

CGX Energy Inc.

Management's Discussion and Analysis of Financial Condition and Results of Operations

For the three-month period and year ended December 31, 2025

March 17, 2026

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1. INTRODUCTION

This Management’s Discussion and Analysis (“**MD&A**”) is current to March 17, 2026, and is management’s assessment of the operations and the financial results of CGX Energy Inc. (the “**Company**” or “**CGX**”). Financial data contained within this document is reported in United States dollars (“**USD**”), unless otherwise stated. This MD&A should be read in conjunction with the Company’s audited consolidated financial statements and the related notes for the years ended December 31, 2025 and 2024 (the “**Consolidated Financial Statements**”).

Unless indicated otherwise, all financial data in this MD&A has been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) issued by the International Accounting Standards Board (“**IASB**”) and interpretations of the International Financial Reporting Interpretations Committee.

Additional information relevant to the Company’s activities is available on SEDAR+ at www.sedarplus.ca or on the Company’s website at www.cgxenergy.com.

2. FORWARD LOOKING STATEMENTS

This MD&A contains forward-looking statements or information (“**Forward-looking Statements**”) that are not historical in nature and involve risks and uncertainties. Forward-looking Statements are not guarantees as to CGX’s future results as there are inherent difficulties in predicting future results. Accordingly, actual results could differ materially from those expressed or implied in the Forward-looking Statements.

This MD&A contains certain statements or disclosures relating to the Company that are based on the expectations of its management as well as assumptions made by and information currently available to the Company which may constitute Forward-looking Statements under applicable securities laws. All such statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that the Company anticipates or expects may or will occur in the future (in whole or in part) should be considered Forward-looking Statements. In some cases, Forward-looking Statements can be identified by the use of the words “assume”, “believe”, “continue”, “estimate”, “expect”, “forward”, “future”, “lead”, “may”, “plan”, “potential”, “prospect”, “will”, “would” and other similar words suggesting future outcomes or statements regarding an outlook.

In particular, but without limiting the foregoing, this MD&A contains Forward-looking Statements pertaining to the following: potential results from discussions with the Government of Guyana (“GoG”); governmental and regulatory approvals and agreements; the Company’s development activities; expenditures; infrastructure projects and the Company’s long-term objectives with respect to the BRP (as defined herein) project; trends in financial and commodities markets; the Company’s future performance, operations, liquidity and financial condition, including its ability to continue as a going concern.

In addition, statements relating to resources are deemed to be Forward-looking Statements as they involve the implied assessment, based on certain estimates and assumptions, that the resources described exist in the quantities predicted or estimated and can be profitably produced in the future.

The Forward-looking Statements contained in this MD&A reflect several material factors and expectations and assumptions of the Company including, but not limited to, prevailing and future commodity prices and currency exchange rates; applicable royalty rates and tax laws; interest rates; market fluctuations for demand for the BRP; the ability of the Joint Venture (as defined herein) to reach an agreement with the GoG in respect of the Corentyne block; operating costs; the timing of receipt of regulatory approvals; success obtained in exploration, development and production activities; anticipated timing and results of capital expenditures; the sufficiency of budgeted capital expenditures in carrying out planned activities; the timing, location and extent of future drilling operations; the state of the global, Guyanese, Surinamese and other economies; the state of the oil and natural gas exploration and production industry; the availability and cost of financing, labour and services.

In particular, except where otherwise stated, the Company has assumed a continuation of existing business operations on substantially the same basis as exists at the time of filing of this MD&A.

The Company believes the material factors, expectations and assumptions reflected in the Forward-looking Statements are reasonable at this time but no assurance can be given that these factors, expectations and assumptions will prove to be correct. The Forward-looking Statements included in this MD&A are not guarantees of future performance and should not be unduly relied upon. Such Forward-looking 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 including, without limitation: expiry and/or termination of petroleum agreements and licenses; delays or changes in plans with respect to exploration or development projects or capital expenditures; risks associated with international operations; uncertainty of estimates and projections relating to reserves, resources, production, revenues, costs and expenses; risks associated with the development and operations of the BRP; health, safety and environmental risks; commodity price and exchange rate fluctuations; interest rate fluctuations; marketing and transportation;

environmental risks; competition; ability to access sufficient capital from internal and external sources; failure to obtain required regulatory and other approvals; changes in legislation, including but not limited to tax laws, royalties and environmental regulations; and supply conflicts among the Organization of Petroleum Exporting Countries and other oil producing countries over production restrictions which impact crude oil prices, the extent and duration of which are uncertain at this time, on the Company's business, general economic and business conditions and markets.

The Forward-looking Statements contained in this MD&A are made as of the date hereof and the Company undertakes no obligations to update publicly or revise any Forward-looking Statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive. The Forward-looking Statements contained in this MD&A are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any Forward-looking Statements contained in this document or in any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. The Forward-looking Statements contained in this document are expressly qualified by this advisory statement.

3. OVERVIEW

Company Profile

CGX is a Canadian oil and gas exploration company incorporated under the laws of Ontario, Canada in 1998. The Company's common shares ("**Common Shares**") are listed and publicly traded on the TSX Venture Exchange under the trading symbol "OYL".

The Company's head office is located in Toronto, Canada. Historically, CGX's primary business activities have included the exploration and evaluation ("**E&E**") of petroleum and natural gas in the Guyana-Suriname Basin and the construction and development of the Berbice River port ("**BRP**"), located on the eastern bank of the Berbice River in Guyana. As at December 31, 2025, the Company, through a wholly owned subsidiary, continues to hold an interest in the Corentyne Petroleum Prospecting License ("**PPL**") and related Petroleum Agreement ("**PA**"). Following the GoG's position regarding the status of the PPL and PA, the Company has ceased further investment in the Corentyne block and recorded an impairment, reducing the carrying amount of these assets to nil. The Joint Venture continues to assert its contractual and legal rights in respect of the licence; however, the outcome of these matters remains uncertain.

As a result of these developments, the Company's near-term activities are primarily focused on the operation of the BRP, as well as securing the financial resources necessary to support ongoing operations. These circumstances, together with the Company's working capital deficiency, accumulated losses and shareholders' deficit, present significant challenges to the Company's ability to continue operations.

The following table summarizes the Company's subsidiaries, the location of their registered offices, and CGX's percentage interest in each.

Company	Registered Office	Percentage of Interest (%)
CGX Resources Inc. (“ CRI ”)	Bahamas	100%
GCIE Holdings Limited (“ GCIE Holding ”)	Barbados	100%
Grand Canal Industrial Estates Inc. (“ GCIE ”) ¹	Guyana	100%
CGX Energy Management Corp.	United States, Delaware	100%

1. Owned 100% by GCIE Holding.

Highlights

Highlights of the recent activities to date of the Company and its subsidiaries include the following:

Berbice River Port Update

During the year ended December 31, 2025, the Company recognized a non-cash impairment charge of approximately \$17.1 million related to its port infrastructure assets located on the Berbice River in Guyana. The impairment reflects updated assumptions regarding projected utilization levels and the timing of further development activities.

The recoverable amount of the port assets was determined using a discounted cash flow model based on conservative assumptions, including current operating levels and existing customers.

Corentyne License Update

In June 2024, the Joint Venture submitted a Notice of Potential Commercial Interest for the Wei-1 discovery and, in December 2024, initiated the contractual dispute resolution process.

In February 2025, the GoG asserted that the PPL had terminated or would be cancelled, which the Joint Venture rejected. A “Notice of Cancellation/Termination” was issued on March 11, 2025 and remains under dispute. Frontera Energy Corporation (“**Frontera**”) and its subsidiaries, Frontera Petroleum International Holding B.V. and Frontera Energy Guyana Holding Ltd. (“**Frontera Guyana**”, and collectively, the “**Investors**”), have initiated treaty protection proceedings.

On July 23, 2025, the GoG, through its legal counsel, responded to the Investors, rejecting the claims regarding the Corentyne block license, and reaffirmed its view that the Joint Venture's interest expired on June 28, 2024. The Joint Venture has continued to exchange without prejudice communications with the GoG and remains open to engaging in good faith discussions.

Given the ongoing uncertainty regarding license status and recoverability, the Company recognized a full impairment of the Corentyne E&E asset in 2025. No additional capital investment is currently planned in respect of the Corentyne block pending resolution of the dispute, the outcome of which remains uncertain and may impact the Company’s future upstream strategy.

The impairment represents an accounting assessment of recoverability under IFRS and does not determine the legal status of the Joint Venture’s rights under the applicable petroleum agreements or licenses. The Joint Venture continues to pursue available dispute resolution processes; however, there can be no assurance of economic recovery. Impairment charges may be reversed in future periods if indicators arise that the recoverable amount has increased.

4. BERBICE RIVER PORT FACILITY AND LOGISTICS YARD, GUYANA

Berbice River Port Facility

CRI acquired a 50-year lease in 2010 (the “Lease”), renewable for an additional 50-year term, covering approximately 55 acres of land located near the mouth of the Berbice River, adjacent to Crab Island on its eastern bank (the “Leased Land”). The Lease was transferred to GCIE in 2012. On November 26, 2020, the Lease was amended to reduce the acreage to no more than 30 acres as part of negotiations related to the Corentyne License Addendum III.

The BRP commenced initial operations in December 2024. The BRP is located approximately 4.8 km from the Atlantic Ocean and has been designed with expandable infrastructure capacity to support increased cargo throughput, including offshore oil and gas logistics, general cargo handling and regional agricultural trade flows.



Infrastructure Development

GCIE has completed several key construction and site-preparation activities, including:

- Installation of vertical drains and geotechnical ground stabilization works
- Approximately 400 metres of rip-rap flood protection
- A 10-acre quayside laydown yard with a load-bearing capacity of five tonnes per square metre
- A 3.2 km access road and access bridge connecting to the Corentyne Highway, constructed in accordance with American Association of State Highway and Transportation Officials (“AASHTO”) standards

- Concrete drainage systems and community roadway improvements
- Extension of municipal water and electrical infrastructure
- A 50 x 12 metre access trestle extending from the quayside yard into the Berbice River.

Operational Status

The BRP is currently operational on a limited-capacity basis. Existing draft restrictions allow barges with drafts of approximately 3.8 metres at high water to berth alongside the trestle. The facility can accommodate vessels of up to approximately 150 metres in length and includes a 10-acre cargo yard.



Financial Performance and Capital Investment

Port revenues totaled \$67,957 and \$563,242 for the three-month period and the year ended December 31, 2025, respectively (2024: \$53,145 and \$53,145, respectively).

During the year ended December 31, 2025, GCIE incurred capital expenditures of \$155,300 related primarily to sustaining and infrastructure enhancement activities (December 31, 2024: \$662,500).

Environmental and Regulatory Approvals Update

The Company is progressing regulatory approvals with the Environmental Protection Agency in support of renewal applications for environmental authorizations related to dredging and the construction and operation of the BRP.

No-objection confirmations have been received from Maritime Administration (including an International Ship and Port Facility Security "ISPS" Certificate of Compliance valid to 2029), the Ministry of Agriculture, Fisheries Department, and the Neighborhood Democratic Council.

Approvals from the Guyana Lands and Surveys Commission and the River and Sea Defence Board remain outstanding.

The Company continues to engage with the relevant authorities to advance the remaining approvals.

Berbice River Port Impairment

During the year ended December 31, 2025, the Company reassessed the carrying value of its port infrastructure assets in Guyana. As a result of updated operating forecasts, revised ramp-up expectations, and funding constraints affecting the timing of future development activities, management identified indicators of impairment under IFRS.

Accordingly, the Company performed an impairment assessment of the BRP assets in accordance with IAS 36. The discounted cash flow model is based on management-approved forecasts reflecting the current operating plan and expected utilization of the BRP facilities. Cash flows were projected over ten years, followed by a terminal value.

Based on this analysis, the Company recorded a non-cash impairment charge of \$17.1 million during the year ended December 31, 2025. The impairment reflects updated assumptions regarding projected vessel traffic, throughput volumes, operating margins, capital expenditure capacity, and discount rate assumptions reflecting current market and project-specific risk.

The impairment does not impact the Company's ownership of the asset, concession rights, or current operations. The BRP remains operational and continues to generate revenue from vessel handling, storage, and related services.

Logistics yard

CRI owns a 16-acre logistics property connected to the BRP by a 3.2 km access road built to AASHTO standards, of which approximately five acres have been developed into an operational logistics yard. The site includes high-capacity load-bearing surfaces (up to five tonnes per square metre), fuel supply infrastructure, office and sanitary facilities, security installations, and laydown and storage areas supporting port-related operations.

No capital expenditures were incurred in relation to the logistics yard during the year ended December 31, 2025 (December 31, 2024: \$Nil).

5. EXPLORATION, GUYANA

Corentyne PA and PPL, Guyana (27.48% owned by CRI)

CRI is the operator of the Corentyne block. CRI and Frontera Guyana, (together with CRI, the "Joint Venture"), holds 100% working interest in the Corentyne block, located offshore Guyana. CRI and Frontera Guyana have agreed that their respective participating interests are 72.52% and 27.48%, which includes a 4.52% interest which CRI agreed to assign to Frontera Guyana in 2023. The assignment of this 4.52% participating interest remains subject to the approval of the GoG, but is believed to be enforceable between CRI and Frontera Guyana.

The original Corentyne PA was granted to CRI in 1998. Exploration commenced but was suspended due to the Guyana–Suriname border dispute. In 2007, an international tribunal determined that approximately 93% of the Corentyne block lies within Guyana. The original PA remained in force until June 2013.

On November 27, 2012, the Company was awarded the current Corentyne PA covering 6,212 km² offshore Guyana, renewable for up to an additional six years. Subsequent addenda amended work commitments and acreage, including a 25% relinquishment reducing the license area to 4,709 km² and revised obligations for seismic work and the drilling of two exploration wells across the renewal periods.

On January 23, 2023, the Joint Venture announced that the GoG approved an appraisal plan (“AAP”) for the northern section of the Corentyne block which commenced with the Wei-1 well. Following completion of Wei-1 drilling operations and upon detailed analysis of the results, the Joint Venture may consider future wells per its appraisal program to evaluate possible development feasibility in the Kawa-1 discovery area and throughout the northern section of the Corentyne block. The appraisal program was approved for a period of 24 months from June 29, 2022 to June 28, 2024.

On June 26, 2024, the Joint Venture announced that they submitted a notice of potential commercial interest for the Wei-1 discovery to the GoG, which preserves their interests in the PPL and the PA for the Corentyne block off-shore Guyana. Due to the absence of a response from the GoG and the remarks made by certain GoG officials, on December 12, 2024, the Joint Venture announced that it had sent the GoG a letter activating a 60-day period for the parties to the PA to make all reasonable efforts to amicably resolve all disputes via negotiation. On February 11, 2025, the Joint Venture announced that it received a communication from the GoG in which the GoG has taken the position that the PPL has terminated or, alternatively, that the communication served as a 30-day notice of the GoG's intention to cancel the PPL. Although the GoG argued that the PPL and PA have been terminated, it invited the Joint Venture to submit any representations it wished to have considered by the GoG prior to its final decision on whether to cancel any existing license. The GoG further stated that any such license would cease to have effect on March 10, 2025, unless any representation made are favorably considered. On February 24, 2025, the Company announced that the Joint Venture had provided a response, advising the GoG that notwithstanding the GoG's contradictory positions, both the PPL and the PA remain valid and in force. The Joint Venture remains firmly of the view that its interest in the PPL and the PA for the Corentyne block remain in place and in good standing. On March 11, 2025, the GoG issued the Notice of Cancellation/Termination asserting the GoG's conclusion that the PA was terminated and the PPL was cancelled while failing to address any of the Joint Venture's substantive arguments.

On March 26, 2025, the Investors, delivered a Notice of Intent to the GoG. In this Notice, the Investors alleged breaches of the United Kingdom–Guyana Bilateral Investment Treaty and the Guyana Investment Act by the GoG. This communication triggered a 90-day consultation and negotiation period intended to resolve the dispute amicably. The parties have been unable to reach a mutual resolution to date.

On July 23, 2025, the GoG, through its legal counsel, responded to the Investors, rejecting their assertions regarding the PPL. The GoG reaffirmed its view that the Joint Venture's interest expired on June 28, 2024, The Joint Venture has continued to exchange certain without prejudice communications with the GoG, and remains open to engaging in good faith discussions with the Government.

The Joint Venture continues to firmly maintain that its interests in, and the license for, the Corentyne block and that the PA for such block has not been terminated. While the GoG reaffirmed its position that the Joint Venture's interest expired on June 28, 2024, the Joint Venture disputes this position and continues to assert its contractual and legal rights under applicable treaties and agreements.

As previously disclosed, the Company evaluated the recoverability of the Corentyne E&E asset in light of the GoG's conduct and unwillingness to recognize the Joint Venture's rights during the consultation period. Consequently, the Company recognized a full impairment of \$56.4 million in its loss statement in 2025, and the Corentyne E&E asset's carrying value as of December 31, 2025 is \$Nil (December 31, 2024: \$56.2 million). (See *Note 2.3 Use of management estimates, judgments, and measurement uncertainty* of the Consolidated Financial Statements).

Joint Operation Agreement

CRI and Frontera Guyana jointly hold a 100% working interest in the Corentyne block. CRI and Frontera Guyana have agreed that their respective participating interests are 72.52% and 27.48%, respectively, which includes a 4.52% interest which CRI agreed to assign to Frontera Guyana in 2023. The assignment of this 4.52% participating interest remains subject to the approval of the GoG, but is believed to be enforceable between CRI and Frontera Guyana.

6. LIQUIDITY AND CAPITAL RESOURCES

Overview

The Company's liquidity position is dependent on cash on hand, debt financing arrangements and access to external capital. The Company does not currently generate petroleum production revenue and continues to rely on financing activities to fund corporate expenditures, dispute-related costs, license obligations and infrastructure operations.

Recent Financing

On October 31, 2025, CRI, a wholly owned subsidiary of the Company, entered into a senior secured term loan facility with Frontera Guyana for proceeds of up to \$2.5 million to fund working capital and corporate expenditures. The facility matures one year from execution, is secured by substantially all borrower assets, and is guaranteed by the Company and GCIE Holding.

As at December 31, 2025, \$1.9 million had been drawn (2024: nil). The facility provides short-term liquidity to support corporate and operational activities.

Repayment is expected to be addressed through future financing initiatives, asset monetization, or other strategic transactions.

Liquidity

As at December 31, 2025, the Company had available liquidity of approximately \$1.6 million, comprised of cash on hand and undrawn availability under its existing loan facility. Management has prepared cash flow forecasts covering at least twelve months from the reporting date, which incorporate certain assumptions regarding additional financing and cost reduction initiatives. Based on these forecasts, the Company does not have sufficient resources to meet its operating requirements for the twelve-month period following the statement of financial position date without securing additional financing or implementing alternative liquidity measures.

Capital Resources and Asset Base

The Company has recognized a full impairment of the Corentyne E&E asset, reflecting the uncertainty associated with license status and future recoverability. While the Company continues to assert its contractual and legal rights, the impairment reduces the carrying value of petroleum assets on the statement of financial position.

In addition, the Company recorded a non-cash impairment charge related to its BRP assets following an updated assessment of projected utilization levels, development timing, and funding capacity. The impairment reflects revised cash flow assumptions under current market and liquidity conditions and reduces the carrying value of property, plant and equipment associated with the BRP operations. (See Notes 2.3., 8 and 9 to the Consolidated Financial Statements for further details).

Total assets decreased from \$79.3 million at December 31, 2024 to \$4.1 million at December 31, 2025. The combined effect of these impairments has materially reduced the Company's asset base. The reduction in carrying value may limit certain financing alternatives historically supported by exploration or infrastructure asset valuations, including farm-out arrangements, reserve-based lending structures, or asset-level financings.

The Company is currently focused on stabilizing and increasing operations at the BRP, pursuing commercial agreements to enhance throughput.

Going Concern Uncertainty and Management's Plans

The Consolidated Financial Statements have been prepared on a going concern basis, which assumes that the Company will continue operations and meet its obligations as they become due for at least the next twelve months.

The Company has incurred operating losses since inception and, as at December 31, 2025, had an accumulated deficit of \$402.6 million (December 31, 2024: \$326.3 million), a working capital deficiency of \$18.3 million, and a shareholders' deficit of \$15.4 million (December 31, 2024: positive equity of \$60.9 million). The transition to a deficit equity position was primarily driven by non-cash impairment charges totaling \$73.7 million recorded during the year.

The Company does not currently generate sufficient operating cash flow to fund its operating and capital requirements for the twelve-month period following the reporting date.

The Company's ability to continue as a going concern is dependent upon securing additional financing, which may include equity issuances, debt instruments, asset sales, joint venture arrangements, infrastructure monetization, or other strategic transactions.

Recent developments relating to the PPL, including licence uncertainty and the full impairment of the related exploration and evaluation asset, together with the impairment of port infrastructure assets, have materially reduced the Company's asset base and may constrain certain financing alternatives historically supported by asset valuations. While no further capital investment is currently planned for the PPL, the Company continues to pursue resolution of the dispute and preservation of its rights.

Management is implementing cost reduction initiatives, deferral of discretionary expenditures, and evaluation of alternative funding sources. However, there can be no assurance that such measures will be sufficient or that additional financing will be available on acceptable terms, or at all.

These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Should the Company be unable to obtain adequate financing, it may be required to curtail or discontinue planned operations, dispose of assets, or pursue restructuring alternatives.

7. COMPANY'S PERFORMANCE

The Company currently has some revenues, but they are not sufficient to sustain operations. Its ability to continue functioning depends on securing necessary financing to complete the exploration and development of oil and gas concessions, as well as the completion of its BRP project.

Year Ended December 31, 2025

The Company recorded a net loss of \$76.3 million or \$(0.23) a share for the year ended December 31, 2025 compared with a net loss of \$2.6 million or \$(0.01) a share for the same period in 2024. The variances in the period are as follows:

Total impairment expenses recognized during 2025 amounted to \$73.7 million (2024: nil), comprising \$56.4 million related to the Corentyne E&E asset, \$17.1 million related to the BRP and \$(201,210) related to farm-in receivable. (For a detailed discussion, refer to Note 2.3 *Use of management estimates, judgments, and measurement uncertainty* of the Consolidated Financial Statements, Note 8. Property, Plant and Equipment and Note 10. Related Party Transactions and Compensation of Key Management).

Revenues associated to the BRP increased by \$510,097 in the year ended December 31, 2025, (2024: \$53,145). The increase was due to the commencement of operations in mid-December 2024.

Management and consulting costs decreased by \$482,772 to \$1,046,824 in the year ended December 31, 2025 from \$1,529,596 for the same period in 2024. The decrease was mainly due to reduction of headcount and director fees.

Severance costs amounted to \$365,394 for year ended December 31, 2025, (2024: \$Nil). The amount relates to severance expenses arising from the termination of employment contracts of certain Company executives, undertaken as part of management's efforts to streamline and simplify the Company's organizational structure, offset by outstanding payables related to previously recorded incentive remuneration of \$266,000 (\$133,000 recorded as long-term), and by the portion recoverable from the partner.

General and administrative costs decreased by \$200,078 to \$332,608 in the year ended December 31, 2025, from \$532,686 in the same period of 2024. The decrease was primarily due to the reduction of leased office space in Guyana and Houston, as well as lower security service costs in Guyana.

Depreciation increased by \$618,685 to \$632,617 in the year ended December 31, 2025 compared to \$3,599 for the same period in 2024. The increase is primarily due to the BRP commencing operations.

Professional fees increased by \$235,347 to \$371,244 in the year ended December 31, 2025 compared to \$135,897 for the same period. The increase was mainly due to higher legal fees incurred.

Interest expense decreased by \$88,742 to \$480,154 in the year ended December 31, 2025 compared to \$568,896 for the same period in 2024. The interest expense relates to the accrual associated with the legal dispute with Prospector (See *Section 8. Contractual Obligations And Contingencies* of this MD&A).

Share-based compensation expense was \$Nil for the year ended December 31, 2025 (2024: \$61,400). The expense is recognized based on the fair value of stock options estimated using the Black-Scholes option pricing model, which varies depending on the number of options granted or vested during the period and the assumptions applied.

CGX incurred a foreign exchange loss of \$49,280 for the year ended December 31, 2025, compared to a gain of \$62,123 for the same period in 2024.

In respect of the Joint Venture, the Company earned indirect charges from its Joint Venture partner during the year ended December 31, 2025 of \$145,000, compared to \$145,000 for the same period in 2024. As operator of the Corentyne block, the Company receives a fee from the Joint Venture to recover its indirect costs representing the cost of general assistance and support services provided by the Company. The charges are based on total expenditures under the joint operation agreement with Frontera Guyana in respect to the Corentyne block, with a minimum annual of \$200,000 (net to CGX of \$145,000).

Selected Consolidated Annual Financial Information

The information below should be read in conjunction with the financial statements for the years ended December 31, 2025, 2024 and 2023 and related notes and other financial information.

Year ended December 31,	2025		2024		2023	
Revenue	\$	563,242	\$	53,145	\$	—
Net Loss	\$	(76,288,599)	\$	(2,582,139)	\$	(3,193,577)
Basic and Diluted Loss Per Share	\$	(0.23)	\$	(0.01)	\$	(0.01)
Total Assets	\$	4,148,069	\$	79,303,621	\$	84,881,480
Liabilities	\$	19,529,683	\$	18,263,636	\$	21,177,756

2025 Quarterly Reports	Q4		Q3		Q2		Q1	
Revenue	\$	67,957	\$	165,707	\$	193,920	\$	135,658
Net Loss	\$	(17,924,503)	\$	(996,512)	\$	(56,776,588)	\$	(590,996)
Basic and Diluted Loss Per Share		\$(0.05)		\$(0.00)		\$(0.17)		\$(0.00)

2024 Quarterly Reports	Q4		Q3		Q2		Q1	
Revenue	\$	53,145	\$	—	\$	—	\$	—
Net Loss	\$	(433,112)	\$	(670,853)	\$	(832,831)	\$	(645,343)
Basic and Diluted Loss Per Share		\$(0.00)		\$(0.00)		\$(0.00)		\$(0.00)

8. CONTRACTUAL OBLIGATIONS AND CONTINGENCIES

Commitments

In the normal course of business, the Company and its subsidiaries enter into arrangements and incurred obligations that will affect the Company's future operations and liquidity.

As of December 31, 2025, the Company has no contractual commitments.

Contingencies

Demerara Seismic agreement - Prospector

The Company is party to an ongoing legal matter with Prospector PTE. Ltd. (“**Prospector**”) relating to a 2014 seismic acquisition contract for the Demerara block. Following the completion of a 3D seismic survey, a dispute arose regarding unpaid balances and the quality of the seismic processing.

Prospector initiated arbitration in 2018 before the International Chamber of Commerce (“ICC”), seeking recovery of unpaid amounts, interest, and legal costs. The Company filed a counterclaim for damages related to the seismic data quality. In 2022, the ICC issued a Partial Final Award and a Final Award in favour of Prospector, including principal, pre- and post-award interest, and legal costs. The Company’s counterclaim was denied.

Following unsuccessful challenges to the awards in the UK High Court and enforcement proceedings in Ontario and Alberta, Prospector initiated enforcement actions in Canada. During the twelve months ended December 31, 2025, approximately \$18,000 was garnished from the Company’s Canadian bank account, representing refunds received from the Canada Revenue Agency for HST.

As at December 31, 2025, the Company has recognized a provision of approximately \$17.0 million (December 31, 2024: \$16.4 million) within trade and other payables for the amounts awarded to Prospector, including accrued interest and legal costs.

Other Contingencies

In 2023, the Company received an invoice for approximately \$1.9 million, to which the Company believes all obligations were settled in full as per the terms of the agreements (the “Claim”). The Company has rejected this Claim and has assessed that it is lower than probable that any material negative outcome will be realized as a result of the Claim. Therefore, as at December 31, 2025 no provision has been recorded in the Consolidated Financial Statements relating to this Claim (December 31, 2024: \$Nil).

9. DISCLOSURE OF OUTSTANDING SHARE DATA

The following table sets forth information concerning the outstanding securities of the Company as at March 17, 2026:

Share Capital	Number
Shares	338,549,000
Options	—
Warrants	1,173,774

See Note 13 *Capital Stock* of the Consolidated Financial Statements for more detailed disclosure of outstanding share data.

10. RELATED PARTY TRANSACTIONS

Under IFRS, parties are considered to be related if one party has the ability to “control” (financially or by share capital) the other party or have significant influence (management) on the other party in making financial, commercial and operational decisions.

Frontera

As at March 17, 2026, Frontera, through a wholly-owned subsidiary, held approximately 76.05% of the issued and outstanding Common Shares of CGX on an undiluted basis and has the voting power to influence the outcome of all corporate transactions. Frontera consolidates CGX’s financial statements and is listed and publicly traded on the Toronto Stock Exchange under the trading symbol “FEC”.

Farm-in partner cash call balances

Under the JOA, the Company is the operator of the Corentyne Block. As operator, the Company makes cash calls to its partner to pay for license expenditures. As at December 31, 2025, the Company has a balance of \$— (December 31, 2024: \$105,397 receivable) from Frontera Guyana related to capital expenditures on the PPL.

The Company has allocated certain payroll costs in 2024 and 2025 in accordance with the JOA and prior practice. Frontera has disputed a portion of these charges and has requested that they be excluded from the block cost allocation. Given the uncertainty regarding collectability, the Company has recorded an impairment of \$201,210 related to this receivable in the consolidated statement of loss.

In addition, as operator of the PPL, the Company receives a fee from its partner to reimburse indirect costs associated with operating the license. This fee is calculated based on total expenditures under the JOA. During the year ended December 31, 2025, the Company recognized fees from its partner in the amount of \$145,000 (2024: \$145,000).

As of December 31, 2025, the Company has accounts receivable from Frontera of \$5,600 related to its portion of the University program funding, and other operational costs (December 31, 2024: \$5,800).

Senior Secured Loan Facility

On October 31, 2025, the Company, through its subsidiary CRI., and Frontera, through one of its subsidiaries, entered into a senior secured loan facility (the “**Loan**”) for \$2.5 million to fund CGX’s share of corporate working capital and other agreed-upon expenditures. The facility is non-revolving and available for drawdown in tranches of up to \$1.9 million over a six-month period following satisfaction of the initial conditions precedent. The Loan, together with accrued interest, is repayable one year after execution (or at a later date at Frontera’s discretion) and bears interest at 19.32% per annum, compounding on a monthly basis and payable on the maturity date.

On November 5, 2025, the Company drew down and received \$1.9 million under the Loan. As of December 31, 2025, the Company accrued interest related to the Loan of \$56,319, recorded within trade and other payables in the Consolidated Financial Statements.

Key Management Personnel

Key management includes the Company’s directors, officers and any employees with authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly. Compensation awarded to key management included:

Year Ended December 31	2025	2024
Short-term employee benefits ⁽¹⁾	\$ 1,491,000	\$ 1,490,400
Share based expense	—	61,400
Termination payments ⁽²⁾	789,700	—
Total compensation paid to key management	\$ 2,280,700	\$ 1,551,800

⁽¹⁾ Includes \$504,000 of outstanding director fees for one of the directors, which had been accrued since appointment in 2020 and were subsequently paid in 2025 following the director’s resignation.

(2) Termination payments include a gross amount of \$789,700 (before taxes) paid to the former Executive Chairman and Executive Director (Guyana) as severance, as well as outstanding salaries, vacation, and per diem, and are recorded as severance and termination benefits in the income statement. Severance and termination benefits have been partially offset by outstanding payables related to previously recorded incentive remuneration of \$266,000 (\$133,000 recorded as long-term), and by the portion recoverable from the partner. The remaining balance of severance and termination benefits represents estimated gross amounts payable under other executive employment contracts terminated during the year.

During the year ended December 31, 2025, key management personnel exercised Nil (year ended December 31, 2024: Nil) stock options.

As of December 31, 2025, key management outstanding compensation included in trade and other payables is \$Nil (December 31, 2024: \$660,000).

Key Management Agreements

As at December 31, 2025, the Company had no written management agreements with current senior officers (December 31, 2024: three). During 2025, the employment of certain senior officers, including the former Chief Executive Officer and two former Vice Presidents, was terminated.

These agreements contained provisions for severance payments upon the occurrence of specified events, including termination and change in control.

During the year ended December 31, 2025, the Company reached a negotiated settlement with the former Executive Chairman and Executive Director (Guyana) for an amount lower than his contractual entitlement. The settlement was paid in full and no further obligation of the Company remains.

With respect to the two former Vice Presidents, no severance payments had been made as at December 31, 2025. The Company is engaged in ongoing negotiations regarding settlement of these obligations.

As at December 31, 2025, the Company recorded an accrual representing its best estimate of the remaining obligations based on amounts offered and negotiations in progress. Given the ongoing negotiations, the ultimate obligation and timing of settlement may differ materially from the amount accrued.

Other related party transactions

On November 26, 2024, the Company sold surplus inventory from the Kawa and Wei exploration wells to Gaico Construction and General Services Inc. (“**Gaico**”). Gaico was controlled by a family member of the former Executive Chairman and Executive Director of the Company. The sale was conducted through a bidding process, in which various companies were invited to participate. CGX’s designated pipe broker, facilitated the process and received five bids, with Gaico submitting the highest offer. The transaction generated proceeds of approximately \$14,000. The transaction was approved in accordance with the Company’s related party transaction policy.

11. ADDITIONAL DISCLOSURES FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Assets information as at December 31,	2025	2024
Exploration and evaluation assets	\$ —	\$ 56,204,110
Berbice River port facility and logistic yard	\$ 2,854,196	\$ 20,421,073
Total Assets	\$ 4,148,069	\$ 79,303,621

Addition for the years ended December 31,	2025	2024
Land and lease cost	\$ —	\$ 53,312
Exploration: Intangible and drilling	—	—
Geophysical and administrative	176,457	122,928
Exploration and evaluation expenditures net additions of the year	\$ 176,457	\$ 176,240

Statement of Loss for the years ended December 31,	2025	2024
Port revenue	\$ 563,242	\$ 53,145
General and administrative	(332,608)	(532,686)
Management and consulting	(1,046,824)	(1,529,596)
Depreciation	(632,617)	(13,932)
Severance and Termination Benefits	(365,394)	—
Interest expense	(480,154)	(568,896)
Professional fees	(371,244)	(135,897)
Foreign exchange loss	(49,280)	62,123
Share based payments	—	(61,400)
	\$ (2,714,879)	\$ (2,727,139)
Impairment of exploration and evaluation assets	(56,380,567)	—
Impairment of property, plant and equipment	(17,136,943)	—
Impairment of farm-in partner receivable	(201,210)	—
Recovery from joint operation partner	145,000	145,000
	\$ (76,288,599)	\$ (2,582,139)

12. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the Company's financial statements requires management to exercise judgment and to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. These estimates are based on historical experience, current conditions and assumptions considered reasonable in the circumstances; however, actual results may differ materially from those estimates.

Given the Company's financial position, the ongoing dispute regarding the Corentyne block, and the early-stage commercialization of port operations, key areas requiring significant judgment include impairment assessments of E&E assets and BRP infrastructure, determination of recoverable amounts and CGUs, assessment of going concern, valuation of financial instruments, provisions and contingencies, and revenue recognition. Impairment assessments, in particular, require assumptions regarding future cash flows, utilization levels, discount rates, legal outcomes and access to financing, all of which involve a high degree of uncertainty.

Additional information regarding significant accounting judgments and estimates is provided in Note 2.3 *Use of management estimates, judgments, and measurement uncertainty* of the Consolidated Financial Statements.

13. RISK AND UNCERTAINTIES

This section discusses risks and uncertainties applicable to the Company.

Overview

The Company's activities include offshore oil and gas exploration in Guyana and the development and operation of the BRP. These activities involve a high degree of risk and are subject to operational, financial, regulatory, political and market uncertainties, many of which are beyond the Company's control. The Company is in the exploration and appraisal stage and does not currently generate petroleum production revenue.

The risks described below are those considered most relevant to the Company's current circumstances; however, additional risks and uncertainties not presently known, or currently considered immaterial, may also adversely affect the Company's business, financial condition, results of operations and prospects.

Principal Risks and Uncertainties Summary

Principal Risk	Description	Potential Impact
Liquidity, Going Concern and Financing	The Company's capital requirements exceed current cash resources and it is dependent on securing additional financing.	Funding constraints may result in curtailment of operations, asset monetization, or restructuring measures.
Dependence on Significant Shareholder and Funding Counterparty	The Company relies in part on financial and strategic support from a significant shareholder and Joint Venture partner.	Withdrawal or reduction of support could adversely affect liquidity and strategic flexibility.
Corentyne License Dispute	The status of the Corentyne PPL is subject to dispute and legal proceedings. The related E&E asset has been fully impaired.	The Company may be unable to recover its historical investment or realize future economic benefit. Adverse outcomes could impact financing access and development prospects.
Political, Regulatory and Legal Risks (Guyana)	Operations are concentrated in Guyana and subject to foreign political, fiscal and regulatory regimes.	Changes in laws, license security or fiscal terms could affect operations and asset value.
Exploration and Offshore Operational Risk	Offshore exploration involves technical, geological and operational uncertainties.	Unsuccessful drilling or operational incidents may result in loss of capital investment.
Resource Estimation and Commercialization	Resource estimates are inherently uncertain and may not convert into commercially viable reserves.	Failure to establish commercial reserves may limit production and future cash flows.

Principal Risk	Description	Potential Impact
Port Development and Commercialization	Port utilization depends on throughput, customers and infrastructure performance.	Lower utilization may limit expected operating cash flow contributions.
Environmental, Health, Safety and Climate	Operations are subject to environmental regulation and climate-related risks.	Compliance costs or environmental liabilities could be material.
Foreign Exchange Exposure	Multi-currency operations expose the Company to foreign exchange volatility.	Exchange movements may impact costs and funding requirements.
Share Price Volatility, Dilution and Control	Equity financings and ownership concentration may affect market performance.	Shareholder dilution and control concentration may impact valuation and liquidity.

Liquidity, Going Concern and Financing Risk

The Company's future capital requirements exceed existing cash resources and the Company may not have sufficient financial resources to meet its operating requirements for at least the next twelve months.

The Company's ability to continue as a going concern is dependent upon its ability to obtain additional financing, including through equity issuances, debt arrangements, asset monetization, joint venture arrangements or other strategic transactions. There can be no assurance that such financing will be available on acceptable terms, or at all.

In addition, the Company has recognized a full impairment of the Corentyne E&E asset, reflecting the uncertainty associated with license status and future recoverability. The impairment reduces the Company's petroleum asset base and may limit its ability to secure financing supported by exploration assets, farm-out arrangements or reserve-based structures.

The inability to secure additional funding could result in delays or curtailment of planned activities, reductions in discretionary expenditures, asset dispositions or other restructuring measures.

The audited consolidated financial statements of the Company for the year ended December 31, 2025 have been prepared on a going concern basis in accordance with IFRS Accounting Standards as issued by the IASB, which contemplates the realization of assets and settlement of liabilities in the normal course of business.

These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Should the Company be unable to obtain adequate financing or otherwise realize its assets and discharge its liabilities in the normal course of business, adjustments to the carrying values of assets and liabilities, reported expenses, and statement of financial position classifications may be required, and such adjustments could be material.

Dependence on Significant Shareholder and Funding Counterparty

The Company has obtained financing and strategic support from a significant shareholder and Joint Venture partner. Continued access to funding may depend, in part, on the ongoing financial support and strategic alignment of such parties.

Any reduction, withdrawal or change in the terms of such support could adversely affect the Company's liquidity, capital resources and strategic alternatives. Concentration of share ownership may also influence corporate decisions and limit the Company's flexibility in pursuing certain transactions.

Corentyne License

The Company holds an interest in the Corentyne block offshore Guyana through its joint venture arrangements.

In light of the uncertainty regarding license status and future recoverability, the Company recognized a full impairment of the Corentyne E&E asset in its Consolidated Financial Statements. While this accounting treatment reflects current uncertainty, the Company continues to assert its contractual and legal rights.

There can be no assurance that the Joint Venture's interests will be preserved, that the license will be reinstated, that compensation will be obtained, or that the Company will realize any future economic benefit from its historical investment in the block. The outcome of the dispute may materially affect the Company's future development prospects, financial position, and ability to secure financing or strategic partners. In addition, the dispute may require ongoing management attention and legal expenditures.

Please see Section 5 *Exploration Guyana* of this MD&A for further information.

Political, Regulatory and Legal Risks in Foreign Jurisdictions

The Company's principal assets and operations are located in Guyana and are subject to political, economic, contractual and regulatory risks associated with foreign operations. These risks include:

- Changes to petroleum, fiscal or investment regimes
- License or contract renegotiation
- Taxation changes
- Exchange controls
- Local content requirements
- Regulatory approvals
- Sovereign immunity limitations on enforcement

The Company may also face challenges enforcing contractual or legal rights in foreign jurisdictions due to differences in legal systems, judicial processes and enforcement mechanisms.

Exploration, Drilling and Offshore Operational Risk

Oil and gas exploration and offshore drilling involve significant operational risks, including dry wells, non-commercial discoveries, mechanical failures, environmental incidents, and operational hazards.

Offshore activities involve additional complexity due to remote locations, logistics, weather exposure and specialized equipment requirements. Such risks could result in cost overruns, project delays, environmental liabilities or loss of investment.

Insurance coverage is maintained where considered appropriate; however, not all risks are fully insurable and liabilities may exceed coverage limits.

Resource Estimation and Commercialization Risk

Resource estimates are based on geological and geophysical interpretation, including seismic data, and involve significant uncertainty. Prospective resources may not be discovered or may not be commercially recoverable.

Even where hydrocarbons are identified, development may not proceed due to economic, technical, regulatory or financing constraints. The Company currently has no producing reserves.

Port Development and Commercialization Risk

The Company has invested in the BRP infrastructure, and its commercial performance is dependent on throughput volumes, customer utilization, infrastructure reliability, regulatory approvals and broader regional economic conditions. There can be no assurance that the BRP will achieve anticipated utilization levels or generate sufficient operating cash flow to support its development objectives.

In 2025, the Company recorded an impairment of the BRP assets, reflecting revised assumptions regarding projected utilization, development timing and funding capacity. Continued lower-than-expected throughput, delays in securing development financing, or adverse market conditions could result in additional impairment charges or further reductions in projected cash flow.

Environmental, Health, Safety and Climate Risk

The Company's operations are subject to environmental and safety regulations in Guyana and other jurisdictions. Compliance may require significant expenditures and operational controls.

Environmental incidents could result in remediation liabilities, penalties or operational restrictions. Climate-related regulation and physical risks, including extreme weather and sea level changes, may also impact operations and infrastructure.

Legal Proceedings and Contingencies

The Company may be involved in legal, regulatory or arbitration proceedings arising in the normal course of business. Outcomes are uncertain and may result in financial or operational impacts. Legal proceedings may also require management time and financial resources.

Foreign Exchange Risk

The Company operates in multiple currencies, including U.S. dollars and Guyanese dollars. Exchange rate fluctuations may affect costs, funding requirements and financial results.

Share Price Volatility, Dilution and Control Concentration

The market price of the Company's common shares may be volatile due to commodity prices, exploration results, financing activities and general market conditions.

Future equity financings may result in shareholder dilution. Concentrated share ownership may influence corporate decisions and limit third-party acquisition interest.

Competition and Industry Conditions

The petroleum industry is highly competitive and capital intensive. The Company competes with larger, better-capitalized firms. Marketability of hydrocarbons depends on infrastructure access, commodity prices and transportation availability.

Personnel and Operational Dependence

The Company relies on key management and technical personnel. Loss of such personnel or inability to attract qualified resources could adversely affect operations.

Cybersecurity and Confidentiality

The Company relies on information systems and may be exposed to cybersecurity breaches or data loss. While safeguards are in place, system disruptions could adversely affect operations or reputation.

Forward-Looking Information

Forward-looking information involves assumptions, risks and uncertainties that may cause actual results to differ materially from expectations. Readers are cautioned not to place undue reliance on such information.

14. OIL AND GAS INFORMATION ADVISORIES

Disclosure in this MD&A relating to the Company's oil and gas activities is presented in accordance with National Instrument 51-101 — Standards of Disclosure for Oil and Gas Activities.

This MD&A does not include disclosure of reserves, contingent resources, prospective resources or associated economic evaluations. References to exploration activities, discoveries, or petroleum potential are qualitative in nature and should not be interpreted as estimates of recoverable hydrocarbons or future production.

Oil and gas exploration involves significant uncertainty, and there can be no assurance that discovered hydrocarbons, if any, will be commercially recoverable.

15. ABBREVIATIONS AND DEFINITIONS

The following abbreviations are frequently used in the Company's MD&A.

C\$	Canadian dollars	\$	U.S. dollars
Q	Quarter	USD	United States dollars

March 17, 2026

"Daniel Sanchez"

Daniel Sanchez

Interim Chief Executive Officer and Chief Financial Officer



Consolidated Financial Statements

For the years ended

December 31, 2025 and 2024

(US\$'s)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements (the “**Consolidated Financial Statements**”) of CGX Energy Inc. (the “**Company**”) are the responsibility of the management and Board of Directors of the Company.

The Consolidated Financial Statements have been prepared by management, on behalf of the Board of Directors, in accordance with International Financial Reporting Standards (“**IFRS**”). Financial statements are not precise since they include certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors is responsible for reviewing and approving the Consolidated Financial Statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. The Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the Consolidated Financial Statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the Consolidated Financial Statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company’s affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

Toronto, Canada

March 17, 2026

“Daniel Sanchez”

Daniel Sanchez
Interim Chief Executive Officer and
Chief Financial Officer

Independent auditor's report

To the shareholders of
CGX Energy Inc.

Opinion

We have audited the consolidated financial statements of **CGX Energy Inc.** and its subsidiaries [the "Company"], which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards ["IFRSs"].

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1 in the consolidated financial statements, which indicates that the Company has a history of operating losses and as at December 31, 2025 had a working capital deficiency of \$18,287,378 and an accumulated deficit of \$402,633,256. As stated in note 1, these events or conditions, along with other matters as set forth in note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period. In addition to the matters described in the Material uncertainty related to going concern section of our report, we have determined the matters described below to be the key audit matters to be communicated in our report. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter
<i>Indicators of impairment of property, plant and equipment ["PP&E"]</i>	
<p>As disclosed in notes 2.3 and 8 to the consolidated financial statements, during the year ended December 31, 2025, the Company recognized an impairment loss of \$17,136,943 relating to its port infrastructure assets in Guyana. As at December 31, 2025, the carrying value of PP&E assets was \$2,854,196.</p> <p>Management identified indicators of impairment relating to the Company's port infrastructure assets as at December 31, 2025.</p> <p>Auditing the Company's assessment of indicators of impairment or impairment reversal involved significant judgement due to the subjective nature of the various management inputs and assumptions.</p>	<p>To test the Company's assessment of indicators of impairment, we performed the following procedures, among others:</p> <ul style="list-style-type: none">• Obtained an understanding of management's impairment assessment process, including the identification of impairment indicators and the determination of the Port CGU.• Evaluated the appropriateness of the VIU methodology used by management and assessed its consistency with the requirements of IAS 36.• Tested the mathematical accuracy of the discounted cash flow model used to estimate the recoverable amount.• Assessed the reasonableness of key assumptions used in the VIU model, including forecast throughput volumes, operating and maintenance costs, capital expenditure assumptions, and long-term growth assumptions, by:<ul style="list-style-type: none">○ inspecting executed contracts with customers○ evaluating consistency with management-approved budgets and strategic plans; and○ considering external market and economic information relevant to port operations in Guyana.• Involved valuation specialists to assist in evaluating the appropriateness of the pre-tax discount rate, including consideration of country risk, project-specific risks, and funding risk.• Performed sensitivity analyses to assess the impact of reasonably possible changes in key assumptions on the recoverable amount.• Evaluated the adequacy of the related disclosures in the consolidated financial statements, including disclosure of key assumptions, sensitivities, and estimation uncertainty.

Other information

Management is responsible for the other information. The other information comprises:

- Management's discussion and analysis

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion & Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may

cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Ryan MacDonald.

The signature of Ernst & Young LLP is written in a black, cursive script. The letters are fluid and connected, with a prominent 'E' and 'Y'.

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Canada
March 17, 2026

CGX Energy Inc.
Consolidated Statements of Financial Position
(US\$'s)

As at	Notes	December 31, 2025	December 31, 2024
Assets			
Current			
Cash and cash equivalents	6	\$ 1,043,573	\$ 2,073,990
Trade receivables and other assets	7	198,732	294,333
Farm in partner receivable	10	—	105,397
Total current assets		1,242,305	2,473,720
Non-current			
Property, plant and equipment	8	2,905,764	20,625,791
Exploration and evaluation assets	9	—	56,204,110
Total non-current assets		2,905,764	76,829,901
Total assets		\$ 4,148,069	\$ 79,303,621
Liabilities			
Current			
Trade and other payables	11	\$ 17,629,683	\$ 18,263,636
Senior secured loan facility	12	1,900,000	—
Total current liabilities		19,529,683	18,263,636
Non-current			
Other payables	10	—	133,000
Total non-current liabilities		—	133,000
Total liabilities		\$ 19,529,683	\$ 18,396,636
Shareholders' (deficit) equity			
Share capital	13	\$ 358,163,441	\$ 358,163,441
Reserve for share based payments	13	29,088,201	29,088,201
Accumulated deficit		(402,633,256)	(326,344,657)
Total shareholders' (deficit) equity		(15,381,614)	60,906,985
Total liabilities and shareholders' equity		\$ 4,148,069	\$ 79,303,621

Nature of operations and going concern uncertainty (Note 1)
Commitments and contingencies (Note 16)

Approved on behalf of the Board of Directors on March 17, 2026:

("Signed" Dennis Mills)

("Signed" Rene Burgos)

_____, Director

_____, Director

Dennis Mills

Rene Burgos Diaz

The accompanying notes are an integral part of these Consolidated Financial Statements

CGX Energy Inc.
Consolidated Statements of Comprehensive Loss
(US\$'s)

For the period ended December 31,	Note	2025	2024
Port Revenue		\$ 563,242	\$ 53,145
Operating expenses			
Management and consulting		\$ (1,046,824)	\$ (1,529,596)
Severance and termination benefits		(365,394)	—
General and administrative		(332,608)	(532,686)
Depreciation	7	(632,617)	(13,932)
Professional fees		(371,244)	(135,897)
Interest expense		(480,154)	(568,896)
Share based expense		—	(61,400)
Foreign exchange (loss) gain		(49,280)	62,123
Total operating expenses		\$ (3,278,121)	\$ (2,780,284)
Recovery from joint operation partner	10	145,000	145,000
Impairment of exploration and evaluation assets	2.3, 9	(56,380,567)	—
Impairment of property, plant and equipment	2.3, 8	(17,136,943)	—
Impairment of farm-in partner receivable	10	\$ (201,210)	\$ —
Net loss and comprehensive loss		\$ (76,288,599)	\$ (2,582,139)
Loss per share			
Basic net loss per share		\$(0.23)	\$(0.01)
Diluted net loss per share		\$(0.23)	\$(0.01)
Weighted average number of shares			
Basic (000's)		338,549	338,549
Diluted (000's)		338,549	338,549

The accompanying notes are an integral part of these Consolidated Financial Statements

CGX Energy Inc.
Consolidated Statements of Changes in Equity
(US\$'s)

	Share Capital		Reserves		Total
	Number of Shares	Amount	Share based payments	Accumulated Deficit	
Balance at December 31, 2024	338,549,000	\$ 358,163,441	\$ 29,088,201	\$ (326,344,657)	\$ 60,906,985
Net loss and comprehensive loss for the year	—	—	—	(76,288,599)	(76,288,599)
Balance at December 31, 2025	338,549,000	\$ 358,163,441	\$ 29,088,201	\$ (402,633,256)	\$ (15,381,614)
<hr/>					
Balance at December 31, 2023	338,549,000	\$ 358,163,441	\$ 29,026,801	\$ (323,762,518)	\$ 63,427,724
Share based payments	—	—	61,400	—	61,400
Net loss and comprehensive loss for the year	—	—	—	(2,582,139)	(2,582,139)
Balance at December 31, 2024	338,549,000	\$ 358,163,441	\$ 29,088,201	\$ (326,344,657)	\$ 60,906,985

The accompanying notes are an integral part of these Consolidated Financial Statements

CGX Energy Inc.
Consolidated Statements of Cash Flow
(US\$'s)

For the year ended December 31,	Note	2025	2024
Operating Activities			
Net loss for the year		\$ (76,288,599)	\$ (2,582,139)
<u>Items not affecting cash:</u>			
Depreciation	8	632,617	13,932
Impairment expenses	2.3, 8, 10	73,718,720	—
Share-based expense		—	61,400
Unrealized foreign exchange loss		20,033	52,641
Interest accretion on trade and other payables		480,154	570,451
Net change in non-cash working capital items:			
Trade receivables and other assets		95,601	(44,504)
Trade and other payables		(1,180,314)	(2,399,312)
Net cash used in operating activities		\$ (2,521,788)	\$ (4,327,531)
Investing Activities			
Exploration and evaluation expenditures		(176,457)	(176,240)
Purchases of property, plant and equipment		(113,357)	(625,474)
Proceeds from the sale of scrap materials		—	249,700
Proceeds from 2023 JOA Amendment		— \$	1,500,000
Farm in partner advances		(95,813)	(989,806)
Net cash used in investing activities		\$ (385,627)	\$ (41,820)
Financing Activities			
Proceeds from senior secured loan facility (Note 12)		1,900,000	—
Net cash provided from financing activities		\$ 1,900,000	\$ —
Net decrease in cash and cash equivalents		(1,007,415)	(4,369,351)
Net effect of exchange rate changes		(23,002)	28,522
Cash and cash equivalents at beginning of the year		2,073,990	6,414,819
Cash and cash equivalents at end of the year		\$ 1,043,573	\$ 2,073,990

The accompanying notes are an integral part of these Consolidated Financial Statements

Notes to the Consolidated Financial Statements – (US\$’s)
For the year ended December 31, 2025 and 2024

GENERAL

CGX Energy Inc. (“**CGX**” or the “**Company**”) is a Canadian Company incorporated under the laws of Ontario, Canada in 1998. The Company’s common shares (“**Common Shares**”) are listed and publicly traded on the TSX Venture Exchange (“**TSXV**”) under the trading symbol “**OYL**”. The Company’s head office is located at 333 Bay Street, Suite 2400, Toronto, Ontario, M5H 2T6. Its principal business activities are petroleum and natural gas exploration offshore the Cooperative Republic of Guyana, South America (“**Guyana**”) and construction of a port on the Berbice River in Guyana.

The following table summarizes the Company’s subsidiaries, the location of their registered offices, and the Company’s percentage interest.

Company	Registered Office	Percentage of Interest (%)
CGX Resources Inc. (“ CRI ”)	Bahamas	100%
GCIE Holdings Limited (“ GCIE Holding ”)	Barbados	100%
Grand Canal Industrial Estates Inc. ¹	Guyana	100%
CGX Energy Management Corp.	United States, Delaware	100%

1. Owned 100% by GCIE Holding

1. Nature of Operations and Going Concern Uncertainty

The Company’s operations have historically consisted of the exploration and evaluation (“**E&E**”) of petroleum and natural gas in the Guyana-Suriname Basin and the construction and development of a port facility on the Berbice River in Guyana. Following the Government of Guyana’s (“**GoG**”) position regarding the status of the Corentyne Petroleum Agreement (“**PA**”) and Petroleum Prospecting License (“**PPL**”), and the resulting inability to conduct activities on the Corentyne block, the Company ceased further investment in those properties and recorded an impairment reducing their carrying value to nil. The Joint Venture (as defined below) continues to assert its contractual and legal rights with respect to the Corentyne block; however, the resolution and potential economic outcome remain uncertain.

The Company is currently focused on advancing its port operations while protecting its rights with respect to the Corentyne block. The completion of development activities, expansion initiatives, and the ability to operate the port profitably depend on securing additional financing, for which there can be no assurance of availability on acceptable terms or at all. Previously capitalized E&E expenditures are not indicative of future recoverability, which remains dependent on legal outcomes, regulatory approvals and access to funding.

The Company has a history of operating losses and, as at December 31, 2025, had a working capital deficiency of \$18.3 million (December 31, 2024: \$15.8 million) and an accumulated deficit of \$402.6 million (December 31, 2024: \$326.3 million). The Company’s ability to continue as a going concern is dependent on obtaining additional financing, which may include equity or debt issuances, asset monetization or strategic partnerships. Accordingly, the Company does not have sufficient liquidity to meet its operating requirements for the twelve-month period following the reporting date.

Management has implemented cost-reduction measures and is pursuing additional funding alternatives; however, there can be no assurance that these actions will be sufficient. As a result there exist material uncertainties that may cast significant doubt as to the Company’s ability to continue as a going concern. These Consolidated Financial Statements have been prepared on a going-concern basis and do not

Notes to the Consolidated Financial Statements – (US\$’s)
For the year ended December 31, 2025 and 2024

reflect adjustments that would be required if the Company were unable to continue as a going concern. Such adjustments could be material.

2. Basis of Preparation

2.1 Statement of Compliance

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These Consolidated Financial Statements were approved and authorized by the Board of Directors of the Company on March 17, 2026.

2.2 Basis of presentation

The Consolidated Financial Statements have been prepared on the historical cost basis except for certain financial instruments, measured at fair value, as explained in the accounting policies in Note 3.

Certain prior-year amounts have been reclassified to conform to the current year presentation.

2.3 Use of management estimates, judgments, and measurement uncertainty

The preparation of the Consolidated Financial Statements requires management of CGX to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses. Such estimates primarily relate to unsettled transactions and events as at the date of CGX's consolidated financial statements.

On an ongoing basis, Management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions.

The most significant estimates and judgements relate to the valuation of E&E expenditures, functional currency, determination of cash generating units and impairment testing, taxes, valuation of share-based payments and warrant liabilities, and contingencies. Significant estimates and judgments made by management in the preparation of these consolidated financial statements are outlined below:

Exploration and evaluation costs (Note 9)

E&E costs include expenditures to acquire licenses to explore, farming into or acquiring rights to working interest on exploration properties, appraisal costs of technical services and studies, seismic acquisition, exploratory drilling and testing. These costs are initially capitalized by well, field, unit of account or specific exploration unit, as appropriate, and are not subject to depreciation or depletion.

Costs incurred prior to obtaining the legal rights to explore an area, geological and geophysical costs, including payroll, and payments made to fulfill the remaining balance of minimum exploration work commitment, are recognized in profit or loss as exploration expenses. E&E assets are reclassified to oil and gas properties, after an impairment review, when commercial reserves have been discovered and technical feasibility and commercial viability are demonstrable. If technical feasibility and commercial viability cannot be demonstrated upon completion of the exploration phase, the carrying value of the E&E costs is expensed in the period this determination is made. The proceeds from selling items produced by an E&E asset are not deducted from the cost. The proceeds from selling such items, and the costs of producing those items, are recognized in profit or loss.

Impairment of Non-Financial Assets

At each reporting date, the Company assesses whether there are indicators that non-financial assets may be impaired. If an indication of impairment exists, the Company estimates the recoverable amount as the higher of the value in use (the “VIU”) and the fair value less cost of disposal (the “FVLCD”). Individual assets are grouped for impairment assessment purposes at the level of the cash-generating units (the “CGU”), which is the lowest level for which identifiable cash inflows exist that are largely independent on the cash flows of other groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is written down to its recoverable amount. VIU is estimated as the present value of future cash flows expected to arise from the continuing use of the CGU and discounted at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the asset. FVLCD is based on available market information, where applicable. In the absence of such information, FVLCD is determined using discounted future after-tax net cash flows of proved and probable reserves using forecasted prices and costs consistent with reserves reports produced by independent certified reserves evaluators.

An assessment is also made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset’s or CGU’s recoverable amount.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset’s recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount or the carrying amount that would have been determined, net of depreciation, had no impairment been recognized in prior years. Impairment losses and any reversals of impairment are recognized in profit or loss in the period in which they occur.

Corentyne License (Note 9)

CRI and Frontera Energy Guyana Corp. (“**Frontera Guyana**”, and together with CRI, the “**Joint Venture**”), jointly hold 100% working interest in the Corentyne block, located off-shore Guyana. CRI and Frontera Guyana have agreed that their respective participating interests are 72.52% and 27.48%, which includes a 4.52% interest that CRI agreed to assign to Frontera Guyana in 2023. The assignment remains subject to the approval of the GoG, but is enforceable between CRI and Frontera Guyana.

On June 26, 2024, the Company and Frontera Energy Corp. (“**Frontera**”) announced that they submitted a notice of potential commercial interest for the Wei-1 discovery to the GoG, which preserves their interests in the PPL and the PA for the Corentyne block off-shore Guyana. Due to the absence of a response from the GoG and the public remarks made by certain Government officials, on December 12, 2024, the Joint Venture announced that it had sent the GoG a letter activating a 60-day period for the parties to the PA to make all reasonable efforts to amicably resolve all disputes via negotiation. On February 11, 2025, the Joint Venture announced that it received a communication from the GoG in which the GoG has taken the position that the PPL had terminated or, alternatively, that the communication served as a 30-day notice of the GoG’s intention to cancel the PPL. Although the GoG argued that the PPL and PA have been terminated, it invited the Joint Venture to submit any representations it wished to have considered by the GoG prior to its final decision on whether to cancel any existing license. The GoG further stated that any such license would cease to have effect on March 10, 2025, unless any representations made are favorably considered. On February 24, 2025, the Company announced that the Joint Venture had provided a response, advising the GoG that

Notes to the Consolidated Financial Statements – (US\$’s)
For the year ended December 31, 2025 and 2024

notwithstanding the GoG’s contradictory positions, both the PPL and the PA remain valid and in force. The Joint Venture remains firmly of the view that its interest in the PPL and the PA for the Corentyne block remain in place and in good standing. On March 11, 2025, the GoG issued a “Notice of Cancellation/Termination” asserting that the PA was terminated and the PPL was cancelled while failing to address any of the Joint Venture’s substantive arguments.

On March 26, 2025, Frontera and its subsidiaries, Frontera Petroleum International Holding B.V. and Frontera Energy Guyana Holding Ltd. (the “Investors”), sent a notice of intent to the GoG by which the Investors alleged breaches of the United Kingdom – Guyana Bilateral Investment Treaty (BIT) and the Guyana Investment Act by the GoG. This communication triggered a 90-day consultation and negotiation period intended to resolve the dispute amicably. The parties have been unable to reach a mutual resolution to date.

On July 23, 2025, the GoG, through its legal counsel, responded to the Investors, rejecting their assertions regarding the PPL. The GoG reaffirmed its view that the Joint Venture’s interest expired on June 28, 2024.

The Joint Venture continues to firmly maintain that its interests in, and the license for, the Corentyne block remain valid and in good standing and that the Petroleum Agreement for such block has not been terminated. While the GoG reaffirmed its position that the Joint Venture’s interest expired on June 28, 2024, the Joint Venture strongly disagrees and remains committed to asserting its legal rights under applicable treaties and agreements. The Joint Venture has continued to exchange certain without prejudice communications with the GoG, and remains open to engaging in good faith discussions with the GoG.

The Company evaluated the Corentyne E&E asset’s recoverability given the GoG’s conduct and communications, and its unwillingness to recognize the Joint Venture’s rights during the consultation periods, which have since expired. Although all contractual requirements of the Company have been met and an external legal assessment determined that the Company’s interests in the PA and PPL for the Corentyne block remain valid, the GoG’s positions noted above have restricted the Company’s ability to conduct activities under the PA and PPL. This situation has led to uncertainty regarding the asset’s future development and constituted an impairment indicator under IFRS 6, Exploration for and Evaluation of mineral resources and IAS 36 Impairment of Assets. Consequently, the Company recognized an impairment of \$56.4 million in its loss statement in 2025, and the Corentyne E&E asset’s carrying value as of December 31, 2025 is \$Nil (December 31, 2024: \$56.2 million).

The impairment reflects management’s accounting assessment of the recoverability of the Corentyne E&E asset under IFRS and does not determine the legal entitlement of the Joint Venture with respect to its rights under the PA, PPL, or applicable law.

The Joint Venture continues to pursue resolution of the matter through available contractual and legal processes; however, there can be no assurance that such processes will result in any economic recovery.

In accordance with IFRS, impairment charges may be reversed in future periods if circumstances change and indicators arise that the recoverable amount of the asset has increased.

Port Capital Expenditures (Note 8)

The determination of which expenditures related to port development qualify for capitalization under IAS 16 – Property, Plant and Equipment requires the use of judgment. Management assesses whether costs are directly attributable to the construction of port assets and necessary to bring those assets to the

Notes to the Consolidated Financial Statements – (US\$'s)
For the year ended December 31, 2025 and 2024

condition required for their intended use. Judgment is also applied in identifying separate asset components, allocating construction-related overheads, and determining when assets are considered available for use. Estimates may change as project plans evolve or as new information becomes available.

Port Facility Depreciation

The Company commenced operations at its port facility in December 2024. While certain components of the port infrastructure remain under construction, the assets available for use have entered service and are being depreciated in accordance with IAS 16 – Property, Plant and Equipment.

Depreciation commenced on components capable of operating as intended by management. The estimated useful lives range from 30 to 35 years, reflecting the expected economic benefits and aligned with the term of the underlying government lease. In accordance with IFRS, the depreciable lives do not exceed the remaining lease term.

Impairment of Port Assets (Note 8)

The determination of the recoverable amount requires significant judgment and involves the use of estimates and assumptions, including:

- projected revenues and throughput volumes;
- forecast operating and maintenance costs;
- capital expenditure requirements;
- long-term growth rates; and
- discount rates reflecting current market assessments of the time value of money and the risks specific to the asset.

The recoverable amount is determined based on a value-in-use calculation using discounted cash flows derived from management-approved forecasts.

Management's estimates are inherently uncertain and may be impacted by changes in market conditions, regulatory developments, financing availability, operational performance, or macroeconomic factors. Changes in key assumptions could materially impact the recoverable amount and may result in future impairment charges or reversals of impairment, where permitted under IFRS.

Farm-in / Farm out

A farm-out is effectively a disposal and farm-in is an acquisition by the farmee of part of the farmor's working interest, with the consideration being the fair value of the future expenditure undertaken by the farmee. The Company does not record any expenditure made by the farmee on its account. It also does not recognise any gain or loss on its E&E farm-out arrangements, but redesignates any costs previously capitalized in relation to the whole interest as relating to the partial interest retained. Any cash consideration received directly from the farmee is credited against costs previously capitalized in relation to the whole interest with any excess accounted for by the Company as a gain on disposal.

Accounting Policy — Loans and Borrowings

Loans and borrowings are initially recognized at fair value, net of directly attributable transaction costs, and are subsequently measured at amortized cost using the effective interest rate method in accordance with IFRS 9 Financial Instruments.

Notes to the Consolidated Financial Statements – (US\$’s)
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Interest expense is recognized in finance costs over the term of the borrowing using the effective interest rate, which allocates interest expense at a constant rate on the carrying amount of the liability.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement for at least twelve months after the reporting date.

Where financing is obtained from related parties, the Company assesses whether the transaction is conducted on market terms. Any difference between the fair value of the financial liability at initial recognition and the transaction price is recognized in profit or loss or equity, as appropriate, based on the substance of the arrangement.

Functional currency

The determination of the Company's functional currency requires analyzing facts that are considered primary factors, and if the result is not conclusive, the secondary factors. The analysis requires the Company to apply significant judgment since primary and secondary factors may be mixed. In determining functional currency, the Company analyzed both the primary and secondary factors, including the currency of the Company's operating costs in Canada, United States and Guyana, and sources of financing.

Cash generating units and impairment testing

CGU's are identified to be the E&E licenses and the port at Berbice, the lowest level at which there are identifiable cash inflows that are largely independent of cash inflows of other groups of assets. The determination of CGUs requires judgment in defining a group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets. CGUs are determined by similar geological structure, shared infrastructure, geographical proximity, commodity type, similar exposure to market risks and materiality.

The Company monitors internal and external indicators of impairment relating to its properties, plant and equipment, and E&E assets. External sources of information include changes in the economic and legal environment in Guyana. In assessing impairment for E&E assets, the Company applies judgment in considering various factors that determine technical feasibility and commercial viability.

The Company reviews the carrying amounts of its long-lived assets to be held and used to determine whether there is any indication that those assets have suffered an impairment loss. If and when facts and circumstances indicate that the carrying value of an exploration and evaluation expenditures or the port may exceed its recoverable amount, an impairment review is performed.

The equivalent combined carrying value of the CGU's is compared against the recoverable amount of the CGU's and any resulting impairment loss is written off to net income (loss). The recoverable amount is the greater of fair value, less costs of disposal or value-in-use. Impairments of exploration and evaluation expenditures are only reversed when there is significant evidence that the impairment has been reversed, but only to the extent of what the carrying amount would have been, had no impairment been recognized.

Income taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether

Notes to the Consolidated Financial Statements – (US\$’s)
For the year ended December 31, 2025 and 2024

additional taxes will be due. The determination of the Company’s income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company’s interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Contingencies

Contingent gains or liabilities are possible receipts or obligations whose existence will be confirmed only on the occurrence or non-occurrence of uncertain future events outside the Company’s control, or present obligations that are not recognized because either it is not probable that an inflow or outflow of economic benefits would be required to settle the obligation or the amount cannot be measured reliably. Contingent gains or liabilities are not recognized but are disclosed and described in the notes to its consolidated financial statements, including an estimate of their potential financial effect and uncertainties relating to the amount or timing of any outflow, unless the possibility of settlement is remote. In assessing loss contingencies related to any claims that may result in proceedings, the Company, with assistance from its legal counsel, evaluates the perceived merits of any such claims as well as the perceived merits of the amount of relief sought or expected to be sought.

Valuation of share based payments and warrant liability (Note 12)

The Black-Scholes option pricing model is used to determine the fair value for the share based payments and warrant liability and utilizes subjective assumptions such as expected price volatility and expected life of the option or warrant. Discrepancies in these input assumptions can significantly affect the fair value estimate.

Berbice River Port Revenue

Revenue from port services is recognized in accordance with IFRS 15 – Revenue from Contracts with Customers.

- Cargo Wharfage Fees: Revenue is recognized at the point in time when cargo is loaded or unloaded at the port, as this represents the completion of the performance obligation.
- Side Wharfage Services: Revenue is recognized over the period the vessel is berthed and utilizing the wharfage facilities, as the service is provided over time.

Revenue is measured at the transaction price agreed upon with customers, net of discounts and rebates. Where applicable, variable consideration (e.g., volume-based discounts) is estimated using the expected value method and recognized only when it is highly probable that there will be no significant reversal.

Disclosures comply with IFRS 15, including the breakdown of revenue streams and any significant judgments applied in determining revenue recognition.

Port assets under construction and useful economic life Assets in the course of construction are carried at cost.

These assets are not amortized until they are available for use in commercial operation. Management reviews progress reports to determine when the port is ready for commercial operation and will begin amortizing the port over the useful economic life of the port. Once available for use, the annual

Notes to the Consolidated Financial Statements – (US\$’s)
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depreciation charge for the port is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values will be re-assessed annually and amended where necessary.

2.4 New standards, interpretations and amendments adopted by the Company

The Company has adopted the following new and amended IFRS standards and interpretations that became effective for annual reporting periods beginning on or after January 1, 2025:

Amendments to IAS 21 – Lack of Exchangeability

Issued in August 2023, these amendments provide guidance on determining the exchange rate when a currency lacks exchangeability. They require entities to estimate the spot exchange rate and disclose the effects on financial position and performance. The Company adopted these amendments effective January 1, 2025. The adoption had no impact on the Company’s Interim Financial Statements.

3. Material Accounting Policy Information

3.1 Basis of Consolidation

Subsidiaries consist of entities over which the Company is expected to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All inter-company and intra-company transactions, balances, income and expenses are eliminated in full on consolidation.

3.2 Exploration and evaluation expenditures

All license acquisition, exploration and appraisal costs of technical services and studies, seismic acquisition, exploratory drilling and testing are initially capitalized by well, field, unit of account or specific exploration unit as appropriate, with the exception of share based payments related to option grants for those involved in exploration and evaluation activities, which are expensed. Expenditures directly associated with an exploration well are capitalized as exploration and evaluation assets until the drilling of the well is complete and the results have been evaluated. These costs include material and fuel used, rig costs and payments made to contractors. If no commercial reserves are found, the exploration asset is written off. Expenditures incurred during the various exploration and appraisal phases, excluding dry hole costs, are carried forward until the existence of commercial reserves and when the technical feasibility and commercial viability are demonstrable and approved by the regulator. If commercial reserves have been discovered and technical feasibility and commercial viability are demonstrable, the carrying value of the exploration and evaluation assets, after any impairment loss, is reclassified as oil and gas properties. If technical feasibility and commercial viability cannot be demonstrated upon completion of the exploration phase, the carrying value of the exploration and evaluation costs incurred are expensed in the period this determination is made.

Exploration and evaluation assets are tested for impairment when indicators of impairment are present and when exploration and evaluation assets are transferred to oil and gas properties. The Company has determined the level for assessing for impairment at the CGU level. The determination of CGUs requires judgment in defining a group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets. CGUs are determined by similar geological structure,

shared infrastructure, geographical proximity, commodity type, similar exposure to market risks and materiality.

3.3 Impairment of assets

The Company assesses at each date of the statement of financial position whether a financial asset is impaired.

Financial assets carried at amortized cost

If there is objective evidence that an impairment loss on assets carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the assets carrying amount and the present value of estimated future cash flows discounted at the financial asset’s original effective interest rate.

The carrying amount of the asset is then reduced by the amount of the impairment. The amount of the loss is recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in profit or loss.

In relation to trade receivables, a provision for impairment is made and an impairment loss is recognized in profit and loss when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Company will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount of the receivable is reduced through use of an expected credit losses account. Impaired debts are written off against the expected credit losses account when they are assessed as uncollectible.

3.4 Share based payments

Employees (including directors, officers and senior executives) and certain consultants of the Company receive a portion of their remuneration in the form of share-based payment transactions, whereby employees and consultants render services as consideration for equity instruments (“equity-settled transactions”).

In situations where equity instruments are issued and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment.

The costs of equity-settled transactions with employees and consultants are measured by reference to the fair value at the date on which they are granted.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the “vesting date”).

The cumulative expense is recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company’s best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and the corresponding amount is represented in share-based payments reserve. All amounts related to equity-settled transactions remain in

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share-based payments reserve, unless the award related to the equity-settled transaction is exercised. If the award related to the equity-settled transaction is exercised, the corresponding value of share-based payments reserve related to that award is reclassified to share capital.

No expense is recognized for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee or consultant as measured at the date of modification.

Any dilutive effect of outstanding options is reflected as additional dilution in the computation of loss per share.

3.5 Property, plant and equipment (“PP&E”)

PP&E are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of PP&E consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the asset and restoring the site on which it is located.

Except for the port infrastructure assets (See 2.3. Port facility depreciation), depreciation is calculated to write off the cost of PP&E, less estimated residual value, using the declining balance method at the following rates:

Office, furniture and fixtures	20 %
Vehicles	20 %
Computer, software and equipment	30 %

An item of PP&E is derecognized upon disposal, when held for sale or when no future economic benefits are expected from its continued use. Any gain or loss on disposal, determined as the difference between net disposal proceeds and the carrying amount of the asset, is recognized in the consolidated statement of comprehensive income.

The Company reviews the residual values, useful lives and depreciation methods of PP&E at least annually, and accounts for any changes prospectively.

Where an item of PP&E comprises major components with different useful lives, the components are accounted for separately. Expenditures incurred to replace a separately identified component, including major inspection and overhaul expenditures, are capitalized.

3.6 Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the date of the statement of financial position.

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Deferred income tax

Deferred income tax is provided using the liability method on temporary differences at the date of the statement of financial position between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences, except:

- a. where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- b. in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- a. where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- b. in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at each date of the statement of financial position and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each date of the statement of financial position and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the date of the statement of financial position.

Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of comprehensive income.

Deferred income tax assets and deferred income tax liabilities are offset if, and only if, a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend to either settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Notes to the Consolidated Financial Statements – (US\$’s)
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3.7 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise of cash at banks and on hand, and short term deposits with a remaining maturity of 90 days or less on the date of acquisition and which are readily convertible into a known amount of cash.

3.8 Financial assets

Financial assets classified as fair value through profit or loss (“FVTPL”) are measured at fair value with realized and unrealized gains and losses recognized in the statement of comprehensive loss. As at December 31, 2025 and 2024 the Company does not have any financial assets classified as FVTPL.

Financial assets measured at amortized cost include the Company’s cash and cash equivalents, trade receivables and other assets and farm in partner receivable. As at December 31, 2025 and 2024, the carrying amounts for these assets approximate their fair value due to their short-term nature.

Financial assets classified as fair value through other comprehensive income (“FVOCI”) are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss). As at December 31, 2025 and 2024, the Company has not classified any financial assets as FVOCI.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the settlement date.

Transactions costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

3.9 Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or at amortized cost.

Financial liabilities classified at amortized cost are initially recognized at fair value less directly attributable transaction costs. After initial recognition, they are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or, where appropriate, a shorter period. The Company’s trade and other payables and loan from related party are recorded at amortized cost. As at December 31, 2025 and 2024, the carrying amounts for trade and other payables and loan from related party approximate their fair value due to their short-term nature.

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives, are also classified as FVTPL unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized through the statement of comprehensive loss. As at December 31, 2025 and 2024, the Company had classified the warrant liability as FVTPL.

3.10 Loss per share

The basic loss per share is computed by dividing the net loss by the weighted average number of Common Shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options, in the weighted average number of Common Shares outstanding during the year, if dilutive. The Company uses the “treasury stock method”

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where assumed proceeds upon the exercise of the options and warrants that are used to purchase Common Shares at the average market price during the year. During the years ended December 31, 2025 and 2024 all the outstanding stock options and warrants were antidilutive.

3.11 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

3.12 Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence; related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

3.13 Foreign currency transactions

Items included in the financial statements of each of the Company’s consolidated entities are measured using the currency of the primary economic environment in which each entity operates (the “functional currency”). The functional currency of the Company and each of its subsidiaries is the US\$. The consolidated financial statements are presented in US\$, which is the Company’s presentation currency.

3.14 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statement of comprehensive loss.

Foreign-currency-denominated warrants, outside of the scope of IFRS 2, which will be settled by the Company delivering a variable number of its shares for a fixed amount of foreign currency are classified as a financial liability. Changes in the fair value of the liability are recorded in profit or loss.

3.15 Other revenue recognition

CGX recognizes interest revenue and fees from farm in partner as earned on an accrual basis, when collection is reasonably assured.

3.16 Joint arrangements

A joint arrangement is an arrangement in which two or more parties have joint control and must act together to direct the activities that significantly affect the returns of the arrangement. Under IFRS 11 joint arrangements, the Company classifies its interest in joint arrangements as either joint operations or joint ventures. When making this assessment, the Company considers the structure and contractual terms of the arrangement, as well as the legal form of any separate vehicles, in addition to all other relevant

facts and circumstances. Joint operations are recognized on a proportionate consolidation basis by including the Company’s share of assets, liabilities, revenues and expenses and other comprehensive income in each of the respective consolidated accounts. Joint ventures are recognized using the equity method of accounting. The Company’s share of individual assets and liabilities are recognized as an investment in the joint venture account on the consolidated statements of financial position, and revenues and expenses are recognized with net earnings as a gain/loss from investment in joint venture account on the consolidated statements of operations and comprehensive income.

As further described in Note 9, CRI is party to a joint operating agreement with Frontera Guyana. The in respect of the Corentyne block originally signed between Frontera Guyana and CRI on January 30, 2019, as amended from time to time (the “**JOA**”). The Company reviewed the legal form and contractual terms of this arrangement and concluded that it would be classified as a joint operations. Based on this assessment, the Company accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the IFRS applicable to the particular assets, liabilities, revenues and expenses. The Company recognizes its:

- Assets, including its share of any assets held jointly;
- Liabilities, including its share of any liabilities incurred jointly;
- Revenue from the sale of its share of the output arising from the joint operation; and
- Expenses, including its share of any expenses incurred jointly.

3.17 New and amended standards and interpretations

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right; and
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced whereby an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity’s right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no impact on the Company’s Consolidated Financial Statements.

Amendments to IAS 21 – Lack of Exchangeability

The amendments to IAS 21 provide guidance on determining the exchange rate when a currency is not exchangeable and require enhanced disclosures in such circumstances.

The adoption of these amendments did not have a material impact on the Company’s Consolidated Financial Statements.

3.18 IFRS Standards Issued but Not Yet Effective

As of December 31, 2025, the following new and amended IFRS standards have been issued by the IASB but are not yet effective for the current reporting period. The Company has not early adopted these standards and is currently assessing their impact on future financial statements.

Standards and Amendments Effective for Annual Periods Beginning on or After January 1, 2026

Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments

These amendments clarify the assessment of contractual cash flow characteristics and provide additional guidance and disclosure requirements related to financial instruments. The Company does not currently anticipate a material impact on its financial position or results of operations; however, additional disclosures may be required upon adoption.

Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity

These amendments clarify the application of IFRS 9 to contracts referencing nature-dependent electricity pricing. The Company does not expect these amendments to have a material impact on its Consolidated Financial Statements.

Standards and Amendments Effective for Annual Periods Beginning on or After January 1, 2027

IFRS 18 – Presentation and Disclosure in Financial Statements

IFRS 18 replaces IAS 1 and introduces revised presentation and disclosure requirements, including new subtotals in the statement of profit or loss and enhanced disclosures regarding management-defined performance measures. The Company is assessing the impact of IFRS 18 on the presentation and disclosure of its Consolidated Financial Statements.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

IFRS 19 permits eligible subsidiaries that do not have public accountability to apply reduced disclosure requirements. The Company will assess whether any of its subsidiaries qualify for application of this standard and the potential impact on future disclosures.

The Company is in the process of evaluating the impact of these standards and amendments and will apply them in the reporting periods in which they become effective.

4. Capital Management

The Company's objective in managing capital is to seek to maintain sufficient liquidity to support ongoing operations, preserve its existing assets, and meet its obligations as they become due. The Company's capital structure consists primarily of shareholders' equity and debt financing.

The Company has incurred significant losses since inception and, as at December 31, 2025, had a working capital deficiency and negative shareholders' equity. As a result, the Company is dependent on external financing to fund its operating activities, capital expenditures related to port infrastructure, and general and administrative costs. Management monitors cash flow forecasts, funding requirements and capital resources on an ongoing basis and adjusts spending and financing plans as necessary in light of the Company's financial position and market conditions.

To continue operations, the Company will require additional financing, which may include equity issuances, debt arrangements, asset monetization transactions or strategic partnerships. There can be no

Notes to the Consolidated Financial Statements – (US\$’s)
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assurance that such financing will be available on acceptable terms or at all. There were no changes in the Company’s approach to capital management during the year ended December 31, 2025.

The Company is not subject to externally imposed capital requirements other than those of the TSX Venture Exchange (“**TSXV**”), which requires issuers to maintain adequate working capital or financial resources equal to the greater of: (i) C\$50,000 and (ii) an amount sufficient to maintain operations and cover general and administrative expenses for a period of six months. As at December 31, 2025, and the date of these Consolidated Financial Statements, the Company may be at risk of non-compliance with TSXV working capital requirements, subject to TSXV discretion. The outcome of any such determination is subject to the discretion of the TSXV.

For purposes of capital management, the Company considers capital to include shareholders’ equity. As at December 31, 2025, the Company had a shareholders’ deficit of \$15.4 million (December 31, 2024: shareholders’ equity of \$60.9 million).

5. Financial Instruments

Fair Value

Cash and cash equivalents, trade receivables and other assets, and farm in partner receivable are measured at amortized cost, which approximates fair value due to their short-term nature. Trade and other payables and farm in partner advances are measured at amortized cost, which also approximates fair value due to their short-term nature.

Warrant liability is measured as fair value through profit and loss with Level two classification within the fair value hierarchy.

The fair value hierarchy has the following levels:

- Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level two includes inputs that are observable other than quoted prices included in level one.
- Level three includes inputs that are not based on observable market data.

As at December 31, 2025 and December 31, 2024 the Company does not have any financial assets measured at fair value and that require classification within the fair value hierarchy.

These estimates are subject to and involve uncertainties and matters of significant judgment, and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

A summary of the Company’s risk exposures as it relates to financial instruments are reflected below:

1) Credit risk

Credit risk is the risk of loss associated with a counterparty’s inability to fulfill its payment obligations. The credit risk is attributable to various financial instruments, as noted below. The Company’s maximum exposure to credit risk as at December 31, 2025 is the carrying value of cash and cash equivalents, trade receivables and other assets and farm-in partner balances.

- i. **Cash and cash equivalents:** Cash and cash equivalents are held mainly with major Canadian and American financial institutions in Canada, Guyana and the United States and therefore the risk of

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loss is minimal. The Company keeps cash and cash equivalents in major Guyanese banks to pay its current month activities and other expenses.

- ii. **Trade receivables and other assets:** The Company is exposed to credit risk attributable to cash advances to suppliers, prepaid expenses, or credits from vendors. The Company does not believe that this risk is significant. (See Note 7)
- iii. **Farm in partner balances:** The Company is exposed to credit risk attributable to its farm in partner. The Company does not believe that this risk is significant as these are short term in nature. (See Note 10)

2) Liquidity risk

The Company’s approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet its liabilities as they become due. As at December 31, 2025, the Company had a working capital deficiency of \$18,287,378 (December 31, 2024: deficiency of \$15,789,916).

To continue operations, the Company must secure additional financing to meet its obligations as they become due (see Note 1). There can be no assurance that the Company will be successful in its efforts to obtain such financing on terms satisfactory to the Company. If additional financing is raised through the issuance of shares, control of the Company may change and existing shareholders may experience dilution.

As disclosed in Note 1, these conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company’s ability to continue as a going concern, as defined under IAS 1 Presentation of Financial Statements.

3) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, commodity prices and/or stock market movements (price risk).

1) Interest rate risk

The Company is not exposed to significant interest rate price risk due to the short-term nature of its monetary assets and liabilities. Cash not required in the short term is invested in short-term guaranteed investment certificates and in high interest saving accounts, as appropriate.

2) Currency risk

The Company’s activities are substantially denominated in US dollars. The Company’s funds are predominantly kept in US dollars, with major Canadian, Guyanese and United States financial Institutions. As at December 31, 2025, the Company had approximately C\$Nil (December 31, 2024: C\$Nil) in Canadian dollar denominated cash deposits.

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Sensitivity Analysis

As at December 31, 2025, the carrying amount of the Company’s financial assets and financial liabilities exposure to foreign currency balances approximate as follows:

Account	Foreign Currency	Exposure	
		As at December 31, 2025	As at December 31, 2024
Trade and other receivables	C \$	\$ 72,000	\$ 86,000
Trade and other payables	C \$	(19,000)	(193,000)
Other payables	C \$	–	(180,000)
		\$ 53,000	\$ (287,000)

Based on management’s knowledge and experience of the financial markets, the Company believes it is reasonably possible over a one year period that a change of 10% in foreign exchange rates would increase/decrease, net loss for the Year Ended December 31 2025 by C\$5,300 (December 31, 2024: C\$28,700).

6. Cash and Cash Equivalents

Cash and cash equivalents as at December 31, 2025, consisted of \$1,043,573 (December 31, 2024: \$2,073,990) on deposit with major financial institutions, of which \$45,400 (December 31, 2024: \$50,000) was in short-term guaranteed investment certificates with remaining maturities on the date of purchase of less than 90 days.

7. Trade Receivables and Other Assets

The Company’s trade receivables and other assets arise from trade receivables related to the port services, harmonized sales tax (“HST”) receivable, and prepaid expenses. These are broken down as follows:

As at,	December 31, 2025	December 31, 2024
Trade receivables	\$ 45,256	\$ 96,730
HST	23,841	19,253
Prepaid expenses	129,635	178,350
Total trade receivables and other assets	\$ 198,732	\$ 294,333

Below is an aged analysis of the Company’s trade receivables:

As at,	December 31, 2025	December 31, 2024
1 -90 days	\$ 45,256	\$ 96,730
Total trade receivables	\$ 45,256	\$ 96,730

At December 31, 2025, the Company anticipates full recovery of these amounts receivable and therefore no allowance was recorded against these receivables.

The Company holds no collateral for any receivable amounts outstanding as at December 31, 2025 and December 31, 2024. The credit risk on the receivables has been further discussed in Note 5.

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8. Property, Plant and Equipment

	Port	Logistics Yard ⁽¹⁾	Vehicles, office furniture and fixtures	Computer, software & equipment	Total
Cost					
As at December 31, 2023	\$ 19,051,402	\$ 707,196	\$ 450,576	\$ 539,637	\$ 20,748,811
Additions	662,475	—	172	2,827	665,474
As at December 31, 2024	19,713,877	707,196	450,748	542,464	21,414,285
Additions	155,266	—	—	—	155,266
Disposal	—	—	(74,466)	—	(74,466)
As at December 31, 2025	\$ 19,869,143	\$ 707,196	\$ 376,282	\$ 542,464	\$ 21,495,085
Accumulated depreciation					
As at December 31, 2023	\$ —	\$ —	\$ 234,925	\$ 539,637	\$ 774,562
Depreciation ⁽²⁾	—	—	13,776	156	13,932
As at December 31, 2024	—	—	248,701	539,793	788,494
Depreciation ⁽²⁾	585,200	—	46,533	884	632,617
Impairment	17,136,943	—	—	—	17,136,943
Disposal	—	—	31,267	—	31,267
As at December 31, 2025	\$ 17,722,143	\$ —	\$ 326,501	\$ 540,677	\$ 18,589,321
Net book value					
As at December 31, 2024	\$ 19,713,877	\$ 707,196	\$ 202,047	\$ 2,671	\$ 20,625,791
As at December 31, 2025	\$ 2,147,000	\$ 707,196	\$ 49,781	\$ 1,787	\$ 2,905,764

Notes: (1) No amortization has been recorded on these assets as they are still under construction.

(2) Amortization has been recorded within general and administrative expense in the statement of comprehensive loss.

The lands upon which the port project is located are subject to an industrial lease of state land with the Commissioner of Lands and Surveys in Guyana. The term of the lease is for a period of 50 years commencing in 2010 with an option to renew for an additional 50 years. This land is subject to annual rental commitments relating to this lease.

Impairment of Port Infrastructure Assets

During the year ended December 31, 2025, management identified indicators of impairment relating to the Company’s port infrastructure assets in Guyana. These indicators included slower-than-anticipated ramp-up of operations, revised throughput projections, constraints on available capital to fund expansion activities, and updated cash flow forecasts reflecting current liquidity conditions and market expectations. As a result, the Company performed an impairment test in accordance with IAS 36, Impairment of Assets.

Cash-Generating Unit

For impairment testing purposes, the port infrastructure assets were assessed as a single cash-generating unit (the “Port CGU”), as the assets generate cash inflows that are largely independent from other assets of the Company.

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Recoverable Amount

The recoverable amount of the Port CGU was determined based on VIU using a discounted cash flow model. Management determined that VIU was the most appropriate basis as there is no active market for comparable port infrastructure assets in the relevant jurisdiction.

The discounted cash flow model is based on management-approved forecasts reflecting the current operating plan and expected utilization of the port facilities. Cash flows were projected over ten years, followed by a terminal value. The inclusion of a terminal value reflects the long useful lives of the port infrastructure assets and the concession term extending to 2060.

Key assumptions used in the VIU calculation include:

- A pre-tax discount rate of 23%
- Forecast ramp-up of vessel traffic and throughput volumes consistent with current contractual and non-binding commercial discussions
- Operating cost structure reflecting current fixed and variable cost levels
- Capital expenditures included in the forecast are limited to essential maintenance and committed infrastructure works. No expansionary capital expenditures have been assumed
- The terminal value was calculated using a growing annuity approach based on a long-term growth rate of 3%, assuming continued operations at existing capacity without expansion of infrastructure or addition of new customers.

The pre-tax discount rate reflects current market assessments of the time value of money and risks specific to the Port CGU, including country risk, project execution risk, and funding risk.

Impairment Loss

As a result of the impairment test, the Company recorded an impairment loss of \$17.1 million during the year ended December 31, 2025 (2024: nil).

The impairment loss reduced the carrying amount of property, plant and equipment within the Port CGU to its estimated recoverable amount of \$2.1 million as at December 31, 2025.

The impairment expense is recognized in profit or loss within impairment of property, plant and equipment.

Sensitivity Analysis

The recoverable amount is particularly sensitive to changes in discount rate and forecast throughput volumes.

A 1% increase in the pre-tax discount rate, holding other assumptions constant, would reduce the recoverable amount by approximately \$88,000.

A 10% reduction in forecast revenues over the projection period would result in an additional impairment of approximately \$301,000.

Management believes the assumptions applied represent its best estimate of economic conditions and operational performance as at December 31, 2025. However, given the long-term nature of the concession and the dependence on future commercial activity, changes in market conditions, financing

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availability, regulatory developments, or execution timelines could result in further impairment in future periods.

9. Exploration and Evaluation Assets

	Corentyne
As at December 31, 2023	\$ 56,277,570
Additions	176,240
Proceeds from the sale of scrap materials	(249,700)
As at December 31, 2024	56,204,110
Additions	176,457
Impairment of E&E (Note 2.3)	(56,380,567)
As at December 31, 2025	\$ —

Joint Operation Agreements

CRI and Frontera Guyana jointly hold a 100% working interest in the Corentyne block. CRI and Frontera Guyana have agreed that their respective participating interests are 72.52% and 27.48%, respectively, which includes a 4.52% interest which CRI agreed to assign to Frontera Guyana in 2023. The assignment of this 4.52% participating interest remains subject to the approval of the GoG, but is believed to be enforceable between CRI and Frontera Guyana.

10. Related Party Transactions and Compensation of Key Management

Under IFRS, parties are considered to be related if one party has the ability to “control” (financially or by share capital) the other party or have significant influence (management) on the other party in making financial, commercial and operational decisions.

Frontera

As at December 31, 2025, Frontera, through a wholly-owned subsidiary, held approximately 76.05% of the issued and outstanding Common Shares of CGX on an undiluted basis and has the voting power to influence the outcome of all corporate transactions. Frontera consolidates CGX’s financial statements and is listed and publicly traded on the Toronto Stock Exchange under the trading symbol “FEC”.

Farm-in partner cash call balances

Under the JOA, the Company is the operator of the PPL. As operator, the Company issues cash calls to its partner to fund license-related expenditures. As of December 31, 2025, the Company has a receivable balance of \$— from Frontera Guyana in connection with the operation of the PPL (December 31, 2024: \$105,397).

The Company allocated certain payroll costs in 2024 and 2025 in accordance with the JOA and consistent with prior practice. Frontera has disputed a portion of these charges and requested their exclusion from the block cost allocation. As a result of the uncertainty regarding recoverability, the Company recorded an impairment of \$201,210 in the consolidated statement of loss.

In addition, as operator of the PPL, the Company receives a fee from its partner to recover indirect costs associated with operating such license. This fee is calculated based on total expenditures under the JOA, with a minimum annual fee of \$200,000 (net to CGX: \$145,000). For the year ended December 31, 2025 the Company recorded operator fee income of \$145,000 (December 31, 2024: \$145,000).

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As of December 31, 2025, the Company has accounts receivable from Frontera of \$5,600 (December 31, 2024: \$5,800).

See further information of JOA related party transactions with Frontera on Note 9. *Exploration and Evaluation Assets*.

Senior Secure Loan Facility

See Note 12. Senior secured loan facility for further information.

Key Management Personnel

Key management includes the Company’s directors, officers and any employees with authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly. Compensation awarded to key management included:

Year Ended December 31	2025	2024
Short-term employee benefits ⁽¹⁾	\$ 1,491,000	\$ 1,490,400
Share based expense	—	61,400
Termination payments ⁽²⁾	789,700	—
Total compensation paid to key management	\$ 2,280,700	\$ 1,551,800

⁽¹⁾ Includes \$504,000 of outstanding director fees for one of the directors, which had been accrued since appointment in 2020 and were subsequently paid in 2025 following the director’s resignation.

⁽²⁾ Termination payments include a gross amount of \$789,700 (before taxes) paid to the former Executive Chairman and Executive Director (Guyana) as severance, as well as outstanding salaries, vacation, and per diem, and are recorded as severance and termination benefits in the income statement. Severance and termination benefits have been partially offset by outstanding payables related to previously recorded incentive remuneration of \$266,000 (\$133,000 recorded as long-term), and by the portion recoverable from the partner. The remaining balance of severance and termination benefits represents estimated gross amounts payable under other executive employment contracts terminated during the year.

As of December 31, 2025, key management outstanding compensation included in trade and other payables is \$Nil (December 31, 2024: \$660,000).

Termination Obligations

As at December 31, 2025, the Company had no written management agreements with current senior officers (December 31, 2024: three). During 2025, the employment of certain senior officers, including the former Chief Executive Officer and two former Vice Presidents, was terminated.

These agreements contained provisions for severance payments upon the occurrence of specified events, including termination and change in control.

During the year ended December 31, 2025, the Company reached a negotiated settlement with the former Executive Chairman and Executive Director (Guyana) for an amount lower than his contractual entitlement. The settlement was paid in full and no further obligation of the Company remains.

With respect to the two former Vice Presidents, no severance payments had been made as at December 31, 2025. The Company is engaged in ongoing negotiations regarding settlement of these obligations.

As at December 31, 2025, the Company recorded an accrual representing its best estimate of the remaining obligations based on amounts offered and negotiations in progress. Given the ongoing negotiations, the ultimate obligation and timing of settlement may differ materially from the amount accrued.

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Other related party transactions

On November 26, 2024, the Company sold surplus inventory from the Kawa and Wei exploration wells to Gaico Construction and General Services Inc. (“**Gaico**”). Gaico was controlled by a family member of the former Executive Chairman and Executive Director of the Company. The sale was conducted through a bidding process, in which various companies were invited to participate. CGX’s designated pipe broker, facilitated the process and received five bids, with Gaico submitting the highest offer. The transaction generated proceeds of approximately \$14,000. The transactions were approved in accordance with the Company’s related party transaction policy.

11. Trade and Other Payables

Trade and other payables of the Company are principally comprised of amounts outstanding for trade purchases relating to exploration activities and amounts payable for operating and financing activities. The usual credit period taken for trade purchases is between 30 to 90 days. The following is an aged analysis of the trade and other payables:

As at,	December 31, 2025	December 31, 2024
Less than one month, accruals	\$ 415,860	\$ 1,428,990
One month to three months	162,056	22,500
Over three months ⁽¹⁾	17,051,767	16,812,146
Total trade and other payables	\$ 17,629,683	\$ 18,263,636

(1) Includes approximately \$17.0 million provision related to the Prospector claim, refer to Note 16. Commitments and Contingencies (December 31, 2024: \$16.4 million).

12. Senior Secure Loan Facility

On October 31, 2025, CRI, a wholly owned subsidiary of the Company, entered into a senior secured non-revolving term loan facility with Frontera Guyana, for total proceeds of up to \$2.5 million to fund working capital and corporate general and administrative expenditures.

The facility is available for drawdown over a six-month period in multiple tranches and bears interest at a fixed rate of 19.32% per annum on amounts drawn. Interest accrues monthly and is payable in cash at maturity.

The Loan has a contractual maturity of one year from the execution date, at which time all outstanding principal and accrued interest become due and payable. Voluntary prepayments may be made without penalty. Mandatory prepayments are required from certain proceeds, including asset dispositions, new financings, or litigation and arbitration recoveries.

The facility is secured by substantially all present and after-acquired assets of the borrower and is guaranteed by the Company and GCIE Holdings.

As at December 31, 2025, the Company had drawn \$1.9 million under the facility (2024: nil). Accrued interest of \$56,319 was recorded within Trade and Other Payables.

Given the Company’s current operating and liquidity position, repayment of the facility is expected to be funded through future financing initiatives, asset monetization, or other strategic transactions.

Notes to the Consolidated Financial Statements – (US\$’s)
For the year ended December 31, 2025 and 2024

13. Capital Stock

Share Capital

The Company is authorized to issue an unlimited number of Common Shares without par value.

As at December 31, 2025, the Company had 338,549,000 (December 31, 2024: 338,549,000) common shares issued and outstanding. During the year ended December 31, 2025, there were no changes in the number of issued and outstanding Common Shares.

Reserve for Share Based Payments

A summary of the changes in the Company’s reserve for share based payments for the year ended December 31, 2025 and 2024 is set out below:

As at,	December 31, 2025	December 31, 2024
Balance at beginning of the year	\$ 29,088,201	\$ 29,026,801
Share based payments	—	61,400
Balance at end of the year	\$ 29,088,201	\$ 29,088,201

Options

The Company established a share option plan to provide additional incentive to its directors, officers, employees and consultants for their efforts on behalf of the Company in the conduct of its affairs. The maximum number of Common Shares reserved for issuance under the share option plan comprising part of the share incentive plan may not exceed 10% of the number of Common Shares outstanding. Under the terms of the plan, all options vest immediately, unless otherwise specified. All options granted under the plan expire no later than the tenth anniversary of the grant date. As at December 31, 2025, the Company had 33,854,900 (December 31, 2024: 31,554,900) options available for issuance under the plan.

For the year ended	December 31, 2025		December 31, 2024	
	Weighted Average Exercise Price (\$)	No. of Options	Weighted Average Exercise Price (\$)	No. of Options
Outstanding at beginning of the year	C\$0.94	2,300,000	C\$0.63	11,740,999
Transactions during the year:				
Expired or retracted	\$0.94	(2,300,000)	\$0.56	(9,440,999)
Outstanding at end of year	\$—	—	C\$0.94	2,300,000
Exercisable at end of year	\$—	—	C\$0.94	2,300,000

Notes to the Consolidated Financial Statements – (US\$'s)
For the year ended December 31, 2025 and 2024

Common share purchase warrants

The exercise price and expiry date of the common share purchase warrants outstanding at December 31, 2025 are as follows:

Warrants	Exercise Price	Expiry Date
1,173,774	\$1.51	October 28, 2026

On October 28, 2021, as part of an offering transaction, Frontera received 5-year warrants to purchase up to 1,173,774 Common Shares at an exercise price equal to \$1.51 per Common Share. There are no changes in the number of warrants outstanding for the year ended December 31, 2025 and 2024.

14. Income Tax

Income tax provision (recovery)

The following table reconciles the income tax expense (recovery) calculated at the applicable statutory rates to the amount recognized in the consolidated statements of loss and comprehensive loss:

	2025	2024
Loss before income tax	(76,288,599)	(2,582,139)
Statutory income tax rate	26.5%	26.5%
Expected income tax recovery	(20,216,000)	(684,000)
Difference between Canadian and foreign tax rates	13,507,000	291,000
Foreign exchange and other adjustments	(782,000)	1,363,000
Tax losses and deferred tax adjustments	(400,000)	192,000
Other permanent differences	971,000	53,000
Change in unrecognized deferred tax assets	6,920,000	(1,215,000)
Deferred income tax recovery	—	—

The Canadian statutory income tax rate of 26.5% (2024: 26.5%) comprises a federal rate of approximately 15.0% and a provincial rate of approximately 11.5%. The United States statutory income tax rate is 21% (2024: 21%). The Guyanese income tax rate is approximately 25.0% (2024: 25.0%).

Deferred tax assets and liabilities

The primary temporary differences giving rise to deferred tax assets and liabilities at December 31, 2025 and 2024 are as follows:

	2025	2024
Deferred income tax assets		
Temporary differences	4,280,000	112,000
Losses carried forward	18,941,000	16,189,000
	23,221,000	16,301,000
Less: deferred tax assets not recognized	(23,221,000)	(16,301,000)
Net deferred income tax assets	—	—

Notes to the Consolidated Financial Statements – (US\$'s)
For the year ended December 31, 2025 and 2024

Deferred tax liabilities	—	—
Deferred income tax liabilities	—	—
Net deferred income tax assets	—	—

Non-capital loss carryforwards

United States

As at December 31, 2025, the Company had United States non-capital loss carry-forwards of \$5,080,000 (2024: \$4,472,000). Of these tax benefits, which have not been recognized in the accounts, \$492,000 expire in 2032, \$704,000 expire in 2033, \$594,000 expire in 2034, \$508,000 expire in 2035, \$359,000 expire in 2036, \$124,000 expire in 2037, \$275,000 expire in 2038, \$212,000 expire in 2039, \$29,000 expire in 2040, \$82,000 expire in 2041, \$43,000 expire in 2042, \$44,000 expire in 2043, \$922,000 expire in 2044, and \$692,000 expire in 2045.

Canada

The Company had Canadian non-capital loss carry-forwards of C\$83,378,000 (2024: C\$83,090,000). Of these amounts, C\$3,396,000 expire in 2027, C\$4,566,000 expire in 2028, C\$5,028,000 expire in 2029, C\$9,597,000 expire in 2030, C\$1,568,000 expire in 2031, C\$7,732,000 expire in 2032, C\$6,965,000 expire in 2033, C\$5,220,000 expire in 2034, C\$3,668,000 expire in 2035, C\$3,877,000 expire in 2036, C\$4,653,000 expire in 2037, C\$778,000 expire in 2038, C\$3,826,000 expire in 2039, C\$2,294,000 expire in 2040, C\$5,995,000 expire in 2041, C\$9,049,000 expire in 2042, C\$2,887,000 expire in 2043, C\$756,000 expire in 2044, and C\$1,523,000 expire in 2045.

Certain Canadian losses may be subject to restrictions depending on the nature of future taxable income and changes in ownership.

Guyana

The Company has tax loss carryforwards in Guyana of GYD\$635,797,000 (2024: GYD\$489,879,000). Under Guyana tax legislation, these losses may be carried forward indefinitely. However, the amount of tax losses that may be utilized in any given year is limited to 50% of taxable income.

No deferred tax asset has been recognized in respect of these tax losses as it is not considered probable that sufficient future taxable profits will be available to allow the benefit of these losses to be realized.

15. Segmented Information

Operating and geographic segments

At December 31, 2025 and 2024, the Company's current operations comprise two reportable operating segments: petroleum and natural gas exploration in Guyana and the Berbice River Port project. In 2025 the Company recorded revenue of \$563,242 from the port (2024: \$53,145).

The following is a detailed breakdown of the Company's non-current assets by geographical location:

As at,	December 31, 2025	December 31, 2024
Non-current assets		
Guyana	2,905,764	76,829,901
Total non-current assets	\$ 2,905,764	\$ 76,829,901

16. Commitments and Contingencies

Contractual obligations

In the normal course of business, the Company enters into contractual commitments and purchase obligations. As at December 31, 2025, the Company had no material outstanding purchase orders or contractual commitments.

Demerara Seismic agreement - Prospector

The Company is party to an ongoing legal matter with Prospector PTE. Ltd. (“**Prospector**”) relating to a 2014 seismic acquisition contract for the Demerara block. Following the completion of a 3D seismic survey, a dispute arose regarding unpaid balances and the quality of the seismic processing.

Prospector initiated arbitration in 2018 before the International Chamber of Commerce (“**ICC**”), seeking recovery of unpaid amounts, interest, and legal costs. The Company filed a counterclaim for damages related to the seismic data quality. In 2022, the ICC issued a Partial Final Award and a Final Award in favour of Prospector, including principal, pre- and post-award interest, and legal costs. The Company’s counterclaim was denied.

Following unsuccessful challenges to the awards in the UK High Court and enforcement proceedings in Ontario and Alberta, Prospector initiated enforcement actions in Canada. During the twelve months ended December 31, 2025, approximately \$18,000 was garnished from the Company’s Canadian bank account, representing refunds received from the Canada Revenue Agency for HST.

As at December 31, 2025, the Company has recognized a provision of approximately \$17.0 million (December 31, 2024: \$16.4 million) within trade and other payables for the amounts awarded to Prospector, including accrued interest and legal costs.

Other Contingencies

In 2023, the Company received an invoice for approximately \$1.9 million, to which the Company believes all obligations were settled in full as per the terms of the agreements (the “**Claim**”). The Company has rejected this Claim and has assessed that it is lower than probable that any material negative outcome will be realized as a result of the Claim. Therefore, as at December 31, 2025 no provision has been recorded in the Consolidated Financial Statements relating to this Claim (December 31, 2024: \$Nil).