and Social Integration Program ("**PIS**") paid on revenues at a combined rate of 9.25%, offset by credits on available expenditures.

Brazil - Taxes

The Company is under the actual tax regime in Brazil. The statutory tax rate applicable to corporate income is 34%. This is comprised of a basic 15% corporate income tax, plus 10% surtax and 9% social contribution tax. Tax losses may be carried forward indefinitely; however, any utilization of losses in a subsequent taxation year is limited to 30% of the taxable income in that period.

There are tax incentives offered by SUDENE (the Superintendence for the Development of the Northeast) promoting economic and social development in the Brazil's northeast region. The tax incentive reduces income tax rates by up to 75% for the Company investing in the region.

There are also other taxes and social contributions that are levied by federal, state and municipal authorities in Brazil on tangible and intangible investments made in connection with oil and gas projects. The two main forms of such levies are value-added (sales) taxes and import duties. The actual application of these levies is project and location specific.

RISK FACTORS

An investment in Petro-Victory should be considered highly speculative due to the nature of its activities and the stage of its development. Investors should carefully consider the risk factors described below, together with all of the other information contained herein before making an investment decision with respect to the Company's Common Shares. If any of the following risks develop into actual events, its business, financial condition or results of operations could be materially adversely affected, and investors could lose all or a portion of their investment.

Commodity Price Fluctuations

Commodity prices are unstable and are subject to wide fluctuations in response to relatively minor changes in the supply and demand for oil and natural gas, market uncertainty and a variety of additional factors beyond the control of the Company. These factors include, but are not limited to, expectations regarding global supply and demand, government regulations, actions of Organization of Petroleum Exporting Countries ("**OPEC**") and other oil and gas exporting countries, international conflicts, weather conditions, risks of supply disruption, availability of alternative fuel sources, political conditions, actions of governmental authorities, and the impacts of other worldwide pandemics or other events.

Any material decline in prices will result in a reduction of Petro-Victory's future revenue and cash flows from operations. The economics of producing from some wells may change because of lower prices, which could result in a reduction in the volumes of Petro-Victory's reserves. Petro-Victory might also elect not to produce from certain wells at lower prices. All of these factors could result in a sustained and material decrease in Petro-Victory's future net production revenue which would have an adverse effect on the carrying value of the Company's reserves, its borrowing capacity, profitability and cash flows from operations, and may have a material adverse effect on the Company's business, financial condition, results or operations, and its acquisition and development activities.

The Company monitors market conditions and may selectively utilize derivative instruments to reduce exposure to commodity price movements. However, the Company is of the view that it is neither appropriate nor possible to eliminate 100 percent of its exposure to commodity price volatility.

Foreign Currency and Fiscal Matters

Petro-Victory is exposed to market risks resulting from fluctuations in foreign exchange rates, particularly with respect to crude oil, and natural gas revenues. Although the revenues are linked to USD benchmark prices, actual invoices for such sales are denominated in foreign currency, exposing the Company to foreign currency risk. With respect to crude

oil and condensate revenues, commodity prices received are based on USD benchmark prices on the date of sale, converted to BRL at the foreign exchange rate applicable on that date. A material devaluation of the BRL relative to the USD could result in a material adverse effect on Petro-Victory's funds flow, revenues and net asset value.

Currently, there are no significant restrictions on the repatriation of capital and distribution of earnings from Brazil to foreign entities. There can be no assurance, however, that restrictions on repatriation of capital or distributions of earnings from Brazil will not be imposed in the future. Amendments to current taxation laws and regulations that alter tax rates and/or capital allowances could have a material adverse impact on Petro-Victory.

To the extent that revenues and expenditures denominated in or strongly linked to the USD are not equivalent, Petro-Victory is exposed to exchange rate risk. In addition, a significant portion of expenditures in Brazil are denominated in BRL, which are difficult to hedge.

Marketability of Production and Economic Dependence

The marketability and ultimate commerciality of oil and gas discovered or acquired is affected by numerous factors beyond the control of Petro-Victory. These factors include local demand, reservoir characteristics, market fluctuations, the proximity, capacity and price of oil and gas pipelines and processing equipment and government regulation.

Reliance on Third Party Operators and Key Personnel

All of Petro-Victory’s concessions are operated at 100% working and operating interest with no reliance on third party operators or joint venture partners.

Petro-Victory's success depends, to a significant extent, upon management and key employees. The loss of any key employee could have a negative effect on Petro-Victory. Attracting and retaining additional key personnel will assist in the expansion of Petro-Victory's business. Should other oil and gas projects or expansions proceed in the same time frame as Petro-Victory's projects, Petro-Victory may compete with these other projects for experienced employees and contractors and such competition may result in increases to compensation paid to such personnel or to a lack of qualified personnel. There is no assurance that Petro-Victory will successfully attract and retain personnel required to continue to expand its business and to successfully execute its business strategy.

Reservoir Performance

The GLJ Reserves Report was, and all of Petro-Victory's future reserve evaluations are expected to be, prepared in accordance with NI 51-101. There are numerous uncertainties inherent in estimating quantities of reserves and funds flow to be derived therefrom, including many factors that are beyond the control of Petro-Victory. The reserves information set forth in this AIF represents estimates only. The reserves from Petro-Victory's properties have been independently evaluated by GLJ in the GLJ Reserves Report. The GLJ Reserves Report includes a number of inputs based on management's judgment and assumptions with respect to timing and execution of development plans. Additional factors affecting the ultimate recoveries from the evaluated properties include initial production rates, production decline rates, future commodity prices, marketability of production, and production costs, royalties and other government levies that may be imposed over the producing life of the reserves. All judgments and assumptions were based on the best information available at the date the relevant evaluations were prepared and all are subject to change, some being beyond the control of Petro-Victory. Actual production and funds flow derived therefrom will vary from these evaluations, and such variations could be material. These evaluations are based, in part, on the assumed success of exploitation activities intended to be undertaken in future years. The reserves and estimated funds flow to be derived therefrom contained in such evaluations will be reduced to the extent that such exploitation activities do not achieve the level of success assumed in the evaluations.

Exploration and Development Activities and Reserve Acquisition and Replacement

The exploration for, and production of, hydrocarbons is a highly speculative activity which involves a high degree of risk. The Company's current reserves will decline as reserves are produced unless the Company is able to discover and develop new reserves which involves exploration risk. The long-term commercial success of Petro-Victory depends on its ability to find, acquire, develop, and commercially produce hydrocarbon reserves. There can be no assurance that Petro-Victory's future exploration activities will result in material additions to reserves or that such activities will lead to future cash flows.

The exploration and development of hydrocarbons involve a number of uncertainties that even thorough evaluation, experience and knowledge of the industry cannot eliminate. Petro-Victory's exploration and possible development activities in Petro-Victory's properties will depend in part on the evaluation of data obtained through geophysical testing and geological analysis. The results of such studies and tests are often subject to varying interpretations and no assurance can be given that such activities will produce hydrocarbons in commercial quantities. The exploration, evaluation and development activities that will be undertaken by Petro-Victory are subject to greater risks than those normally associated with the acquisition and ownership of producing properties. Petro-Victory's properties may fail to produce hydrocarbons in commercial quantities.

It is impossible to guarantee that the exploration programs on Petro-Victory's properties will generate economically recoverable reserves. The commercial viability of a new hydrocarbon pool is dependent upon a number of factors which are inherent to reserves, such as hydrocarbon composition, associated non-hydrocarbon fluids and proximity and availability of infrastructure, as well as commodity prices which are subject to considerable volatility, regulatory issues such as price regulation, taxes, royalties, land tax, import and export regulations, and environmental protection issues. The individual impact generated by these factors cannot be predicted with any certainty but, when combined, may result in non-economical reserves. Petro-Victory will remain subject to normal risks inherent to the oil and gas industry such as unusual and unexpected geological changes in the parameters and variables of the petroleum system and operations.

International Operations

International operations are subject to political, economic and other uncertainties, including but not limited to, risk of social instability, border disputes, expropriation or properties without fair compensation or marketable compensation, renegotiations or modification of existing concessions and contracts, changes in energy and environmental policies or the personnel administering them, changes in oil and natural gas pricing policies, import, export and transportation regulations and tariffs, taxation policies, including royalty and tax increases and retroactive tax claims, currency exchange controls, economic sanctions, limits on allowable levels of production, currency fluctuations, actions of national labour unions and labour disputes and other uncertainties arising out of foreign government sovereignty over Petro-Victory's international operations. Petro-Victory's operations may also be adversely affected by changes in applicable laws and policies of Brazil, which could have a negative impact on Petro-Victory.

Income tax laws or incentives affecting the Company may change in the future or be interpreted in a manner that adversely affects the Company. In addition, changes in foreign exchange regulations or restrictions on repatriation of funds from Brazil may adversely affect the Company's ability to obtain cash from its Brazil subsidiaries to meet obligations.

The majority of Petro-Victory's operations are conducted in Portuguese and the Company may enter into significant contracts in Portuguese which may give rise to uncertainties. The Company manages this risk through the employment and involvement of qualified personnel within Brazil in all local operations.

Pandemic Risk

Petro-Victory's business, financial condition or liquidity may be materially and adversely impacted by pandemics, epidemics or outbreaks of an infectious disease in Canada, USA, UK, Brazil or worldwide, including COVID-19. The COVID-19 pandemic and the responses by governments and health authorities around the world to reduce the spread of the virus gave rise to a significant reduction in global economic activity and reduced demand for crude oil and natural gas, resulting in a sharp decline in current and forecasted commodity prices in 2020. Commodity prices have now recovered but future demand is uncertain and newly emerging variants or other pandemics may impact such demand and commodity prices well into the future, impacting the financial health of the Company.

The extent to which the COVID-19 pandemic or any other future pandemic, epidemic or other such infectious disease may impact the Company's operations, financial condition and future financial performance is currently unknown and pandemic risk may increase other risks including: 1) market risk due to volatility in commodity prices as a result of reduced oil and natural gas demand and due to volatility in foreign exchange markets; 2) operational risks due to workforce disruption or shut down orders which may restrict current operations and cash flows or future capital projects; 3) financing risk to the extent additional capital is required as financing alternatives may be limited or only available with terms unacceptable to Petro-Victory a result of reduced commodity prices and continued volatility in the financial markets; and 4) foreign operations risk given the Company's operations are undertaken in Brazil which has been particularly hard hit by the impact of the COVID-19 pandemic.

The direct and indirect effects of COVID-19 or other future pandemics could have unforeseen implications that may be material. The extent to which a pandemic may impact the Company's operations, financial condition and future financial performance is currently unknown.

Credit Facility

On September 3, 2021, the Company announced a series of transactions that included new secured debt, the repayment of existing debt, an in-kind subscription to a newly-formed energy focused investment fund and the exercise by a lender (579 Max Ltd) of warrants to purchase common shares of the Company. The financing was in the form of a US $5,000,000 secured loan from PPF 13, a Dallas-based limited partnership, payable over a term of five years with annual principal payments of US $500,000 plus interest at a rate of seven-point one percent (7.1%). As part of the transaction, PPF 13 also received 375,000 warrants to purchase a like-number of common shares at a share price of CDN $2.03.

On September 15, 2022, the Company closed on $1.7 million of secured financing from 579 Max Ltd. The new financing includes interest at 12% per annum from September 2022 to March 2024, increasing to 14% per annum starting in April, 2024 and is due on March 31, 2026. In conjunction with the loan, the lender received 600 thousand warrants. Each warrant entitles the holder to purchase one common share of the Company’s common stock at an exercise price equal to CAD $1.25 per share.

During 2023, the Company closed short-term unsecured promissory notes totaling $1.2 million from existing shareholders of the Company.

During 2024, the Company closed short-term unsecured promissory notes totaling $3.6 million from existing shareholders of the Company.

Access to Capital and Future Financing Requirements

The Company may seek to raise additional funds in the future to fund future capital expenditures on Petro-Victory's properties or other potential business development activities. There can be no assurance that debt or equity financing will be available or sufficient to meet these requirements or, if debt or equity financing is available, that it will be on

terms acceptable to Petro-Victory. The inability of Petro-Victory to access sufficient capital for its planned operations could have a material adverse effect on Petro-Victory's business, financial condition, results of operations and prospects, and could result in the delay or indefinite postponement of further exploration, evaluation, and development of Petro-Victory's properties.

Capital requirements are subject to normal capital market risks, primarily the availability and cost of capital. The extent to which Petro-Victory will need to access additional funding will be subject to normal capital market risks, primarily the availability and cost of capital. Expectations for the future price of oil and gas will be an important factor in determining Petro-Victory's ability to access debt financing at the time that this may become necessary.

Legal and Regulatory

The Company is subject to extensive governmental and environmental approvals and regulations in Brazil. Oil and gas operations (exploration, production, pricing, marketing and transportation) are subject to extensive controls and regulations imposed by various levels of government, which may be amended from time to time. Delays in obtaining regulatory approvals could result in project delays and an inability to meet contractual obligations and commitments. Changes to these regulations could increase the costs of conducting business. Environmental concerns relating to the oil and gas industry's operating practices are in the global spotlight and this may result in more stringent government regulation. Petro-Victory is uncertain as to the amount of operating and capital expenses that will be required to comply with enhanced environmental regulation in the future as discussed in further detail in the Risk Factor entitled "*Environmental Regulation*".

Petro-Victory's operations may also be adversely affected by laws and policies of US/Canada affecting foreign trade, taxation and investment. In the event of a dispute arising in connection with Petro-Victory's foreign operations, Petro-Victory may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of the courts of US/Canada or enforcing US/Canadian judgments in such other jurisdictions. Petro-Victory may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. Accordingly, Petro-Victory's exploration, development and production activities in the foreign jurisdictions in which it operates could be substantially affected by factors beyond Petro-Victory's control, any of which could have a material adverse effect on Petro-Victory.

Environmental Regulation

All phases of the oil and gas business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills and releases or emissions of various substances produced in association with oil and gas operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities.

Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. The discharge of oil, natural gas or other pollutants into the air, soil or water may give rise to liabilities to foreign governments and third parties and may require Petro-Victory to incur costs to remedy such discharge. No assurance can be given that environmental laws will not result in a curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise adversely affect Petro-Victory's financial condition, results of operations or prospects. In addition, regulations relating to greenhouse gas emissions in Brazil or elsewhere in the world may have an effect on Petro-Victory's costs or on levels of future demand for hydrocarbon-based products.

There has also been increasing focus from investors and potential investors on the impact of oil and gas operations on the environment and communities in which oil and gas companies operate. As a result, certain investors may divest of any interest in oil and gas companies or the industry as a whole. This may further limit Petro-Victory's ability to access sources of financing in the future should it be required. Furthermore, even where capital is available, such investors may require the implementation of more stringent policies and practices concerning environmental matters, including with respect to GHG emissions or otherwise, some of which may require the installation of emissions monitoring and measuring devices, the verification and reporting of emissions data and additional financial expenditures to comply with GHG emissions reduction requirements. More stringent policies and monitoring requirements may come at a significant cost and time commitment of management, which may increase the overall cost of capital and have a negative impact on future cash flows from operations and earnings. In addition to new and stricter standards in environmental legislation, there may be additional costs to comply with sustainability disclosure standards. Emissions, carbon and other regulations impacting climate and climate related matters are constantly evolving. The newly established International Sustainability Standards Board ("**ISSB**") is developing sustainability disclosure standards that are globally consistent, comparable and reliable. The cost to comply with this standard or any other similar disclosure standard has not yet been quantified and may be material to the Company.

Competition

The oil and gas industry is highly competitive, both with respect to the acquisition of prospective oil and gas properties and reserves as well as in attracting financing sources for the acquisition of new reserves or the development of existing reserves and marketing production. Petro-Victory's competitive position depends on its geoscience and engineering expertise, its financial resources, its ability to develop its properties and its ability to select, acquire and develop proved reserves. Petro-Victory will compete with a substantial number of other companies having larger technical staff and greater financial and operational resources and access to capital. Many such companies not only engage in the acquisition, exploration, development and production and sale of petroleum reserves, but also carry on refining operations and market refined products. In Brazil particularly, Petrobras dominates the majority of the industry, including many aspects of oil and gas exploration, development, transportation and sales. Petro-Victory competes with Petrobras and other major and independent oil companies and other industries supplying energy and fuel in the marketing and sale of oil and gas to transporters, distributors and end users, including industrial, commercial and individual consumers. Petro-Victory may encounter challenges with respect to transporting and marketing crude oil and natural gas. Access to pipelines and other transportation infrastructure may be limited and/or the terms on which such access is provided may not be favourable to the Company.

Availability of Drilling Equipment and Access Restrictions

Oil and gas exploration and development activities are dependent on the availability of drilling and related equipment in the particular areas where such activities will be conducted. Demand for such limited equipment or access restrictions may affect the availability of such equipment to Petro-Victory and may delay exploration and development activities. There can be no assurance that sufficient drilling and completion equipment, services and supplies will be available when needed. Shortages could: (i) delay Petro-Victory's exploration, development, and sales activities; (ii) have a material adverse effect on Petro-Victory's financial condition; and (iii) cause Petro-Victory to not meet the local content requirements of its concession contracts, incurring penalties.

Climate Change — Physical Risk

Extreme climate conditions including floods, forest fires, earthquakes, hurricanes, drought and other weather related events may impact Petro-Victory's operations or that of its major customers or suppliers. Climate change may increase the frequency and severity of such events and future events may have a material adverse effect on Petro-Victory. The Company's financial results for 2024 were not directly impacted from a climate event and the Company did not have any weather related damages to its properties from any climate related events. The Company maintains insurance coverage that provides a level of insurance for certain events that may arise due to climate change factors, however,

the Company's insurance program is subject to limits and various restrictions. No claims were made under the Company's insurance policies in 2024 with respect to climate related matters.

Dilution and Further Sales

Petro-Victory may issue additional Common Shares or other securities to finance its capital expenditures and operations. The constating documents of Petro-Victory permit it to issue an unlimited number of additional Common Shares and an unlimited number of Preferred Shares (as defined below) and such future issuances may be dilutive to shareholders.

Minimum Work Commitments on Exploration Blocks

The. The following table outlines the minimum work program requirements set forth by ANP for concession exploration blocks. These requirements serve as a benchmark for companies operating within the oil and gas sector, delineating the scope of activities necessary to fulfill exploration obligations and progress towards commercial production.

Compliance with these minimum program requirements is essential for the Company to maintain its exploration rights. As such, Petro-Victory could lose certain exploration rights on the blocks affected and could also be subject to certain financial penalties if the minimum work requirements are not met. From time to time, it is expected that Petro-Victory may request extensions or suspensions to the timeframe allotted for work commitments; however, there is no assurance that any such extensions or suspensions will be granted.

Concession Expiry	Quantity of Exploration Blocks	Minimum Work Program (BRL)	Minimum Work Program (USD)
2027	27	$ 36,303	$ 7,261
2028	7	8,630	1,726
Total	**34**	**$ 44,933**	**$ 8,987**

Permits, Licenses and Leases

Petro-Victory's properties and activities on such properties are held in the form of permits, licenses and leases. If Petro-Victory fails to meet the specific requirements of a permit, license or lease, the permit, license or lease may terminate or expire. There can be no assurance that any of the obligations required to maintain each permit, license or lease will be met. The termination or expiration of Petro-Victory's permits, licenses or leases may have a material adverse effect on Petro-Victory's results of operations and business.

Furthermore, the development of Petro-Victory's properties will require additional permits, licenses, and regulatory approvals. If such permits, licenses, or regulatory approvals are not obtained or if the conditions provided for in such permits, licenses, and regulatory approvals are substantially different from the expectations of Petro-Victory, it may have a material adverse effect on Petro-Victory's results of operations and business.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in Canada and the United States have experienced a high level of price and volume volatility. The market price of securities of many companies, particularly those considered to be development stage companies, has experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It is likely that the market price for the Common Shares will be subject to market

trends generally, notwithstanding the financial and operational performance of Petro-Victory. In addition, Petro-Victory's trading volumes have historically been low. All of these factors may impact investor decisions as they may make it difficult for a shareholder to sell Common Shares at a price equal to or above the price at which the shares were purchased.

Operating Hazards and Uninsurable Risks

Oil and gas exploration, development and production operations are subject to all the risks and hazards typically associated with such operations, including hazards such as fire, explosion, blowouts and oil spills, each of which could result in substantial damage to oil wells, production facilities, other property and the environment or in personal injuries or loss of life. Hazards such as unusual or unexpected geological formations, pressures or other conditions may be encountered in drilling and operating wells. As Petro-Victory has interests in a limited number of properties, such risk is more significant than if spread over a greater number of properties. In accordance with industry practice, Petro-Victory is not fully insured against all of these risks, nor are all such risks insurable. Although Petro-Victory maintains liability insurance in an amount that it considers adequate and consistent with industry practice, the nature of these risks is such that liabilities could exceed policy limits, in which event Petro-Victory could incur significant costs that could have a materially adverse effect upon its financial condition, resulting in a decline in the value of the securities of Petro-Victory. Oil and gas production operations are also subject to all the risks typically associated with such operations, including premature decline of reservoirs and the invasion of water into producing formations.

Disruptions in Production

Other factors affecting the production and sale of oil and natural gas that could result in decreases in profitability include: (i) expiration or termination of leases, permits or licences, or sales price redeterminations or suspension of deliveries; (ii) future litigation; (iii) the timing and amount of insurance recoveries; (iv) work stoppages or other labour or community difficulties; (v) maintenance activities; (vi) limitations on access to pipeline capacity; and (vii) changes in the market and general economic conditions. Weather conditions, equipment replacement or repair, fires, amounts of rock and other natural materials and other geological conditions can have a significant impact on operating results. There can be no assurance that labour, community or similar issues will not affect Petro-Victory's ability to produce or sell oil and gas in the future.

Changes in Legislation

It is possible that the Brazil or US/Canadian federal and provincial government or regulatory authorities could choose to change Brazil or US income tax laws, royalty regimes, environmental laws or other laws applicable to oil and gas companies and that any such changes could materially adversely affect Petro-Victory, its shareholders and the market value of the Common Shares.

Cyber Security

The Company is dependent upon the availability, capacity, reliability and security of its information technology infrastructure. In the event the Company is unable to effectively utilize its software and hardware, upgrade systems and network infrastructure as required, and take other steps to maintain or improve the efficiency of systems, the operation of such systems could be interrupted or result in the loss, corruption, or release of data. In addition, information systems could be interrupted by natural disasters, force majeure events, telecommunications failures, power loss, acts of war or terrorism, computer viruses, malicious code, physical or electronic security breaches, intentional or inadvertent user misuse or error, or similar events or disruptions. Any of these or other events could cause interruptions, delays, loss of critical or sensitive data or similar effects, which could have a material adverse impact on the protection of intellectual property, confidential and proprietary information, and on the Company's business, financial condition, results of operations and cash flows from operations.

The Company is also subject to a variety of information technology and system risks as a part of its normal course operations, including potential breakdown, invasion, virus, cyber-attack, cyber-fraud, security breach, and destruction or interruption of the Company's information technology systems by third parties or insiders. Unauthorized access to these systems by employees or third parties could lead to corruption or exposure of confidential or proprietary information, interruption to communications or operations or disruption to the Company's business activities or its competitive position. In addition, cyber phishing attempts, in which a malicious party attempts to obtain sensitive information such as usernames, passwords, credit card detail and money by disguising as a trustworthy entity in an electronic communication, have become more widespread and sophisticated in recent years. If the Company becomes a victim to a cyber phishing attack it could result in a loss or theft of the Company's financial resources or critical data and information or could result in a loss of control of the Company's technological infrastructure or financial resources. Although the Company has measures and controls in place that are designed to mitigate these risks, a breach of its security measures and/or a loss of information or financial resources could occur and result in a loss of material and confidential information and reputation, breach of privacy, disruption to its business activities and/or a financial loss. The significance of any such event is difficult to quantify but may in certain circumstances be material and could have a material adverse effect on the Company's business, financial condition and results of operations.

Failure to Realize Anticipated Benefits of Acquisitions and Dispositions

Petro-Victory will make acquisitions and dispositions of businesses and assets in the ordinary course of business. Achieving the benefits of acquisitions depends in part on successfully consolidating functions and integrating operations and procedures in a timely and efficient manner as well as Petro-Victory's ability to realize the anticipated growth opportunities and synergies from combining the acquired businesses and operations with those of Petro-Victory. The integration of acquired businesses, properties and operations may require substantial management effort, time and resources and may divert management's focus from other strategic opportunities and operational matters. Management of Petro-Victory will continually assess the value and contribution of services provided and assets required to provide such services. In this regard, management expects that non-core assets will be periodically disposed of, so that Petro-Victory can focus its efforts and resources more efficiently. Depending on the state of the market for such non-core assets, certain non-core assets of Petro-Victory, if disposed of, could realize less than their carrying value on the financial statements of Petro-Victory.

Risk Management and Hedging Activities

Petro-Victory may evaluate the use of and may employ exchange-traded or over-the-counter derivative structures to hedge commodity prices, interest rate and foreign exchange risk. Petro-Victory has not entered into forward contracts to manage its exposure to fluctuations in the R$ relative to USD. Risks associated with such products include, but are not limited to, counterparty risk, settlement risk, liquidity risk and market risk which could impair or negate Petro-Victory's hedging strategy and result in a negative impact on its earnings and funds flow.

Additionally, if oil and gas prices, interest rates or exchange rates increase above or decrease below those levels specified in any future hedging agreements, such hedging arrangements may prevent Petro-Victory from realizing the full benefit of such increases or decreases.

Additionally, due to the uncertain worldwide economic environment, there can be no assurance that Petro-Victory will be able to engage credit worthy counterparties in hedging activities.

Title Matters

The acquisition of title to oil and gas properties in Brazil is a detailed and time-consuming process. Petro-Victory's properties may be subject to unforeseen title claims. While Petro-Victory will diligently investigate title to all property and will follow usual industry practice in obtaining satisfactory title and, to the best of Petro-Victory's knowledge,

title to all of Petro-Victory's properties are in good standing, this should not be construed as a guarantee of title. Title to Petro-Victory's properties may be affected by undisclosed and undetected defects.

Structure of Petro-Victory

From time to time, Petro-Victory may take steps to organize its affairs in a manner that minimizes taxes and other expenses payable with respect to the operation of Petro-Victory and its subsidiaries. If the manner in which Petro-Victory structures its affairs is successfully challenged by a taxation or other authority, Petro-Victory and its Shareholders may be adversely affected.

Net Asset Value

Petro-Victory's net asset value will vary depending upon a number of factors beyond the control of Petro-Victory's management, including oil and natural gas prices. The trading price of the Common Shares is also determined by a number of factors which are beyond the control of management and such trading price may be greater than or less than the net asset value of Petro-Victory.

Management of Growth

Petro-Victory may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of Petro-Victory to manage growth effectively will require it to implement and improve its operations and financial systems and to expand, train and manage its employee base. The inability of Petro-Victory to deal with this growth could have a material adverse impact on its business, operations and prospects.

Corruption

Petro-Victory is governed by the laws of many jurisdictions, which prohibit bribery and other forms of corruption. It is possible that Petro-Victory, or some of its employees or contractors, could be charged with bribery or corruption. Petro-Victory has strict policies and procedures in place that prohibit activities such as these and will require all employees and contractors to read these policies and procedures and acknowledge their understanding and compliance on an annual basis. However, if Petro-Victory is found guilty of such a violation, which could include a failure to take effective steps to prevent or address corruption by its employees or contractors, Petro-Victory could be subject to onerous penalties. A mere investigation itself could lead to significant corporate disruption, high demand on financial and personnel resources and forced settlements (such as the imposition of an internal monitor). In addition, bribery allegations or bribery or corruption convictions could impair Petro-Victory's ability to work with governments or nongovernmental organizations. Such convictions or allegations could result in the formal exclusion of Petro-Victory from a country or area, national or international lawsuits, government sanctions or fines, project suspension or delays, reduced market capitalization and increased investor concern.

Failure to Maintain Listing of the Common Shares

The Common Shares are currently listed for trading on the facilities of the TSXV. The failure of Petro-Victory to meet the applicable listing or other requirements of the TSXV in the future may result in the Common Shares ceasing to be listed for trading on the TSXV, which would have a material adverse effect on the value of the Common Shares. While management makes every effort, there can be no assurance that the Common Shares will continue to be listed for trading on the TSXV.

Transportation Costs

Disruption in or increased costs of transportation services could make oil and gas a less competitive source of energy or could make Petro-Victory's oil and gas less competitive than other sources. The industry depends on pipelines,

trucking, ocean-going vessels, and barge transportation to deliver shipments, and transportation costs are a significant component of the total cost of supplying crude oil and natural gas. Disruptions of these transportation services because of weather-related problems, pandemic-related lockdowns, strikes, lockouts, delays, mechanical problems or other events could temporarily impair the ability to supply natural gas and crude oil to customers and may result in lost sales. In addition, increases in transportation costs, or changes in transportation costs for oil and gas produced by competitors, could adversely affect profitability. To the extent such increases are sustained, Petro-Victory could experience losses and may decide to discontinue certain operations forcing Petro-Victory to incur closure and/or care and maintenance costs, as the case may be. Additionally, lack of access to transportation may hinder production from Petro-Victory's business and Petro-Victory may be required to use more expensive transportation alternatives.

Forward-Looking Information May Prove Inaccurate

Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. Additional information on the risks, assumptions and uncertainties are found in this Annual Information Form under the heading "*Forward Looking Statements*".

DIVIDENDS AND DISTRIBUTIONS

The Company currently intends to retain any future earnings to fund the development and growth of the business and does not currently anticipate paying dividends on the Common Shares. Any determination to pay dividends in the future will be at the discretion of the Board and will depend on many factors, including, among others, financial condition, current and anticipated cash requirements, contractual restrictions and financing agreement covenants, and other factors the Board may deem relevant.

DESCRIPTION OF CAPITAL STRUCTURE

Authorized Shares

The authorized shares of the Company consist of an unlimited number of Common Shares, an unlimited number of Restricted Voting Shares, and an unlimited number of preferred shares issuable in series (the "**Preferred Shares**").

Common Shares

The Common Shares have no par or nominal value. Holders of Common Shares are entitled to one vote for each share on all matters to be voted on by shareholders at meetings of the Company's shareholders (except matters requiring the vote of a specified class or series voting separately as a class or series). Holders of Common Shares will be entitled to receive such dividends, if, as and when declared by the Board out of profits, capital or otherwise, provided that no dividend may be declared or paid in respect of Common Shares unless concurrently therewith the same dividend is declared or paid on the Restricted Voting Shares. All dividends which the Board may declare shall be declared and paid in equal amounts per share on all Common Shares at the time outstanding. On liquidation, dissolution or winding up, whether voluntary or involuntary, or any other distribution of the assets of the Company among its shareholders for the purpose of winding up its affairs, the holders of Common Shares will be entitled to receive the property of the Company remaining after payment of all outstanding debts, on a pro rata basis, together with the holders of Restricted Voting Shares, and subject to the rights, privileges, restrictions and conditions of any other class of shares issued by the Company. There are no pre-emptive or redemption rights attaching to the Common Shares. All Common Shares, when issued, are and will be issued as fully paid and non-assessable shares without liability for further calls or to assessment, other than as permitted by the BVI Act. See "*BVI Corporate Law – Summary*".

Each Common Share will be convertible at the option of the holder thereof into Restricted Voting Shares on a one (1) for one (1) basis, provided always that, at the time of such conversion, the par value per share of each Common Share and Restricted Voting Share is the same. The Common Shares are convertible into Restricted Voting Shares at any time after the date of issuance.

The rights attached to the Common Shares, whether or not the Company is being wound-up, may be varied with the consent in writing of all the holders of the Common Shares or with the sanction of a resolution passed by a special majority equal to or greater than 66⅔ percent of the votes cast at a separate meeting of the holders of Common Shares.

Restricted Voting Shares

The Restricted Voting Shares have no par or nominal value. Holders of Restricted Voting Shares are entitled to one vote for each share on all matters to be voted on by shareholders at meetings of the Company's shareholders (except (i) for matters concerning the nomination and/or election of directors or (ii) matters requiring the vote of a specified class or series voting separately as a class or series). Holders of Restricted Voting Shares will be entitled to receive such dividends, if, as and when declared by the Board out of profits, capital or otherwise, provided that no dividend may be declared or paid in respect of Restricted Voting Shares unless concurrently therewith the same dividend is declared or paid on the Common Shares. All dividends which the Board may declare shall be declared and paid in equal amounts per share on all Restricted Voting Shares at the time outstanding. On liquidation, dissolution or winding up, whether voluntary or involuntary, or any other distribution of the assets of the Company among its shareholders for the purpose of winding up its affairs, the holders of Restricted Voting Shares will be entitled to receive the property of the Company remaining after payment of all outstanding debts, on a pro rata basis, together with the holders of Common Shares, and subject to the rights, privileges, restrictions and conditions of any other class of shares issued by the Company. There are no pre-emptive or redemption rights attaching to the Restricted Voting Shares. All Restricted Voting Shares, when issued, are and will be issued as fully paid and non-assessable shares without liability for further calls or to assessment, other than as permitted by the BVI Act. See "*BVI Corporate Law – Summary*".

The Restricted Voting Shares will be convertible at the option of the holder thereof into Common Shares on a one (1) for one (1) basis, provided always that, at the time of such conversion, the par value per share of each Restricted Voting Share and Restricted Voting Share is the same. The Restricted Voting Shares are convertible into Common Shares at any time after the date of issuance.

The rights attached to the Restricted Voting Shares, whether or not the Company is being wound-up, may be varied with the consent in writing of all the holders of the Restricted Voting Shares or with the sanction of a resolution passed by a special majority equal to or greater than 66⅔ percent of the votes cast at a separate meeting of the holders of Restricted Voting Shares.

Warrants

As at December 31, 2024, the Company presently has the following warrants outstanding.

There are currently 2,347,727 equity warrants issued in connection with private placements in 2023 with an exercise price of CAD $4.00. All of these warrants are currently outstanding as of December 31, 2024.

During the year ended December 31, 2024, the Company issued 1,205,350 equity warrants in connection with a private placement that concluded February 27, 2024. Each warrant entitles the holder thereof to acquire one Common Share per warrant at an exercise price of CAD $4.00 per share. All of these warrants are outstanding as of December 31, 2024.

There are currently 375,000 bond warrants outstanding in connection with debt issued in 2021 with an exercise price of CAD $2.03 per share.

During the year ended December 31, 2024, the Company issued 4,205,488 non-transferable share purchase warrants in connection with debt facilities during the year. 3,632,996 warrants entitle the holder thereof to acquire one Common Share per warrant at an exercise price of CAD $1.25 per share. 475,592 warrants entitle the holder thereof to acquire one Common Share per warrant at an exercise price of CAD $0.86 per share. 100,000 warrants entitle the holder thereof to acquire one Common Share per warrant at an exercise price of CAD $2.03 per share. All of these warrants are outstanding as at December 31, 2024.

Preferred Shares

The Preferred Shares will be issuable in one or more series with no par or nominal value. Before the issue of any series of Preferred Shares, the Board is required to fix the number of shares within such series and determine the designation, rights, privileges, restrictions and conditions attaching to each such series, including the rate, amount or method of calculation of dividends, the time and place of payment of dividends, whether cumulative or non-cumulative or partially cumulative and the consideration and the terms and conditions of any purchase for cancellation, retraction or redemption rights (if any), the conversion or exchange rights attached thereto (if any), the voting rights attached thereto (if any), and the terms and conditions of any share purchase plan or sinking fund. To date, no Preferred Shares have been issued.

MARKET FOR SECURITIES

Trading Price and Volume

The Common Shares are listed and posted for trading on the TSXV under the trading symbol “VRY” and have traded on such stock exchange since July 24, 2014. The following table sets out the price range (monthly high and low closing prices) of the Common Shares and consolidated volumes traded on the TSXV for the periods indicated (as reported by the TSXV).

Price Range (C$)			
Month (2025)	**High (C$)**	**Low (C$)**	**Volume**
January	0.86	0.86	-
February	1.48	0.86	8,300
March	1.50	1.05	43,800
April (1-28)	1.25	0.70	25,600
Month (2024)	**High (C$)**	**Low (C$)**	**Volume**
January	2.20	2.00	61,446
February	2.30	2.00	14,367
March	2.19	1.95	39,404
April	2.02	1.85	73,255
May	2.10	1.98	15,954
June	2.08	1.76	20,475
July	1.94	1.50	27,217
August	1.68	0.90	17,956
September	1.25	0.92	35,403
October	1.25	0.75	33,751
November	0.98	0.76	25,325
December	1.50	0.63	43,316

Prior Sales

The following table summarizes the issuances of unlisted securities for the year ended December 31, 2024.

Description of Security	Date Issued	Number of Securities Issued	Exercise Price per Security (CAD$)
Warrants	2/13/2024	600,000	$ 1.25
Warrants	2/27/2024	1,205,350	$ 4.00
Warrants	8/22/2024	100,000	$ 2.03
Warrants	9/23/2024	1,293,504	$ 1.25
Warrants	9/24/2024	1,739,392	$ 1.25
Options	9/25/2024	871,130	$ 1.25
Warrants	11/27/2024	140,360	$ 0.86
Warrants	12/20/2024	95,766	$ 0.86
Warrants	12/27/2024	96,106	$ 0.86
Warrants	12/31/2024	140,360	$ 0.86
Warrants	3/31/2025	386,336	$ 1.49

DIRECTORS AND OFFICERS

The names, municipalities of residence, positions with Petro-Victory and its subsidiaries and the principal occupations of the persons who serve as directors and executive officers of Petro-Victory as of the date hereof are set out below.

Name and Municipality of Residence	Position Held[1]	Position Since	Principal Occupation During the Preceding Five Years
Richard F. Gonzalez *Dallas, Texas*	President, Chief Executive and Director	May 20, 2014	Chief Executive Officer and Chairman of the Company since May 20, 2014. Chief Executive Officer of Crescent Global Oil, LLC since 2003.
Jonathon G. Weiss[2][3] *Weatherford, Texas*	Director	May 20, 2014	Vice President of Dynamic Production Inc. since 1983.
Mark R. Scruggs[2][4][5] *Birmingham, Alabama*	Director	October 1, 2021	Executive Officer of private investment firm
George E. Burch[4][5] *Dallas, Texas*	Director	October 1, 2018	Executive Officer of U.S. oil and gas interests, Investments
Charles H. Cotter[2][4][5] *Dallas, Texas*	Director	October 1, 2018	Executive Officer of private equity firm
T. Lynn Bryant[3][4] *Tyler, Texas*	Director	July 15, 2021	CEO of Ridge Petroleum, Inc.
Christian Cooper[2] *Dallas, Texas*	Director	June 1, 2023	Founder and Managing Partner of Owl Investments. Managing Principal of Nest Sustainable Waste, LLC. Before his current role, Mr. Cooper was CEO at Oilfield Water Logistics, LLC (OWL)
Daniel R. Wray *Dallas, Texas*	CFO	July 5, 2022	Chief Financial Officer of the Company since July 2022. Ernst and Young for 9 years previous.
Andre Naslausky *Rio de Janeiro, RJ, Brasil*	COO	July 10, 2023	Chief Operating Officer of the Company since July 2023. Prior thereto, Managing Director, Maha Energy Brasil, VP LATAM Slumberger

Notes:

(1) Each Director will hold office until the next annual meeting of the shareholders of Petro-Victory.
(2) Member of the Audit Committee of the Board of Directors.
(3) Member of the Reserves Committee of the Board of Directors.
(4) Member of the Corporate Governance of the Board of Directors.
(5) Member of the Compensation Committee of the Board of Directors.

As of December 31, 2024, 16,255,860 Common Shares, 4,333,724 Restricted Voting Shares and nil Preferred Shares are issued and outstanding as fully paid and non-assessable. No other shares of any other class are issued or outstanding. As of the date of this AIF, 16,852,362 Common Shares, 4,333,724 Restricted Voting Shares and nil Preferred Shares are issued and outstanding as fully paid and non-assessable.

Each Common Share and each Restricted Voting Share entitles the holder thereof to receive notice of, to attend and to one vote per Common Share held at shareholder's meetings (except that Restricted Voting Shares are not entitled to vote for the election of directors at shareholder's meetings) except to the extent that, (a) the holder has transferred the ownership of any of his Common Shares after the Record Date, and (b) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he owns the Common Shares, and demands not later than ten (10) days before the day of the shareholder's meetings that his name be included in the list of persons entitled to vote at the shareholder's meetings, in which case the transferee will be entitled to vote his Common Shares at the such meeting.

As of the December 31, 2024, the directors and executive officers of Petro-Victory, as a group, beneficially own, directly or indirectly, or exercise control or direction over 4,903,169 Common Shares or 23.81% of the number of Common Shares and Restricted Voting Shares (taken as one class) issued. As of the date of this AIF, the directors and executive officers of Petro-Victory, as a group, beneficially own, directly or indirectly, or exercise control or direction over 5,422,371 Common Shares or 25.59% of the number of Common Shares and Restricted Voting Shares (taken as one class) issued.

Corporate Governance and Compensation Committee

The Corporate Governance and Compensation Committees include members T. Lynn Bryant, Mark Scruggs, Charles H. Cotter and George E. Burch, all of whom are considered to be "independent" within the meaning of NI 58-101.

The Corporate Governance and Compensation Committee review and make recommendations to the Board concerning the compensation of the Company's directors, Chief Executive Officer and employees, which includes a review of the Company's executive compensation and other human resource philosophies and policies, a review and the administration of the Company's bonuses, Options and any share purchase plan, a review of and the making of recommendations regarding the performance of the Chief Executive Officer of the Company and preparing and submitting a report for inclusion in annual continuous disclosure documents as required.

In addition, the Corporate Governance and Compensation Committee is also responsible for proposing to the Board new nominees to the Board and for assessing current directors on an ongoing basis. The Corporate Governance and Compensation Committee is also responsible for the Company's response to and implementation of the guidelines set forth from time to time by any applicable regulatory authorities. The Corporate Governance and Compensation Committee is required to convene at least twice annually.

Reserves Committee

The Reserves Committee consists of Jonathon G. Weiss (Chair) and T. Lynn Bryant, both of whom are considered to be "independent" within the meaning of National Instrument 51-101 – *Standards of Disclosure For Oil and Gas Activities* ("**NI 51-101**").

The purpose of the Reserves Committee is to assist the Board in the discharge of the Board' duties with respect to complying with the requirements contained in NI 51-101. This includes: (a) review, with reasonable frequency, the Company's procedures relating to the disclosure of information with respect to oil and gas activities; (b) review the appointment of the independent evaluator under NI 51-101 or any change in such appointment; (c) review the Company's procedures for providing information to the independent evaluator with respect to the reserve and resource data (oil and gas reserves and associated future net revenues) of the Company that will be made publicly available and filed with the applicable regulatory authorities; (d) meet with Management and the independent evaluator to: (i) determine whether any restrictions affect the ability of the independent evaluator to report on the reserves data without reservation; and (ii) review the reserves data and the report of the independent evaluator; (e) review the annual filings required by NI 51-101 and recommend approval of the contents and the filing of the annual filings to the Board; and (f) review all disclosure made by or on behalf of the Company, that the Company knows or ought reasonably to know, is or will become available to the public and any document filed with a securities authority to ensure compliance with NI 51-101.

Corporate Cease Trade Orders

To the knowledge of the management of Petro-Victory, no director or officer of Petro-Victory is, or within the ten years before the date of this Annual Information Form has been, a director, chief executive officer or chief financial officer of any other issuer that:

(a) was subject to an order that was issued while the director or officer was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to an order that was issued after the director or officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while the director was acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies

Except as otherwise disclosed herein, to the knowledge of the management of Petro-Victory, no director or officer of Petro-Victory:

(a) is, at the date of this Annual Information Form or has been within the ten years before the date of this Annual Information Form, a director or executive officer of any company that, while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(b) has, within the ten years before the date of this Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, officer or shareholder.

Penalties or Sanctions

To the knowledge of management of Petro-Victory, no director or officer of Petro-Victory has been subject to:

(a) any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with the Canadian securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in making an investment decision.

CONFLICTS OF INTEREST

Certain directors and officers of Petro-Victory are associated with other reporting issuers or other corporations which may give rise to conflicts of interest. In accordance with corporate laws, directors who have a material interest or any person who is a party to a material contract or a proposed material contract with Petro-Victory are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors are required to act honestly and in good faith with a view to the best interests of Petro-Victory. From time to time, Petro-Victory may jointly participate in exploration and development activities with one or more corporations with which a director or officer of Petro-Victory may be involved. Some of Petro-Victory's directors and officers are engaged and will continue to be engaged in the search of oil and gas interests on their own behalf and on

behalf of other corporations, and situations may arise where the directors and officers will be in direct competition with Petro-Victory. Some of the directors of Petro-Victory have either other employment or other business or time restrictions placed on them and accordingly, these directors of Petro-Victory will only be able to devote part of their time to the affairs of Petro-Victory. In particular, certain of the directors and officers are involved in managerial and/or director positions with other oil and gas companies whose operations may, from time to time, provide financing to, or make equity investments in, competitors of Petro-Victory. Conflicts, if any, will be subject to the procedures and remedies available under the BVI Act. The BVI Act provides that in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided by the BVI Act.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company is involved in legal claims and disputes in the normal course of business. The Company establishes reserves for specific legal matters when it determines that the likelihood of an unfavorable outcome is probable, and the loss is reasonably estimable.

The Company is party to a labor dispute litigation trial which resulted in a verdict and subsequent judgement against the Company totaling $1.3 million and attorney's fees of $940k, plus interest and court costs. The Company has filed a motion for a new trial and notice of appeal as management and legal counsel believe the jury's findings are contrary to the overwhelming weight of all evidence. The Company's consolidated financial statements do not reflect any provision for a loss with respect to this matter, as management does not believe there is a probable likelihood of an unfavorable outcome. The Company intends to vigorously defend itself on appeal against the claims asserted.

The case, Jose Alfredo Ajjam v. Petro-Victory, was instituted on December 20, 2019 in the Dallas County, Texas. The nature of the claim involves alleged violations of state labor laws, including claims for wrongful termination, unpaid overtime, and retaliation. The Company is actively contesting the proceeding and has filed a notice of appeal and a motion for a new trial. As of the date of this filing, the case remains pending on appeal.

It is possible that an unfavorable outcome in legal claims or commitments or other contingencies could have a material impact on the liquidity, results of operations, or financial condition of the Company.

As of the year ended December 31, 2024 and the date of this Annual Information Form, there have been: (i) no penalties or sanctions imposed against Petro-Victory by a court relating to securities legislation or by a securities regulatory authority; (ii) no other penalties or sanctions imposed by a court or regulatory body against Petro-Victory; and (iii) no settlement agreements Petro-Victory entered into before a court relating to securities legislation or with a securities regulatory authority.

AUDIT COMMITTEE

General

The Audit Committee is governed by its mandate which is attached hereto in Schedule D. This mandate provides that the Committee be comprised of at least three members of the Board, all of whom are considered independent and financially literate within the meaning of Multilateral Instrument 52-110 — Audit Committees.

The Audit Committee consists of Mark Scruggs (Chair), Christian Cooper, and Charles Cotter, all of whom are considered to be "independent" and "financially literate" within the meaning of National Instrument 52-110 – Audit

Committees. The following is a brief summary of the education or experience of each member of the Audit Committee that is relevant to the performance of his mandated responsibilities:

Name of Audit Committee Member	Relevant Education and Experience
Christian Cooper	Mr. Cooper is the Founder and Managing Partner of Owl Investments, where he has successfully overseen projects and identified valuable opportunities in the energy sector. He currently serves as Managing Principal of Nest Sustainable Waste, LLC, a platform dedicated to investing in energy and environmental infrastructure, primarily focusing on the responsible handling of conventional and clean energy waste streams. Nest recently acquired the Northern Delaware Basin Landfill in New Mexico, the largest and most state-of-the-art oil and gas waste processing facility in the U.S. Before his current role, Mr. Cooper was CEO at Oilfield Water Logistics, LLC (OWL), a pioneering company in the water midstream space that provided critical infrastructure solutions to the energy industry. Under his leadership, OWL achieved remarkable success, culminating in its acquisition by an affiliate of Instar Asset Management and subsequent sale to Pilot Water Solutions, a Berkshire Hathaway company.
Charles H. Cotter	Charles H. Cotter is the President of Fifteen Talents, Inc. which is the General Partner of Fifteen Talents LP. Fifteen Talents LP is a private equity investment company focused on identifying and investing in companies whose leadership has demonstrated a track record of success coupled with significant growth opportunities in narrowly defined emerging markets. Mr. Cotter has founded several businesses and extensive experience in complex commercial transactions. He earned a Bachelor of Business Administration degree in Marketing from the University of Texas.
Mark Scruggs	Mr. Scruggs has been an active entrepreneur and private equity investor in the areas of oil and gas, real estate, and healthcare technology for the last 25 years. Prior to that he worked in public accounting as an Audit Manager with Arthur Andersen where he was responsible for the audits of public and private companies in a variety of industries. He received a BS in Accounting from the University of Tennessee.

External Auditor Fees

The auditor of the Company for 2024 is **BKR - LOPES MACHADO.** The following table sets forth the aggregate fees billed by BKR – Lopes Machado for the year ended December 31, 2024 and 2023:

Year ended	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
2023	USD $33,360	Nil	Nil	Nil
2024	USD $33,360	Nil	Nil	Nil

The Audit Committee is required to pre-approve all non-audit services to be provided to the Company by the external auditors. The Audit Committee may delegate, to one or more members, the authority to pre-approve non-audit services,

provided that the member(s) report to the Audit Committee at the next scheduled meeting and the member comply with such other procedures as may be established by the Audit Committee from time to time. In the most recent two years audit and audit related fees were paid for professional services rendered by the auditors for the audit of the annual financial statements and reviews of the quarterly financial statements.

At no time since the commencement of the most recently completed financial year, has a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the Board of Directors.

As a venture issuer within the meaning ascribed thereto in NI 52-110, the Company is relying upon the exemption in section 6.1 of NI 52-110.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as disclosed in this Annual Information Form, none of the directors or executive officers of Petro-Victory or any person or company that owns directly or indirectly, or exercises control or direction over, more than ten percent of the Common Shares, or any associate or affiliate of any of the foregoing persons or companies, has or has had any material interest, direct or indirect, in any past transaction or any proposed transaction that has materially affected or is reasonably expected to materially affect Petro-Victory. See Note 18 to the Consolidated Financial Statements for a discussion of related party transactions.

To the knowledge of the directors and executive officers of the Company, as of the date of this AIF, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company carrying: (1) 10% or more of the voting rights attached to all outstanding Common Shares, voting as a single class; (2) 10% or more of the voting rights attached to all outstanding Restricted Voting Shares, voting as a single class; or (3) 10% or more of the voting rights attached to all outstanding Common Shares and Restricted Voting Shares, voting together as a single class except as indicated below:

Shareholder	Type of Ownership	Number of and % of Common Shares, Voting as a Single Class	Number of and % of Restricted Voting Shares, Voting as a Single Class	Number of and % of Common Shares and Restricted Voting Shares, Voting Together as a Single Class
579 Max Ltd.[(1)]	of record and beneficial	2,574,125 (15.27%)	0	2,574,125 (12.15%)
Fifteen Talents LP[(2)]	of record and beneficial	1,854,984 (11.01%)	0	1,854,984 (8.76%)

Shareholder	Type of Ownership	Number of and % of Common Shares, Voting as a Single Class	Number of and % of Restricted Voting Shares, Voting as a Single Class	Number of and % of Common Shares and Restricted Voting Shares, Voting Together as a Single Class
ACAM LP[3]	of record and beneficial	3,200,000 (18.99%)	0	3,200,000 (15.10%)
Harvison Capital[4]	of record and beneficial	1,449,777 (8.60%)	0	1,449,777 (6.84%)
Global Energy Transition/Chris Cooper[5]	of record and beneficial	116,117 (0.69%)	1,428,750 (32.97%)	1,544,867 (7.29%)
Roger Johnson[6]	of record and beneficial	200,550 (1.19%)	780,000 (18%)	980,550 (4.63%)
Richard Gonzalez[7]	of record and beneficial	515,301 (3.06%)	827,704 (19.10%)	1,343,005 (6.34%)

Notes:

1. 579 Max Ltd., is controlled by T. Lynn Bryant, a director of the Company.
2. Fifteen Talents LP is a limited partnership whereby Fifteen Talents, Inc., the General Partner, is wholly owned by Charles H. Cotter, a director of the Company.
3. ACAM LP is an arm's length shareholder.
4. Harvison Capital is controlled by John Harvison, an arm's length shareholder of the Company.
5. Global Energy Transition is controlled by Chris Cooper, a director of the Company.
6. Roger Johnson is an arm's length shareholder.
7. Richard Gonzalez is the Chief Executive Officer and Chairman of the Company.
8. As of the date hereof, 16,852,362 Common Shares, 4,333,724 Restricted Voting Shares and nil preferred shares are issued and outstanding as fully paid and non-assessable. No other shares of any other class are issued or outstanding.

AUDITORS, TRANSFER AGENT AND REGISTRAR

Auditors

The independent auditor of Petro-Victory is BKR - Lopes Machado, Av. Graça Aranha, 416 – 11º andar – Centro – Rio de Janeiro – RJ – CEP 20030-001. BKR – Lopes Machado was appointed as the Company's auditor effective April 16, 2024.

Petro-Victory Energy Corp. changed its auditor from Crowe MacKay LLP (the "**Former Auditor**") to BKR - Lopes, Machado Auditores (the "**Successor Auditor**") effective as of April 16, 2024. The Former Auditor resigned on its own initiative. No Reportable Events as defined in National Instrument 51-102 *Continuous Disclosure Obligations* has occurred.

Transfer Agent and Registrar

TSX Trust Company, at its principal offices in Calgary, Alberta, is the registrar and transfer agent for the Common Shares.

MATERIAL CONTRACTS

Except as already disclosed herein and other than contracts entered into in the ordinary course of business, there are no material contracts entered into by the Company during our most recently completed financial year, prior to the date of this Annual Information Form, or prior to the beginning of our most recently completed financial year and that are still in effect.

INTERESTS OF EXPERTS

GLJ prepared the GLJ Reserves Report, the results of which are summarized in this Annual Information Form. As at the date of the GLJ Reserves Report, GLJ is independent within the meaning of National Instrument 51¬101. GLJ and the engineers and geologists responsible for the preparation of the report, individually or as a group, have no interest, direct or indirect, nor do they expect to receive any interest, direct or indirect, in any securities or any other property of Petro-Victory.

BKR – Lopes Machado is the independent auditor of Petro-Victory and has confirmed that it is independent with respect to Petro-Victory within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Alberta.

ADDITIONAL INFORMATION

Additional information concerning Petro-Victory may be found under Petro-Victory's profile on SEDAR+ at www.sedarplus.com. Additional information, including information concerning directors' and officers' remuneration, principal holders of Petro-Victory securities and securities authorized for issuance under equity compensation plans, will be contained in the information circular of Petro-Victory in respect of the annual general and special meeting of holders of Common Shares which will be held later this year. Additional financial information is provided in Petro-Victory's audited consolidated financial statements and management's discussion and analysis for the year ended December 31, 2024.

SCHEDULE A
REPORT ON RESERVES DATA BY
INDEPENDENT QUALIFIED RESERVES EVALUATOR OR AUDITOR
(FORM 51-101F2)

Effective date: December 31, 2024

(attached)

FORM 51-101F2

REPORT ON RESERVES DATA AND CONTINGENT RESOURCES DATA BY INDEPENDENT QUALIFIED RESERVES EVALUATOR OR AUDITOR

To the board of directors of Petro-Victory Energy Corp. (the "Company"):

1. We have evaluated the Company's reserves and contingent resources data as at December 31, 2024. The reserves data are estimates of proved reserves and probable reserves and related future net revenue as at December 31, 2024, estimated using forecast prices and costs. The contingent resources data are risked estimates of volume of contingent resources and related to risked net present value of future net revenue as at December 31, 2024, estimated using forecast prices and costs.

2. The reserves and contingent resources data are the responsibility of the Company's management. Our responsibility is to express an opinion on the reserves and contingent resources data based on our evaluation.

3. We carried out our evaluation in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook as amended from time to time (the "COGE Handbook") maintained by the Society of Petroleum Evaluation Engineers (Calgary Chapter).

4. Those standards require that we plan and perform an evaluation to obtain reasonable assurance as to whether the reserves and contingent resources data are free of material misstatement. An evaluation also includes assessing whether the reserves and contingent resources data are in accordance with principles and definitions presented in the COGE Handbook.

5. The following table shows the net present value of future net revenue (before deduction of income taxes) attributed to proved plus probable reserves, estimated using forecast prices and costs and calculated using a discount rate of 10 percent, included in the reserves data of the Company evaluated for the year ended December 31, 2024, and identifies the respective portions thereof that we have evaluated and reported on to the Company's board of directors:

Independent Qualified Reserves Evaluator or Auditor	Effective Date of Evaluation Report	Location of Reserves (Country or Foreign Geographic Area)	Net Present Value of Future Net Revenue (before income taxes, 10% discount rate – US M$)			
			Audited	Evaluated	Reviewed	Total
GLJ Ltd.	Dec. 31, 2024	Brazil	-	150,958	-	**150,958**

6. The following tables set forth the risked volume and risked net present value of future net revenue of contingent resources (before deduction of income taxes) attributed to best estimate contingent resources, estimated using forecast prices and costs and calculated using a discount rate of 10 percent, included in the Company's statement prepared in accordance with Form 51-101F1 and identifies the respective portions of the contingent data that we have evaluated and reported on to the Company's board of directors:

Classification	Independent Qualified Reserves Evaluator or Auditor	Effective Date of Evaluation Report	Location of Resources Other than Reserves (Country or Foreign Geographic Area)	Risked Volume (Mboe)	Risked Net Present Value of Future Net Revenue (before income taxes, 10% discount rate – US M$)		
					Audited	Evaluated	Total
Development Pending Contingent Resources (2C)	GLJ Ltd.	Dec 31, 2024	Brazil	8,359	-	103,887	**103,887**

7. In our opinion, the reserves and contingent resources data evaluated by us have, in all material respects, been determined and are in accordance with the COGE Handbook, consistently applied. We express no opinion on the reserves and contingent resources data that we reviewed but did not audit or evaluate.

8. We have no responsibility to update our reports referred to in paragraph 5 for events and circumstances occurring after the effective date of our reports.

9. Because the reserves and contingent resources data are based on judgements regarding future events, actual results will vary and the variations may be material.

Executed as to our report referred to above:

GLJ Ltd., Calgary, Alberta, Canada, April 24, 2025

"Originally Signed By"

Patrick A. Olenick, P. Eng.
Senior Vice President, International Evaluations

SCHEDULE B

DISCLOSURE OF CONTINGENT RESOURCES DATA EFFECTIVE DECEMBER 31, 2024

An estimate of risked net present value of future net revenue of contingent resources is preliminary in nature and is provided to assist the reader in reaching an opinion on the merit and likelihood of the Company proceeding with the required investment. It includes contingent resources that are considered too uncertain with respect to the chance of development to be classified as reserves. There is uncertainty that the risked net present value of future net revenue will be realized.

The GLJ Reserves Report includes Contingent Resources and has been prepared in accordance with the standards contained in the COGE Handbook that are consistent with the standards of NI 51-101. GLJ is a qualified reserves evaluator as defined in NI 51-101. The GLJ Reserves Report included an evaluation of the natural gas resources of the São João Field. In addition to the oil reserves assigned by GLJ to the São João field as described in the Annual Information Form to which this schedule is attached, contingent resource was assigned to the same field for the deep non-associated gas.

December 31, 2024 - São João Field Contingent Resource

Summary of Development Pending Risked Company Gross Contingent Resources – Forecast Prices and Costs[(1)(2)(3)]

The GLJ Reserves Report estimates the Chance of Development as 77%. The contingency on the chance of development is due to the pending MOU which has not yet been signed with mid-stream partner as of the date of this report. The Company is in possession of a non-binding MOU. Upon execution of a binding MOU with off-take agreement, the contingent resources will convert to 100% chance of development and therefore convert to reserves. As there is no risk related to discovery, the Chance of Commerciality for the contingent resource is therefore 77% which is the risk factor that has been applied to the Development Pending Risked company gross contingent resources and the net present value figures reported below as of December 31, 2024.

	Low Estimate	Best Estimate	High Estimate
Residue Gas (MMcf)	26,990	50,156	123,228
Oil Equivalent (Mboe)	**4,498**	**8,359**	**20,538**

Summary of Development Pending Risked Before Tax NPV of Future Net Revenue of Contingent Resources[(1)(2)(3)] *(USD 000's)*

	0%	5%	10%	15%	20%
Low Estimate	128,935	85,709	60,194	44,209	33,677
Best Estimate	258,459	156,956	103,887	73,316	54,326
High Estimate	727,014	347,690	202,951	133,923	95,680

Assumed Project Development Costs for Development Pending Risked Contingent Resources

	Capital Investment		
Year	**Low**	**Best**	**High**
2024	-	-	-
2025	-	-	-
2026	1,500	1,500	1,500
2027	1,500	1,500	1,500
2028	4,500	6,000	6,000
2029	-	-	-
2030	-	-	-
2031	4,500	4,500	6,000
2032	-	-	-
2033	-	-	-
2034	3,000	4,500	6,000
2035	-	-	-
2036	-	-	-
2037	1,500	3,000	3,000
2038	-	-	-
2039	-	-	-
2040	-	-	4,500
2041	-	-	-
2042	-	-	-
2043	-	-	-
2044	-	-	4,500

There can be no certainty that the project will be developed on the timelines discussed herein. There is uncertainty that it will be commercially viable to produce any portion of the resources. Development of the project is dependent on several contingencies as described. The project is based on a conceptual study. Significant positive factors relevant to the estimate include existing test logs of the gas in the field and corporate commitment to the project. Significant negative factors relevant to the estimate include the economic viability of the project (with sensitivity to low commodity prices), access to commitment from future partners and/or amount of capital required to develop resources at an acceptable cost, and regulatory approvals for planned activities including stimulations and new infrastructure developments.

Notes:

(1) The tables above are a summary of the contingent resources of Petro-Victory and the net present value of future net revenue attributable to such resources as evaluated in the GLJ Reserves Report based on forecast price and cost assumptions. The tables summarize the data contained in the GLJ Reserves Report and as a result may contain slightly different numbers than such report due to rounding. Also, due to rounding, certain columns may not add exactly.

(2) Company Gross resources means the total working interest share of remaining recoverable reserves owned by Petro-Victory before deductions of royalties payable to others and without including any royalty interests owned by Petro-Victory.

(3) The net present value of future net revenue attributable to Petro-Victory's resources is stated without provision for interest costs and general and administrative costs, but after providing for estimated royalties and production taxes, production costs, development costs, other income, future capital expenditures, well abandonment and reclamation costs for only those wells assigned reserves and material dedicated gathering systems and facilities. The net present values of future net revenue attributable to the Petro-Victory's reserves estimated by GLJ do not represent the fair market value of those reserves. Other assumptions and qualifications relating to costs, prices for future production and other matters are summarized herein. The recovery and reserve estimates of the Company's reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual reserves may be greater than or less than the estimates provided herein.

SCHEDULE C
REPORT OF MANAGEMENT AND DIRECTORS ON OIL AND GAS DISCLOSURE (FORM 51-101F3)

Management of Petro-Victory Energy Corp. (the "Company") is responsible for the preparation and disclosure of information with respect to the Company's oil and gas activities in accordance with securities regulatory requirements. This information includes reserves data.

An independent qualified reserves evaluator has evaluated the Company's reserves data. The report of the independent qualified reserves evaluator will be filed with securities regulatory authorities concurrently with this report.

The Reserves Committee of the Board of Directors of the Company has:

(a) reviewed the Company's procedures for providing information to the independent qualified reserves evaluator;

(b) met with the independent qualified reserves evaluator to determine whether any restrictions affected the ability of the independent qualified reserves evaluator to report without reservation; and

(c) reviewed the reserves data with management and the independent qualified reserves evaluator.

The Reserves Committee of the Board of Directors has reviewed the Company's procedures for assembling and reporting other information associated with oil and gas activities and has reviewed that information with management. The Board of Directors has, on the recommendation of the Reserves Committee, approved:

(d) the content and filing with securities regulatory authorities of Form 51-101F1 containing reserves data and other oil and gas information;

(e) the filing of Form 51-101F2, which is the report of the independent qualified reserves evaluator on the reserves data; and

(f) the content and filing of this report.

Because the reserves data are based on judgments regarding future events, actual results will vary and the variations may be material.

(signed) "*Richard F. Gonzalez*"
Richard F. Gonzalez
Chief Executive Officer

(signed) "*Daniel R. Wray*"
Daniel R. Wray
Chief Financial Officer

(signed) "*Jonathon Weiss*"
Jonathon Weiss
Director

(signed) "*T. Lynn Bryant*"
T. Lynn Bryant
Director

April 29, 2025

SCHEDULE D
AUDIT COMMITTEE MANDATE

ROLE AND OBJECTIVE

The Audit Committee (the "**Committee**") is a committee of the board of directors (the "**Board**") of Petro-Victory Energy Corp. (the "**Corporation**") to which the Board has delegated its responsibility for oversight of the nature and scope of the annual audit, management's reporting on internal accounting standards and practices, financial information and accounting systems and procedures, financial reporting and statements and recommending, for Board of Director approval, the audited financial reports and other mandatory disclosure releases containing financial information. The objectives of the Committee, with respect to the Corporation and its subsidiary, are as follows:

(a) To assist directors to meet their responsibilities in respect of the preparation and disclosure of the financial reports of the Corporation and related matters;

(b) Provide an open avenue of communication among the Corporation's auditors, financial and senior management and the Board;

(c) To ensure the external auditors' independence and review and appraise their performance;

(d) To increase the credibility and objectivity of financial reports; and

(e) To strengthen the role of the outside directors by facilitating in depth discussions between directors on the Committee, management and external auditors.

COMPOSITION

The Committee shall be comprised of at least three directors as determined by the Board, the majority of whom shall be independent directors as defined in National Instrument 52-110 – *Audit Committees* ("**NI 52-110**") and pursuant to the policies of the Exchange. "Independent" generally means free from any business or other direct or indirect material relationship with the Corporation that could, in the view of the Board, reasonably interfere with the exercise of the member's independent judgment.

All of the members must be financially literate within the meaning of NI 52-110 unless the Board has determined to rely on an exemption in NI 52-110. Being "financially literate" means members have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements. For the purposes of this Committee charter, the definition of "financially literate" is the ability to read and understand a set of financial reports that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Corporation's financial reports.

The members of the Committee shall be elected by the Board at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

MEETINGS

The Committee shall meet at least four times per year and/or as deemed appropriate by the Committee Chair. As part of its job to foster open communication, the Committee will meet at least annually with management and the external auditors in separate sessions.

Agendas, with input from management, shall be circulated to Committee members and relevant management personnel along with background information on a timely basis prior to the Committee meetings.

The minutes of the Committee meetings shall accurately record the decisions reached and shall be distributed to the Committee members with copies to the Board, the Chief Financial Officer or such other officer acting in that capacity, and the external auditor.

The Chief Executive Officer and the Chief Financial Officer or their designates shall be available to attend at all meetings of the Committee upon the invitation of the Committee.

The Controller, Treasurer and/or such other staff as appropriate to provide information to the Committee shall attend meetings upon invitation by the Committee.

MANDATE AND RESPONSIBILITIES

To fulfill its responsibilities and duties, the Committee shall:

(a) undertake annually a review of this mandate and make recommendations to the Corporate Governance Committee as to proposed changes;

(b) satisfy itself on behalf of the Board with respect to the Corporation's internal control systems, including, where applicable, relating to derivative instruments:

  (i) identifying, monitoring and mitigating business risks; and

  (ii) ensuring compliance with legal and regulatory requirements;

(c) review the Corporation's financial reports, management discussion and analysis ("**MD&A**"), any annual earnings, interim earnings and press releases before the Corporation publicly discloses this information and any reports or other financial information (including quarterly financial reports), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors; the process should include but not be limited to:

  (i) reviewing changes in accounting principles, or in their application, which may have a material impact on the current or future years' financial reports;

  (ii) reviewing significant accruals, reserves or other estimates such as the ceiling test calculation;

  (iii) reviewing accounting treatment of unusual or non-recurring transactions;

  (iv) ascertaining compliance with covenants under loan agreements;

  (v) reviewing financial reporting relating to asset retirement obligations;

  (vi) reviewing disclosure requirements for commitments and contingencies;

  (vii) reviewing adjustments raised by the external auditors, whether or not included in the financial reports;

  (viii) reviewing unresolved differences between management and the external auditors;

  (ix) obtain explanations of significant variances with comparative reporting periods; and

  (x) determine through inquiry if there are any related party transactions and ensure the nature and extent of such transactions are properly disclosed;

(d) review the financial reports and related information included in prospectuses, MD&A, information circular-proxy statements and annual information forms, prior to Board approval;

(e) with respect to the appointment of external auditors by the Board:

(i) require the external auditors to report directly to the Committee;

(ii) review annually the performance of the external auditors who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Corporation;

(iii) obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Corporation and confirming their independence from the Corporation;

(iv) review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors;

(v) be directly responsible for overseeing the work of the external auditors engaged for the purpose of issuing an auditors' report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting;

(vi) review management's recommendation for the appointment of external auditors and recommend to the Board appointment of external auditors and the compensation of the external auditors;

(vii) review the terms of engagement of the external auditors, including the appropriateness and reasonableness of the auditors' fees;

(viii) when there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change;

(ix) take, or recommend that the full Board take, appropriate action to oversee the independence of the external auditors; and

(x) at each meeting, consult with the external auditors, without the presence of management, about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial reports;

(f) review all public disclosure containing audited or unaudited financial information before release;

(g) review financial reporting relating to risk exposure;

(h) satisfy itself that adequate procedures are in place for the review of the Corporation's public disclosure of financial information from the Corporation's financial reports and periodically assess the adequacy of those procedures;

(i) review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation;

(j) review annually with the external auditors their plan for their audit and, upon completion of the audit, their reports upon the financial reports of the Corporation and its subsidiaries;

(k) review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Corporation's external auditors and consider the impact on the independence of the auditors; The pre-approval requirement is waived with respect to the provision of non-audit services if:

(i) the aggregate amount of all such non-audit services provided to the Corporation constitutes not more than five percent (5%) of the total amount of revenues paid by the Corporation to its external auditors during the fiscal year in which the non-audit services are provided;

(ii) such services were not recognized by the Corporation at the time of the engagement to be non-audit services; and

(iii) such services are promptly brought to the attention of the Committee by the Corporation and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee;

provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval, such authority may be delegated by the Committee to one or more independent members of the Committee;

(l) review any other matters that the Audit Committee feels are important to its mandate or that the Board chooses to delegate to it;

(m) with respect to the financial reporting process:

(i) in consultation with the external auditors, review with management the integrity of the Corporation's financial reporting process, both internal and external;

(ii) consider the external auditors' judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting;

(iii) consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditors and management;

(iv) review significant judgments made by management in the preparation of the financial reports and the view of the external auditors as to appropriateness of such judgments;

(v) following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;

(vi) review any significant disagreement among management and the external auditors regarding financial reporting;

(vii) review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;

(viii) review the certification process;

(ix) establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and

(x) establish procedures for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

AUTHORITY

Following each meeting, in addition to a verbal report, the Committee will report to the Board by way of providing copies of the minutes of such Committee meeting at the next Board meeting after a meeting is held (these may still be in draft form).

Supporting schedules and information reviewed by the Committee shall be available for examination by any director.

The Committee shall have the authority to investigate any financial activity of the Corporation and to communicate directly with the internal and external auditors. All employees are to cooperate as requested by the Committee. The Committee may retain, and set and pay the compensation for, persons having special expertise and/or obtain independent professional advice to assist in fulfilling its duties and responsibilities at the expense of the Corporation.