CGX Energy Inc.

Interim MD&A - Semi-Annual Highlights

For the six-month period ended June 30, 2026

August 14, 2026

1. INTRODUCTION

This Management's Discussion and Analysis – Semi-Annual Highlights ("**Semi-Annual Highlights**") of CGX Energy Inc. (the "**Company**" or "**CGX**") has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last management discussion & analysis, being the Management Discussion & Analysis for the fiscal year ended December 31, 2025 ("**Annual MD&A**"). This Semi-Annual Highlights does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A.

This Semi-Annual Highlights has been prepared in compliance with the requirements of section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the unaudited condensed interim consolidated financial statements for the six-month period ended June 30, 2026 and 2025 ("**Interim Financial Statements**"), together with the notes thereto, the Annual MD&A, and the audited consolidated financial statements of the Company for the years ended December 31, 2025 and 2024 ("**Annual Financial Statements**").

Results are reported in United States dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results for the six-month period ended June 30, 2026 are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as at August 14, 2026, unless otherwise indicated.

The Interim Financial Statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The Interim Financial Statements have been prepared in accordance with the International Accounting Standard 34, Interim Financial Reporting.

For the purposes of preparing this Semi-Annual Highlights, management, in conjunction with the Board of Directors (the "**Board**"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of CGX's common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision.

Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

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 Semi-Annual Highlights 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 of future performance, and actual results may differ materially from those expressed or implied in such statements.

Forward-Looking Statements are based on management's current expectations, assumptions and information available to the Company. Statements concerning activities, events, results or developments that the Company expects or anticipates may occur in the future constitute Forward-

Looking Statements. These statements may be identified by words such as “assume,” “believe,” “continue,” “estimate,” “expect,” “may,” “plan,” “potential,” “will,” “would” and similar expressions.

In particular, this Semi-Annual Highlights contains Forward-Looking Statements concerning: the outcome of the dispute with the Government of Guyana (“**GoG**”) relating to the Corentyne block, including potential arbitration, and discussions with the GoG; the Company’s ability to preserve, pursue and realize value from its petroleum interests and related claims; the outcome and potential effects of the ongoing enforcement proceedings initiated by Prospector PTE Ltd. (“**Prospector**”); governmental and regulatory approvals; the operations, utilization, revenues, customer contracts, cash flows and future development of the Berbice River Port (“**BRP**”), including potential dredging and other infrastructure improvements; the recoverability of the Company’s long-lived assets and the outcome of future impairment assessments; expenditures; trends in financial and commodity markets; and the Company’s future performance, operations, liquidity and financial condition, including its ability to obtain financing, satisfy its obligations and continue as a going concern.

Statements relating to resources are also Forward-Looking Statements because they involve an assessment, based on estimates and assumptions, that the resources described exist in the quantities predicted or estimated and can be profitably produced in the future.

The material factors, expectations and assumptions underlying the Forward-Looking Statements include: prevailing and future commodity prices and currency exchange rates; applicable royalty rates, tax laws and interest rates; demand for the BRP’s services; the ability of the Joint Venture (as defined herein) to protect or enforce its rights relating to the Corentyne block and obtain a satisfactory resolution of its dispute with the GoG; the Company’s ability to manage the Prospector enforcement proceedings; the assumptions underlying management’s cash flow forecasts and estimates of the recoverability of the Company’s long-lived assets; operating costs; the timing and receipt of regulatory approvals; the performance of existing and future customer contracts at the BRP; expected throughput, revenues and operating costs at the BRP; the availability of funds for infrastructure improvements; general economic and industry conditions; and the availability and cost of financing, labour, and services.

Except where otherwise stated, the Company has assumed that it will be able to continue operating in the ordinary course, maintain sufficient liquidity, obtain additional financing or other financial support when required, continue operating the BRP and pursue its rights and claims relating to the Corentyne block. Given the Company’s current financial condition, there can be no assurance that these assumptions will prove to be correct.

The Company believes that the material factors, expectations and assumptions reflected in the Forward-Looking Statements are reasonable as of the date hereof, but no assurance can be given that they will prove to be correct. 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, including: the expiry or termination of petroleum agreements and licences; the cost, duration and outcome of arbitration, litigation and other proceedings; adverse outcomes from enforcement proceedings; the risk that the Company may be unable to satisfy the judgment against the Company in favour of Prospector; insufficient liquidity and the inability to continue as a going concern; the risk that actual results differ from management’s cash flow forecasts and that additional impairments of the Company’s long-lived assets may be required; delays or changes in exploration, development or capital expenditure plans; risks associated with international operations; uncertainty in estimates and projections relating to resources, revenues, costs and expenses; risks associated with the operation and development of the BRP; dependence on a limited number of customers and contracts; customer defaults, reduced throughput or failure to meet contractual commitments; limitations on access to cash held by subsidiaries; the need for dredging, maintenance and additional infrastructure investment; health, safety and environmental risks; commodity price, exchange rate and interest rate fluctuations; marketing and transportation risks; competition; failure to obtain required regulatory or other approvals; changes in laws, taxes, royalties or environmental regulations; and general economic, business and market conditions.

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive and that Forward-Looking Statements should not be unduly relied upon. The Forward-Looking Statements contained in this Semi-Annual Highlights are made as of the date hereof, and the Company undertakes no obligation to publicly update or revise them as a result of new information, future events or otherwise, except as required by applicable securities laws. All Forward-Looking Statements contained in this document are expressly qualified by this cautionary 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 BRP, located on the eastern bank of the Berbice River in Guyana. As at June 30, 2026, the Company, through a wholly-owned subsidiary, continues to hold an interest in the Corentyne Petroleum Prospecting Licence ("**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 Holdings**”)	Barbados	100%
Grand Canal Industrial Estates Inc. (“**GCIE**”) [1]	Guyana	100%
CGX Energy Management Corp.	United States, Delaware	100%

1. Owned 100% by GCIE Holdings.

Highlights

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

Board of Directors Update

Subsequent to June 30, 2026, Mr. René Burgos resigned as a director of the Company effective July 1, 2026. On July 23, 2026, the Board appointed Mr. Andrés Sarmiento as a director. Mr. Sarmiento currently serves as Chief Financial Officer of Frontera Energy Corporation (“**Frontera**”) and brings more than 15 years of leadership experience in the energy, infrastructure and public policy sectors. The Company thanks Mr. Burgos for his valuable contributions during his tenure and welcomes Mr. Sarmiento to the Board.

Berbice River Port Update

GCIE, entered into a port services agreement with a third-party customer effective June 15, 2026, for the use of designated port capacity and six acres of storage at the BRP. The agreement has an initial term ending July 17, 2027 and provides for a minimum monthly charge of $64,000, plus applicable value-added tax, and minimum annual throughput of 240,000 metric tonnes, subject to the terms and conditions of the agreement. The agreement also provides for additional charges based on excess throughput and other port-related services.

Corentyne Licence Update

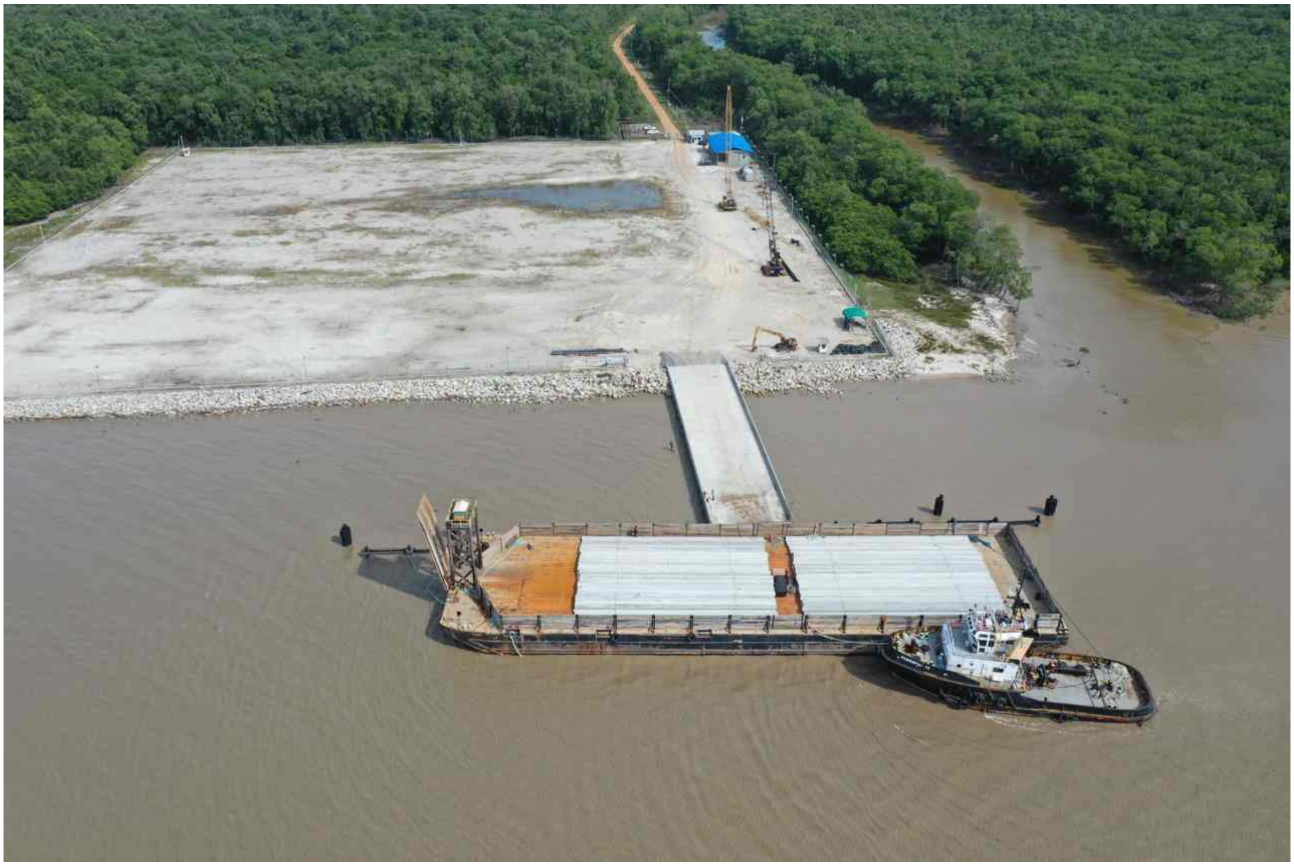
There have been no material developments regarding the Corentyne block dispute since the Company’s 2025 year-end disclosure. The Joint Venture continues to maintain that its rights under the PPL and PA remain valid and has continued to evaluate available legal and dispute resolution processes. No additional capital investment is currently planned in respect of the Corentyne block pending resolution of the dispute, the outcome of which remains uncertain and may have a material impact on the Company’s future upstream strategy.

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 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 Licence 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.



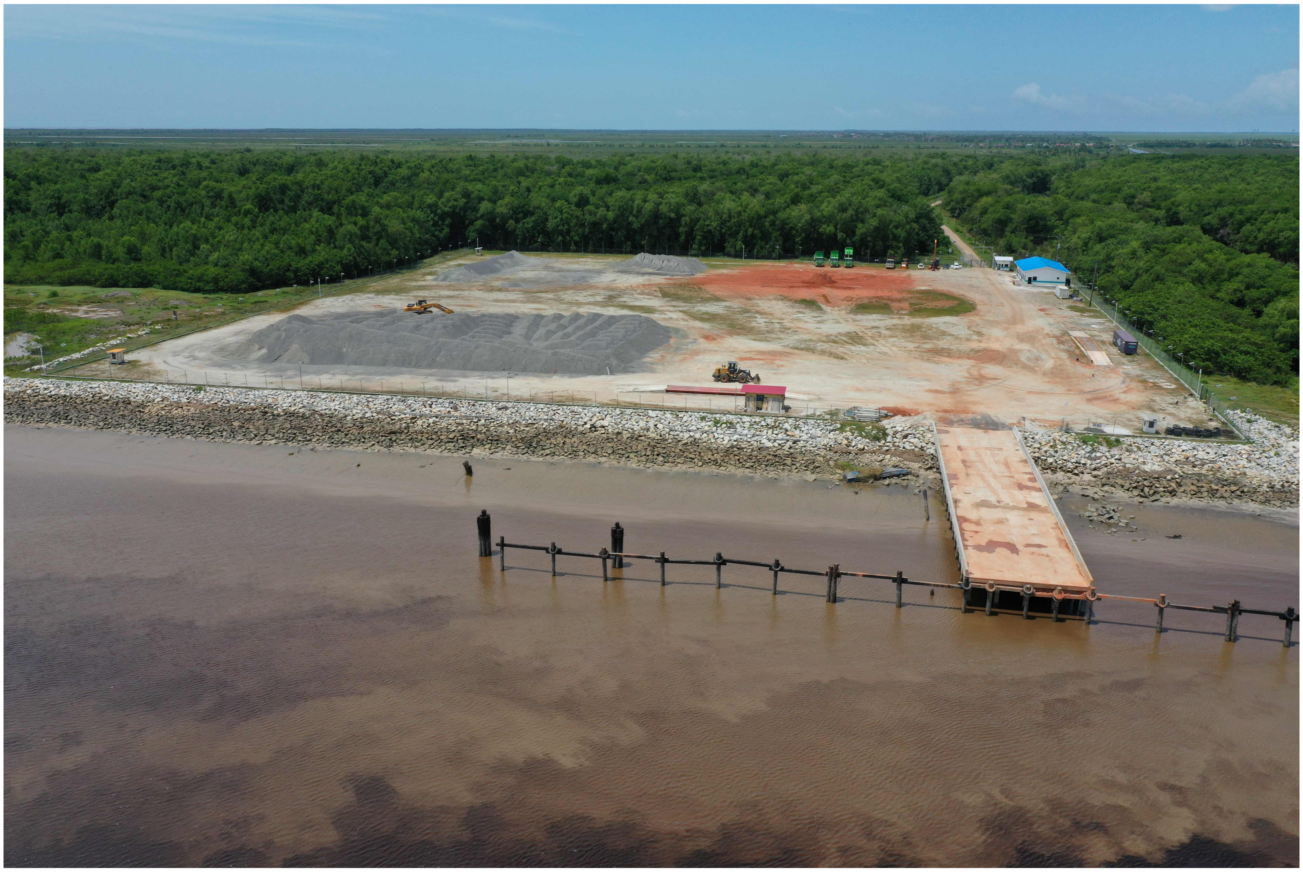
Infrastructure Development

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 standards;
- concrete drainage systems and community roadway improvements;
- extension of municipal water and electrical infrastructure; and
- 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 $184,197 for the six-month period ended June 30, 2026 (2025: $329,578).

During the six-month period ended June 30, 2026, GCIE incurred capital expenditures of $40,589 related primarily to sustaining and infrastructure enhancement activities (year ended December 31, 2025: $155,266).

Environmental and Regulatory Approvals Update

The Company continues to advance the regulatory approval process with the Environmental Protection Agency in support of its applications to renew the environmental authorizations required for the dredging, construction, and operation of the BRP.

To date, the Company has received no-objection confirmations from the Maritime Administration (including an International Ship and Port Facility Security Certificate of Compliance valid through 2029), the Ministry of Agriculture - Fisheries Department, and the Neighborhood Democratic Council, and the Guyana Lands and Surveys Commission.

Approval from the River and Sea Defence Board remains outstanding.

The Company continues to work with the relevant authorities to obtain the remaining approvals and complete the renewal process.

Berbice River Port Impairment

During the year ended December 31, 2025, the Company recognized a non-cash impairment charge on the BRP assets following an impairment assessment performed in accordance with IAS 36. The assessment reflected updated operating forecasts, revised ramp-up expectations and funding constraints affecting the timing of future development activities.

As at June 30, 2026, management reassessed the impairment indicators and concluded that no additional impairment or reversal of the previously recognized impairment was required. The BRP continues to operate and generate revenue from port services under existing customer contracts, including a revised port services agreement executed during the period. The Company continues to evaluate opportunities to increase port utilization and expand commercial operations, while advancing the regulatory approvals required to support future development of the facility.

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 six-month period ended June 30, 2026 (December 31, 2025: $Nil).

5. EXPLORATION, GUYANA

Joint Operation Agreement

CRI and Frontera Energy Guyana Corp. ("**Frontera Guyana**", and together with CRI, the "**Joint Venture**"), jointly hold a 100% working interest in the Corentyne block. CRI and Frontera Guyana have agreed that their respective participating interests are 27.48% and 72.52%, respectively, which includes a 4.52% participating 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 considered to be enforceable between CRI and Frontera Guyana.

Corentyne Block

The GoG has taken the position that the PA and PPL have terminated or expired. The Joint Venture disputes this position and continues to maintain that its contractual and legal rights remain valid. The parties have not reached a resolution, and the Joint Venture continues to consider available legal and dispute-resolution alternatives.

As previously disclosed, the Company recognized a full impairment of $56.4 million in respect of the Corentyne E&E asset during 2025. Accordingly, the asset had a carrying value of $Nil as at June 30, 2026 and December 31, 2025. The impairment represents an accounting assessment of recoverability and does not determine the legal status of the Joint Venture's rights.

6. LIQUIDITY AND CAPITAL RESOURCES

Overview

The Company's liquidity position depends on cash on hand, available debt financing arrangements and access to external sources of capital. The Company's current operating revenue is generated from the BRP, while its upstream oil and gas activities do not generate revenue and remain subject to significant legal and regulatory uncertainty. Accordingly, the Company continues to rely on port revenue and financing activities to fund corporate expenditures, dispute-related costs, licence obligations and infrastructure operations.

Recent Financing

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 proceeds of up to $2.5 million to fund working capital and general corporate and administrative expenditures. The facility bears interest at 19.32% per annum, matures one year from execution, is secured by substantially all present and after-acquired assets of CRI, and is guaranteed by the Company and GCIE Holdings Limited.

During the six-month period ended June 30, 2026, the Company drew the remaining $0.6 million available under the facility. As at June 30, 2026, the facility was fully drawn, with total principal outstanding of $2.5 million (December 31, 2025: $1.9 million). Accrued interest of $258,359 was included in trade and other payables (December 31, 2025: $56,319).

Liquidity

As at June 30, 2026, the Company had available liquidity of approximately $475,808, consisting of cash on hand. Management has prepared cash flow forecasts covering the twelve-month period following 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 fund its planned operations and meet its obligations over the next twelve months without obtaining additional financing or implementing alternative liquidity measures.

Capital Resources and Asset Base

The Company continues to maintain a limited asset base following the full impairment of its Corentyne E&E asset and the impairment of its BRP assets recognized during 2025. These impairments reduced the carrying value of the Company's exploration and infrastructure assets but did not affect its ownership rights or the ongoing operations of the BRP. The BRP continues to generate revenue under existing commercial agreements, while the Company continues to pursue additional business opportunities to increase throughput and improve asset utilization. Further information regarding the impairment assessments and the underlying assumptions is provided in Note 2.3, Note 8 and Note 9 to the Company's Annual Financial Statements for the year ended December 31, 2025.

Going Concern Uncertainty and Management's Plans

The Interim Financial Statements have been prepared on a going concern basis, which assumes that the Company will continue its operations and meet its obligations as they become due for at least the twelve-month period following the reporting date.

The Company has incurred operating losses since inception and, as at June 30, 2026, had an accumulated deficit of $403.8 million, a working capital deficiency of $19.4 million, and a shareholders' deficit of $16.6 million (December 31, 2025: accumulated deficit of $402.6 million, working capital deficiency of $18.3 million, and shareholders' deficit of $15.4 million).

The Company does not currently generate sufficient cash flows from operations to fund its planned operating and capital requirements. Accordingly, its ability to continue as a going concern is dependent on obtaining additional financing and continuing to expand revenue generated from its port operations.

Management continues to pursue additional financing, implement cost reduction initiatives, defer discretionary expenditures where appropriate, and increase commercial activity at the BRP. However, there can be no assurance that these initiatives will be successful 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.

7. COMPANY'S PERFORMANCE

The Company's ability to continue operations depends on securing additional financing, maintaining and expanding revenue from the BRP, funding corporate and dispute-related expenditures, and meeting its obligations as they become due.

Six-month period ended June 30, 2026

The Company recorded a net loss of $1.2 million or $(0.00) a share for the six-month period ended June 30, 2026 compared with a net loss of $57.4 million or $(0.17) a share for the same period in 2025. The variances in the period are as follows:

Total impairment expenses recognized during the six-month period ended June 30, 2026 amounted to $104,385 and related to the joint operation receivable (2025: $56.4 million related to E&E assets). For further information, refer to Note 2.3, "Use of Management Estimates, Judgments and Measurement Uncertainty," to the Interim Financial Statements and to the relevant impairment disclosures in the Annual Financial Statements for the year ended December 31, 2025.

Revenue associated with the BRP decreased by $145,381 to $184,197 during the six-month period ended June 30, 2026, compared to $329,578 during the corresponding period in 2025. The decrease was primarily attributable to reduced operating activity during the first four months of 2026, as customers performing work for the GoG postponed their activities following the general election held in late 2025. Although operations began to recover during the second quarter, the increase in activity had a limited impact on revenue for the six-month period.

Management and consulting costs decreased by $12,142 to $475,743 in the six-month period ended June 30, 2026 from $487,885 for the same period in 2025.

Severance costs amounted to $7,476 for the six-month period ended June 30, 2026 (2025: $Nil).

General and administrative costs decreased by $2,569 to $192,943 during the six-month period ended June 30, 2026, from $195,512 in the same period of 2025.

Depreciation expense decreased by $188,607 to $108,813 during the six-month period ended June 30, 2026 compared to $297,420 for the same period in 2025. The decrease was primarily attributable to the impairment recognized on the BRP assets at the end of 2025, which significantly reduced their carrying value and, consequently, the related depreciation expense.

Professional fees decreased by $46,406 to $170,652 during the six-month period ended June 30, 2026 compared to $217,058 for the same period. The decrease was mainly due to lower legal fees incurred.

Interest expense increased by $202,040 to $483,379 during the six-month period ended June 30, 2026 compared to $281,339 for the same period in 2025. The interest expense relates to the senior secured term loan facility with Frontera Guyana, and the legal dispute with Prospector (See *Section 8. Contractual Obligations And Contingencies* of this Semi-Annual Highlights).

The Company has foreign exchange gain of $198 for the six-month period ended June 30, 2026, compared to a loss of $10,122 for the same period in 2025.

In respect of the Joint Venture, the Company earned indirect charges from its Joint Venture partner during the six-month period ended June 30, 2026 of $145,000, compared to $145,000 for the same period in 2025. 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 charge of $200,000 (net to CGX of $145,000).

8. CONTRACTUAL OBLIGATIONS AND CONTINGENCIES

Commitments

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

As of June 30, 2026, the Company had no material outstanding purchase orders or contractual commitments.

Contingencies

Demerara Seismic Agreement - Prospector

The Company is party to an ongoing legal matter with 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 quality of the seismic data. 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 dismissed.

Following unsuccessful challenges to the awards in the UK High Court and enforcement proceedings in Ontario and Alberta, Prospector has continued enforcement proceedings in Canada. During the six-month period ended June 30, 2026, approximately $75,000 (year ended December 31, 2025: $18,000) was garnished from the Company's Canadian bank accounts, including funds held in a term deposit and Canada Revenue Agency HST refunds.

During the six-month period ended June 30, 2026, Prospector continued its enforcement efforts, including obtaining court orders requiring the production of certain corporate records and initiating proceedings seeking seizure of the shares of the Company's subsidiaries: CGX Energy Management Corp., GCIE Holdings Limited and CGX Resources Inc. The Company continues to evaluate its legal options.

As at June 30, 2026, the Company has recognized a provision of approximately $17.2 million (December 31, 2025: $17.0 million) within trade and other payables, representing management's estimate of the amounts awarded to Prospector, including accrued post-award interest and legal costs.

Other Contingencies

In 2023, the Company received a claim for approximately $1.9 million (the "**Claim**"), which the Company believes was settled in full in accordance with the applicable agreements. The Company has rejected the Claim and, based on the information currently available, believes it is not probable that the Claim will result in a material outflow of economic resources. Accordingly, no provision has been recognized in the Interim Financial Statements as at June 30, 2026 (December 31, 2025: $Nil).

The shares of certain subsidiaries remain pledged under the applicable agreement.

9. DISCLOSURE OF OUTSTANDING SHARE DATA

The following table sets forth information concerning the outstanding securities of the Company as at August 14, 2026:

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

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 August 14, 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".

Joint Operation Balance and Operator Fee

Under the joint operating agreement with Frontera Guyana, 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 is the operator of the Corentyne block. As operator, the Company issues cash calls to its partner to fund licence-related expenditures.

The Company allocated certain payroll costs in 2024 and 2025 in accordance with the JOA and consistent with prior practice. Frontera disputed a portion of these charges and the recoverability of certain block cost allocations. As a result of the uncertainty regarding recoverability, the Company recognized an impairment of $104,385 in the unaudited condensed interim consolidated statement of comprehensive loss (June 30, 2025: Nil).

In addition, as operator of the Corentyne block, the Company receives a fee from its partner to recover indirect costs associated with operating the licence. This fee is calculated based on total expenditures under the JOA and is subject to a minimum annual fee of $200,000, of which $145,000 is recoverable by CGX from Frontera Guyana. As at June 30, 2026, the Company recognized operator fee income and a corresponding receivable of $145,000 (June 30, 2025: $145,000). The receivable was collected subsequent to June 30, 2026.

As of June 30, 2026, the Company has accounts receivable from Frontera of $5,700 (December 31, 2025: $5,800) related to refund of expenses.

Senior Secured Loan Facility

On October 31, 2025, CRI, a wholly owned subsidiary of the Company, entered into a senior secured loan facility with Frontera Guyana, for proceeds of up to $2.5 million to fund working capital and general corporate and administrative expenditures. The facility was available for drawdown in multiple tranches during the six-month period following execution and bears interest at a fixed rate of 19.32% per annum on amounts drawn. Interest accrues monthly and is payable at maturity. The facility matures one year from the execution date, is secured by substantially all present and after-acquired assets of CRI and guaranteed by the Company and GCIE Holdings.

During the six-month period ended June 30, 2026, the Company drew the remaining $0.6 million available under the facility. As at June 30, 2026, the facility was fully drawn, with total principal outstanding of $2.5 million (December 31, 2025: $1.9 million). Accrued interest of $258,359 was included in trade and other payables (December 31, 2025: $56,319).

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:

Six months period ended June 30,	**2026**	**2025**
Short-term employee benefits	$ 298,800	$ 503,000
Termination payments	159,400	–
Total compensation paid to key management	**$ 458,200**	**$ 503,000**

[1] During the six-month period ended June 30, 2026, the Company paid termination benefits to two former executives pursuant to their separation agreements. The payments were applied against the provision recognized in the prior period. A nominal difference between the accrued provision and the final settlement amount was recognized in the condensed interim consolidated statement of loss during the current period.

As of June 30, 2026, key management outstanding compensation included in trade and other payables is $Nil (December 31, 2025: $Nil).

11. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the Company's Interim Financial Statements requires management to exercise judgment and 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 relating to the Corentyne block, and the continued development of its port operations, significant judgment is required in assessing the recoverability of long-lived assets, evaluating the Company's ability to continue as a going concern, measuring provisions and contingencies, determining the functional currency of certain entities, and assessing the recognition and measurement of financial assets and liabilities. These assessments involve assumptions regarding future cash flows, legal outcomes, discount rates, financing alternatives, and other factors that are inherently uncertain.

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

12. 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

August 14, 2026

"Daniel Sanchez"
Daniel Sanchez
Interim Chief Executive Officer and Chief Financial Officer

Unaudited Condensed Interim Consolidated Financial Statements

For the six months period ended

June 30, 2026 and 2025

(US$'s)

MANAGEMENT’S RESPONSIBILITY FOR FINANCIAL REPORTING

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

The Interim Financial Statements have been prepared by management, on behalf of the Board of Directors, in accordance with International Accounting Standards 34 ‘Interim Financial Reporting’ (“**IAS 34**”) using accounting policies consistent with International Financial Reporting Standards (“**IFRS**”). Accordingly, these Interim Financial Statements should be read in conjunction with our most recent annual audited financial statements for the year ended December 31, 2025 (the “**2025 Annual Financial Statements**”). Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the Interim Financial Statements have been prepared within acceptable limits of materiality.

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 Interim 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 Interim 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 Interim 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

August 14, 2026

“Daniel Sanchez”

Daniel Sanchez
Interim CEO, and CFO

CGX Energy Inc.

Unaudited Condensed Interim Consolidated Statements of Financial Position

(US$'s)

As at	Notes		June 30, 2026		December 31, 2025
Assets					
Current					
Cash and cash equivalents	5	**$**	**475,808**	$	1,043,573
Trade receivables and other assets	6		**243,565**		198,732
Joint operation receivable	8		**145,000**		—
Total current assets			**864,373**		1,242,305
Non-current					
Property, plant and equipment	7		**2,837,540**		2,905,764
Total non-current assets			**2,837,540**		2,905,764
Total assets		**$**	**3,701,913**	$	4,148,069
Liabilities					
Current					
Trade and other payables	9	**$**	**17,797,523**	$	17,629,683
Senior secured loan facility	10		**2,500,000**		1,900,000
Total current liabilities			**20,297,523**		19,529,683
Total liabilities		**$**	**20,297,523**	$	19,529,683
Shareholders' deficit					
Share capital		**$**	**358,163,441**	$	358,163,441
Reserve for share based payments			**29,088,201**		29,088,201
Accumulated deficit			**(403,847,252)**		(402,633,256)
Total shareholders' deficit			**(16,595,610)**		(15,381,614)
Total liabilities and shareholders' deficit		**$**	**3,701,913**	$	4,148,069

Nature of operations and going concern uncertainty (Note 1)
Commitments and contingencies (Note 11)

Approved on behalf of the Board of Directors on August 14, 2026:

("Signed" Dennis Mills) ___________________________, Director
Dennis Mills

("Signed" Andres Sarmiento) ___________________________, Director
Andres Sarmiento

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

CGX Energy Inc.

Unaudited Condensed Interim Consolidated Statements of Comprehensive Loss

(US$'s)

			Six months		
For the period ended June 30,	**Note**		**2026**		2025
Port Revenue		**$**	**184,197**	$	329,578
Operating expenses					
Management and consulting		**$**	**(475,743)**	$	(487,885)
Severance and termination benefits			**(7,476)**		—
General and administrative			**(192,943)**		(195,512)
Depreciation	7		**(108,813)**		(297,420)
Professional fees			**(170,652)**		(217,058)
Interest expense			**(483,379)**		(281,339)
Foreign exchange gain (loss)			**198**		(10,122)
Total operating expenses		**$**	**(1,438,808)**	$	(1,489,336)
Recovery from joint operation partner	8		**145,000**		145,000
Impairment of exploration and evaluation assets	2.3		—		(56,352,826)
Impairment of joint operation receivable	8	**$**	**(104,385)**	$	—
Net loss and comprehensive loss		**$**	**(1,213,996)**	$	(57,367,584)
Loss per share					
Basic net loss per share			**$(0.00)**		$(0.17)
Diluted net loss per share			**$(0.00)**		$(0.17)
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 Interim Financial Statements

CGX Energy Inc.

Unaudited Condensed Interim Consolidated Statements of Changes in Equity

(US$'s)

	Share Capital			Reserves				
	Number of Shares		Amount		Share based payments		Accumulated Deficit		Total
Balance at December 31, 2025	338,549,000	$	358,163,441	$	29,088,201	$	(402,633,256)	$	(15,381,614)
Net loss and comprehensive loss for the period	—		—		—		(1,213,996)		(1,213,996)
Balance at June 30, 2026	**338,549,000**	**$**	**358,163,441**	**$**	**29,088,201**	**$**	**(403,847,252)**	**$**	**(16,595,610)**

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 period	—		—		—		(57,367,584)		(57,367,584)
Balance at June 30, 2025	338,549,000	$	358,163,441	$	29,088,201	$	(383,712,241)	$	3,539,401

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

CGX Energy Inc.

Unaudited Condensed Interim Consolidated Statements of Cash Flow

(US$'s)

For the period ended June 30,	**Note**		**2026**		2025
Operating Activities					
Net loss for the period		**$**	**(1,213,996)**	$	(57,367,584)
Items not affecting cash:					
Depreciation	7		**108,813**		297,420
Impairment expenses	2.3, 8		**104,385**		56,352,826
Unrealized foreign exchange loss			**(1,124)**		15,297
Non-cash interest expense and accretion			**483,379**		282,894
Net change in non-cash working capital items:					
Trade receivables, and joint operation receivable			**(294,218)**		75,407
Trade and other payables			**(318,713)**		(174,503)
Net cash used in operating activities		**$**	**(1,131,474)**	$	(518,243)
Investing Activities					
Exploration and evaluation expenditures			—		(148,716)
Purchases of property, plant and equipment			**(40,589)**		(83,449)
Joint operation partner advances			—		(394,782)
Net cash used in investing activities		**$**	**(40,589)**	$	(626,947)
Financing Activities					
Proceeds from senior secured loan facility (Note 10)			**600,000**		—
Net cash provided from financing activities		**$**	**600,000**	$	—
Net decrease in cash and cash equivalents			**(572,063)**		(1,145,190)
Net effect of exchange rate changes			**4,298**		(13,529)
Cash and cash equivalents at beginning of the period			**1,043,573**		2,073,990
Cash and cash equivalents at end of the period		**$**	**475,808**	$	915,271

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

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 registered office is located at 333 Bay Street, Suite 2400, Toronto, Ontario, M5H 2T6.

The Company's principal business activities include the ownership and operation of a multipurpose port and related logistics facilities on the Berbice River in Guyana, together with the management of its oil and gas interests 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 Holdings**")	Barbados	100%
Grand Canal Industrial Estates Inc.[1]	Guyana	100%
CGX Energy Management Corp.	United States, Delaware	100%

1. Owned 100% by GCIE Holdings

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 position regarding the status of the Corentyne Petroleum Agreement and Petroleum Prospecting License ("**PPL**"), and the resulting inability to conduct activities on the Corentyne block, the Company ceased further exploration and development activities 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.

The Company has a history of operating losses, and as at June 30, 2026, had a working capital deficiency of $19.4 million (December 31, 2025: $18.3 million) and an accumulated deficit of $403.8 million (December 31, 2025: $402.6 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 Interim Financial Statements have been prepared on a going-concern basis and do not 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

These Interim Financial Statements, including comparatives, have been prepared in accordance with IAS 34 using accounting policies consistent with the IFRS issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee. These Interim Financial Statements were authorized by the Board of Directors of the Company on August 14, 2026.

2.2 Basis of presentation

These Interim Financial Statements include only significant transactions and events occurring since the Company's last fiscal year end and are not fully inclusive of all matters required to be disclosed and should be read in conjunction with the 2025 Annual Financial Statements. In preparing these Interim Financial Statements, the significant judgments made by management in applying the Company's accounting policies and key sources of estimation uncertainty were the same as those applied to the 2025 Annual Financial Statements.

2.3 Use of management estimates, judgments, and measurement uncertainty

The preparation of the Interim 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.

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 judgments relate to the valuation of E&E expenditures, functional currency, determination of cash generating units ("**CGU**") and impairment testing, port depreciation, taxes, and contingencies. Significant estimates and judgments made by management in the preparation of these consolidated financial statements are outlined below:

Corentyne License

CRI and Frontera Energy Guyana Corp. ("**Frontera Guyana**", and together with CRI, the "**Joint Venture**") jointly hold a 100% working interest in the Corentyne block, with participating interests of 27.48% for CRI and 72.52% for Frontera Guyana. These interests reflect a 4.52% assignment from CRI to Frontera Guyana agreed to in 2023, which remains subject to approval by the Government of Guyana but is enforceable between the parties. The Joint Venture continues to pursue its legal rights in respect of the Corentyne block, including through the ongoing investment treaty process. As at June 30, 2026, there have been no developments indicating that the conditions giving rise to the $56.4 million impairment recognized in 2025 have changed. Accordingly, the Corentyne exploration and evaluation asset remains fully impaired with a carrying value of $Nil.

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 Value in Use ("**VIU**") and Fair Value Less Cost of Disposal ("**FVLCD**"). Individual assets are grouped for impairment assessment purposes at the level of 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.

Port Capital Expenditures (Note 7)

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 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

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 has 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.

Contingencies

The Company is involved in various claims, disputes, and litigation matters in the normal course of business. Because the outcomes of these matters are uncertain, significant judgment is required in assessing the likelihood and potential magnitude of any obligations. In line with IAS 37, contingent liabilities are not recognized unless an outflow of economic benefits is probable and can be measured reliably. Unfavourable outcomes in pending or threatened proceedings could have a material impact on the Company's financial position, results of operations, or cash flows.

3. 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 June 30, 2026, had a working capital deficiency and shareholders' deficit. 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 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 six months period ended June 30, 2026.

The Company is not subject to externally imposed capital requirements other than those of the 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 June 30, 2026, and the date of these Interim 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 June 30, 2026, the Company had a shareholders' deficit of $16.6 million (December 31, 2025: $15.4 million).

4. Financial Instruments

Fair Value

Cash and cash equivalents, trade receivables and other assets, and joint operation receivable are measured at amortized cost, which approximates fair value due to their short-term nature. Trade and other payables, senior secured loan facility, and joint operation 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.

Although the Company has outstanding common share purchase warrants, their fair value at June 30, 2026 and December 31, 2025 was determined to be $Nil.

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 June 30, 2026 is the carrying value of cash and cash equivalents, trade receivables and other assets and joint operation balances.

i. **Cash and cash equivalents:** Cash and cash equivalents are held mainly with major Canadian and American financial institutions in Guyana and the United States and therefore the risk of 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 6).

iii. **Joint operation balances:** The Company is exposed to credit risk attributable to its joint operation partner. The Company does not believe that this risk is significant as these are short term in nature (See Note 8).

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 June 30, 2026, the Company had a working capital deficiency of $19,433,150 (December 31, 2025: deficiency of $18,287,378).

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 Guyanese and United States financial institutions. As at June 30, 2026, the Company had approximately C$Nil (December 31, 2025: C$Nil) in Canadian dollar denominated cash deposits.

5. Cash and Cash Equivalents

Cash and cash equivalents as at June 30, 2026, consisted of $475,808 (December 31, 2025: $1,043,573) on deposit with major financial institutions.

6. 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,		**June 30, 2026**		December 31, 2025
Trade receivables	**$**	**131,677**	$	45,256
HST		**6,580**		23,841
Prepaid expenses		**105,308**		129,635
Total trade receivables and other assets	**$**	**243,565**	$	198,732

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

As at,		**June 30, 2026**		December 31, 2025
1 -90 days	**$**	**131,677**	$	45,256
Total trade receivables	**$**	**131,677**	$	45,256

At June 30, 2026, 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 June 30, 2026 and December 31, 2025. The credit risk on the receivables has been further discussed in Note 4.

7. Property, Plant and Equipment

	Port	Logistics Yard (1)	Vehicles, office furniture and fixtures	Computer, software & equipment	Total
Cost					
As at December 31, 2025	19,869,143	707,196	376,282	542,464	21,495,085
Additions	40,589	—	—	—	40,589
As at June 30, 2026	**$ 19,909,732**	**$ 707,196**	**$ 376,282**	**$ 542,464**	**$ 21,535,674**
Accumulated depreciation					
As at December 31, 2025	17,722,143	—	326,501	540,677	18,589,321
Depreciation (2)	99,600	—	8,919	294	108,813
As at June 30, 2026	**$ 17,821,743**	**$ —**	**$ 335,420**	**$ 540,971**	**$ 18,698,134**
Net book value					
As at December 31, 2025	$ 2,147,000	$ 707,196	$ 49,781	$ 1,787	$ 2,905,764
As at June 30, 2026	**$ 2,087,989**	**$ 707,196**	**$ 40,862**	**$ 1,493**	**$ 2,837,540**

Notes: *(1) No depreciation has been recorded on these assets as they are still under construction.*
(2) Depreciation is presented separately in the condensed interim consolidated 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.

8. 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 June 30, 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".

Joint Operation Balance and Operator Fee

Under the joint operating agreement with Frontera Guyana, 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 is the operator of the Corentyne block. As operator, the Company issues cash calls to its partner to fund licence-related expenditures.

The Company allocated certain payroll costs in 2024 and 2025 in accordance with the JOA and consistent with prior practice. Frontera disputed a portion of these charges and the recoverability of certain block cost allocations. As a result of the uncertainty regarding recoverability, the Company recognized an impairment of $104,385 in the unaudited condensed interim consolidated statement of comprehensive loss (June 30, 2025: $Nil).

In addition, as operator of the Corentyne block, the Company receives a fee from its partner to recover indirect costs associated with operating the licence. This fee is calculated based on total expenditures under the JOA and is subject to a minimum annual fee of $200,000, of which $145,000 is recoverable by CGX from Frontera Guyana. As at June 30, 2026, the Company recognized operator fee income and a corresponding receivable of $145,000 (June 30, 2025: $145,000). The receivable was collected subsequent to June 30, 2026.

As of June 30, 2026, the Company has accounts receivable from Frontera of $5,700 (December 31, 2025: $5,800) related to refund of expenses.

Senior Secured Loan Facility

See Note 10. 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:

Six months period ended June 30,		**2026**		**2025**
Short-term employee benefits	$	298,800	$	503,000
Termination payments [1]		159,400		–
Total compensation paid to key management	**$**	**458,200**	**$**	**503,000**

[1] During the six-month period ended June 30, 2026, the Company paid termination benefits to two former executives pursuant to their separation agreements. The payments were applied against the provision recognized in the prior period. A nominal difference between the accrued provision and the final settlement amount was recognized in the condensed interim consolidated statement of loss during the current period.

As of June 30, 2026, key management outstanding compensation included in trade and other payables is $Nil (December 31, 2025: $Nil).

9. 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,		**June 30, 2026**		December 31, 2025
Less than one month, accruals	**$**	**323,995**	$	415,860
One month to three months		**271,632**		162,056
Over three months [1]		**17,201,896**		17,051,767
Total trade and other payables	**$**	**17,797,523**	$	17,629,683

(1) Includes approximately $17.2 million provision related to the Prospector PTE. Ltd. ("**Prospector**") award, refer to Note 11. Commitments and Contingencies (December 31, 2025: $17.0 million).

10. Senior Secured 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 proceeds of up to $2.5 million to fund working capital and general corporate and administrative expenditures.

The facility was available for drawdown in multiple tranches during the six-month period following its execution 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 facility 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 proceeds from asset dispositions, new financings, and litigation or arbitration recoveries.

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

During the six months ended June 30, 2026, the Company drew the remaining $0.6 million available under the facility. As at June 30, 2026, the facility was fully drawn, with total principal outstanding of $2.5 million (December 31, 2025: $1.9 million). Accrued interest of $258,359 was included in trade and other payables (December 31, 2025: $56,319).

11. Commitments and Contingencies

Contractual obligations

In the normal course of business, the Company enters into contractual commitments and purchase obligations. As at June 30, 2026, 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 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 quality of the seismic data. 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 dismissed.

Following unsuccessful challenges to the awards in the UK High Court and enforcement proceedings in Ontario and Alberta, Prospector has continued enforcement proceedings in Canada. During the six-month period ended June 30, 2026, approximately $75,000 (year ended December 31, 2025: $18,000) was garnished from the Company's Canadian bank accounts, including funds held in a term deposit and Canada Revenue Agency HST refunds.

During the six-month period ended June 30, 2026, Prospector continued its enforcement efforts, including obtaining court orders requiring the production of certain corporate records and initiating enforcement proceedings against shares of certain subsidiaries. The Company continues to evaluate its legal options.

As at June 30, 2026, the Company has recognized a provision of approximately $17.2 million (December 31, 2025: $17.0 million) within trade and other payables, representing management's estimate of the amounts awarded to Prospector, including accrued post-award interest and legal costs.

Other Contingencies

In 2023, the Company received a claim for approximately $1.9 million (the "**Claim**"), which the Company believes was settled in full in accordance with the applicable agreements. The Company has rejected the Claim and, based on the information currently available, believes it is not probable that the Claim will result in a material outflow of economic resources. Accordingly, no provision has been recognized in the Interim Financial Statements as at June 30, 2026 (December 31, 2025: $Nil).

The shares of certain subsidiaries remain pledged under the applicable agreement.