

ESG Report

2025

FOR THE FISCAL PERIOD ENDED DECEMBER 31, 2024



MESSAGE FROM CEO

Coelacanth proudly presents its third ESG Report, showcasing our commitment to sustainable growth and transparency. Fiscal 2024 marked a pivotal year: we secured a \$52 million revolving credit facility and advanced critical infrastructure projects, including pipelines to connect our 05-19 Pad to our Two Rivers East Battery Facility, subsequently completed and on-stream in June 2025.

At Two Rivers East, multi-well pad development delivered strong test results—averaging 1,624 boe/d from Lower Montney wells and 1,338 boe/d from Upper Montney wells—confirming resource productivity.⁽¹⁾ These wells remained offline while awaiting the infrastructure build-out. Coelacanth's 2024 average daily production of 962 boe/d comes from Two Rivers West, where water and gas handling constraints are restricting production at the 14-05 facility until planned upgrades are finalized.

Our emissions remain below the BCER reporting threshold of 10,000 tCO₂e, yet we continue to disclose them to support our commitment to accountability and transparency with respect to our sustainability goals and targets. Looking ahead, we remain focused on reducing emissions intensity and advancing development to create long-term value for all stakeholders.

My sincere thanks to the ESG Board Committee, the Board of Directors, and the Management team, for their continued attention and commitment to the Company's sustainability objectives.

On behalf of the Board of Directors,

"Signed"

Rob Zakresky
President & CEO



LAND ACKNOWLEDGEMENT

Coelacanth Energy Inc. ("Coelacanth", or "the Company") is committed to the rights of Indigenous peoples. We recognize the land as an act of reconciliation and gratitude to those whose footsteps have marked these lands for generations.

Coelacanth would like to acknowledge the Treaty 7 territory; the ancestral territory of the Niitsitapi (Blackfoot) Confederacy: Kainai, Piikani, Amksapi Piikani, Siksika as well as the Tsuut'ina (soot-ena) First Nation and Stoney Nakoda First Nation, including Chiniki, Bears Paw, and Good Stoney First Nations. The City of Calgary is also home to Métis Nation of Alberta, Region III.

Coelacanth respectfully acknowledges Treaty 8 territory: the ancestral territory of the Nehiyawak (Cree), the Dane-zaa (Beaver), Dene (Chipewyan), and the Métis Nation of Alberta, Region VI. We offer our gratitude and respect to the Knowledge Keepers and Elders for their wisdom, stewardship, and teachings.

It is with a spirit of respect and mutuality that Coelacanth works in the Treaty 8 region to develop energy resources.



ABOUT THIS REPORT

COMPANY

Coelacanth Energy Inc. ("Coelacanth" or "the Company") is a public company that trades under the symbol CEI on the TSX Venture Exchange (CEI: TSXV). Coelacanth is a growth-oriented, pure-play Montney producer in the Two Rivers area of northeast British Columbia.

ASSETS, OPERATIONS AND SCOPE OF REPORT

Coelacanth emerged as a spin-out from Leucrotta Exploration's sale to Vermilion Energy in May 2022. Operations launched in June 2022. The initial assets included: \$80 million cash to fund new operations, over 150 sections of Montney mineral tenure, three producing wells, and a facility in the Two Rivers area, as well as two shut-in wells awaiting future pipelines (one in the Stoddart area and one in Two Rivers area), and suspended assets in the Paradise and Two Rivers regions that are slated for ongoing reclamation.

For 2024, Coelacanth had average daily production of 962 boe/d, comprised of production from 4 well locations connected to the 14-05 Two Rivers West facility, and test production from 05-19 in Two Rivers East. Fuel and flare activities relating to drilling and completion activities for 3 Lower Montney wells and completion activities for one Upper Montney well at the 5-19 pad also contributed to the Company's Scope 1 emissions for the period.

Infrastructure development during the period included installing substantially all of a 25-mile pipeline required to connect production from 5-19 and the Two Rivers East region to a future facility and midstream operation to be completed in June 2025.

Coelacanth also has an active asset retirement program in the Two Rivers and Paradise regions with an inventory of 15 abandoned wells awaiting reclamation and 21 suspended wells awaiting abandonment and reclamation. Coelacanth abandoned 3 wells and reclaimed 3 wells during the period. Taken together, these operations form the scope of Coelacanth's 2025 ESG Report for fiscal 2024.

Corporate Profile 2024

| Corporate Profile | 2024 | 2023 |
|--|-------------|-------------|
| Corporate Employees | 14 | 14 |
| Oil and Natural Gas Liquids, (bbls/d) | 354 | 155 |
| Natural Gas, (mcf/d) | 3,648 | 1,624 |
| Oil Equivalent, (Ave. boe/d) | 962 | 426 |
| Total Cumulative BOEs Produced | 351,130 | 155,581 |
| - Percent Natural Gas | 63% | 63% |
| - Percent Oil | 37% | 37% |
| Proved plus Probable Reserves (Mboe) | 27,515 | 14,080 |
| Reserves Life Index (RLI), Proved plus Probable (2P) | 69.0 | 41.4 |
| Total Capital Expenditures (\$000s) | 84,497 | 74,613 |

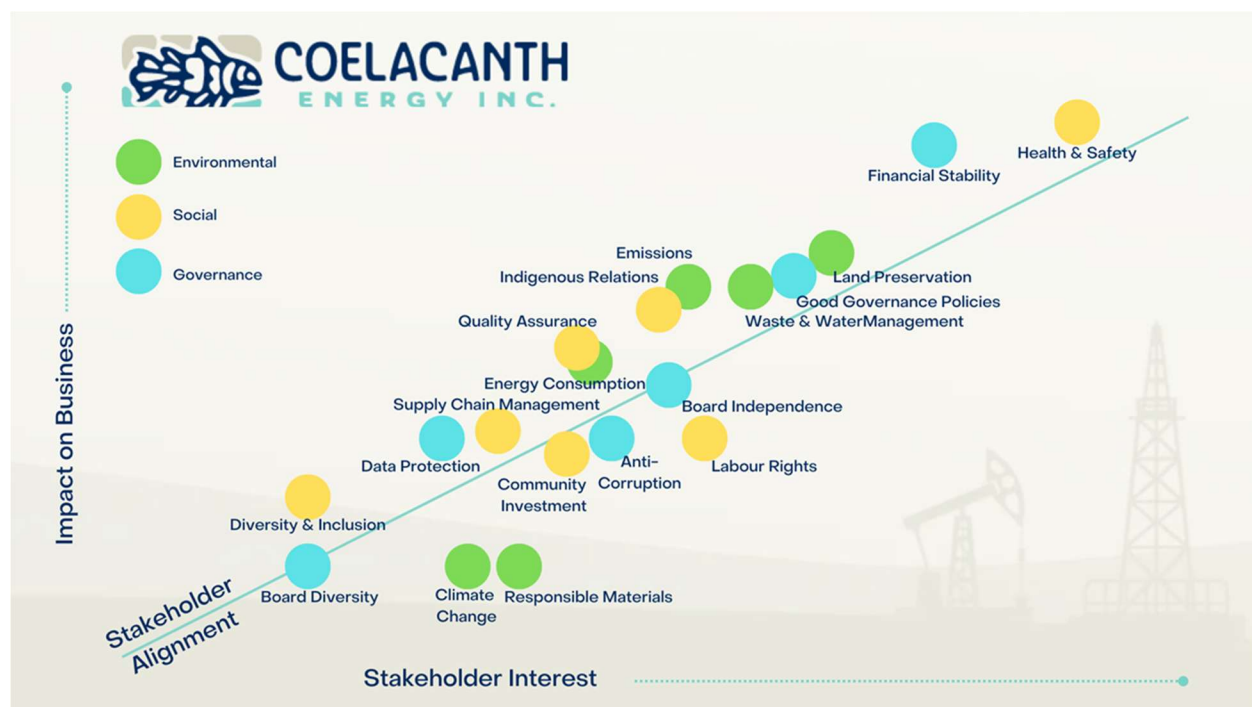
REPORTING FRAMEWORKS & MATERIALITY ASSESSMENT

At Coelacanth, we value and respect the need for sustainability, resilience, and climate action as we concurrently do our part help to meet both the world's energy trilemma of transition, equity, and security along with our government's commitments toward carbon neutrality.

REPORTING FRAMEWORKS

This report follows the reporting framework and Materiality Map provided by the Sustainability Accounting Standards Board (SASB) for upstream oil and gas operations.

The SASB materiality map was paired with survey data collected by GreenWorksESG during 2023 on behalf of Coelacanth from both Internal and External stakeholders. The combined results constitute the Company's Materiality Assessment that has been approved by the Board of Directors for use until the end of Fiscal 2024. Therefore, there are no substantial changes to the reporting categories and disclosure topics shown below compared to the 2024 ESG Report (fiscal 2023). A new materiality assessment will be performed for fiscal 2025 due to material changes to operations that are expected to result from growth.



| DISCLOSURE TOPICS | |
|---------------------|---|
| Health & Safety | Water and Waste Management |
| Financial Stability | Emissions Management |
| Good Governance | Asset Retirement |
| Land Preservation | Indigenous Relations and Community Investment |

This report provides a discussion on each of these topics and includes additional matters of importance within our industry to ensure continuity with industry peers and regulatory disclosures.

The Company continues to prepare for future CSDS 1 and CSDS 2 reporting obligations.

ASSURANCE

To date, the Company's ESG data has not been audited. A third-party, Intricate Software, collects Coelacanth's emissions data and verifies all emissions factors and global warming potentials (GWP) according to Greenhouse Gas Industrial Reporting and Control Act (GGIRCA), and Section 11 of the BC Greenhouse Gas Emissions Reporting Regulation (GGERR), which are taken from and conform to the Western Climate Initiative (WCI).

The Company's financial statements and material disclosures are reviewed quarterly and audited annually by KPMG LLP. All reserves information as well as certain disclosures relating to the reserves, such as the overlying biodiversity regions, areas of water stress, and Indigenous lands, were prepared by the Company's third-party reserves evaluators, GLJ LTD.

Information with respect to Coelacanth's corporate risk, strategy, and governance procedures can be found on SEDAR in the Company's Annual Information Form, and the Company's 2024 Annual Report.

SUSTAINABILITY HIGHLIGHTS FISCAL 2024

KEY METRICS

**Total Scope 1 & 2
Emissions
8,519.20 tCO₂e**

**Total Methane Emissions
17.12 tCH₄**

**ARO Spending
\$ 1.43 million**

**Reclaimed
3 Locations**

**Freshwater
withdrawal:
110,739 m³**

**Produced Water
145,439
Water Disposed
145,370**

**TRIF 0.52
LTIF 0.52
MVIF 0.00**

**\$84 million spent on BC
operations (taxes, royalties,
capex, services and
employment in FSJ region)**

ENVIRONMENT

EMISSIONS

As nations around the world transition to lower carbon economies, our stakeholders increasingly demand lower carbon footprints, lower emissions, and a pathway to carbon neutrality by 2050. Therefore, as we move through our corporate milestones, emissions management and mitigation planning are an important priority for Coelacanth. While absolute emissions will increase due to growth, the Company is planning to decrease overall emissions intensity over time through continued methane abatement and overall GHG mitigation strategies.

GHGS

Given that Coelacanth's 5-19 production remained behind pipe during 2024 awaiting infrastructure tie-in, Coelacanth's emissions for the period continued to be below BCER reporting thresholds. We report 2024 gross global Scope 1 and Scope 2 emissions herein for the purpose of tracking against our initial emissions baseline. The Company plans to re-baseline once the 16-3 battery facility in Two Rivers East is operational in 2025, at which time we expect overall emissions intensity to materially decrease.

2024 Scope 1 emissions were 8,519.20 tCO₂e, an increase of less than 1% over 2023 despite more than doubling average daily production for the year. Coelacanth's Scope 1 emissions relate to fuel and flare activities during drilling, completion and test work at the 10-08 and 5-19 pads, and to routine operation of the Two Rivers West 14-05 battery facility that receives production from active Two Rivers West wells. The Company has minimal Scope 2 emissions relating to electricity consumption at the 14-05 battery.

Table of 2024 Gross Global Scope 1 Emissions by Type

| Direct Emissions Scope 1 (SASB) FB-AG-110a.1 | CO₂ | CH₄ | N₂O_x | tCO₂e | 2023 tCO₂e | 2022 tCO₂e |
|---|-----------------------|-----------------------|-----------------------------------|-------------------------|----------------------------------|----------------------------------|
| tCO ₂ e | 7,896.24 | 17.12 | 0.52 | 8,512.35 | 8,462 | 2,284 |

**2024 Scope 1 & 2 Absolute Emissions:
8,519.20 tCO₂e**

Scope 1 & 2 Emission Summary by Category

| Category | TCO2 | TCH4 | TN2O | TCO2e | % of Total |
|----------------------------|-----------------|--------------|-------------|-----------------|-------------|
| Stationary Fuel Combustion | 7,600.85 | 15.59 | 0.52 | 8173.99 | 95.95% |
| Flaring | 295.39 | 1.42 | 0.00 | 335.31 | 3.94% |
| Fugitives | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% |
| Venting | 0.00 | 0.11 | 0.00 | 3.06 | 0.04% |
| On-Site Transportation | 0.00 | 0.00 | 0.00 | 0.00 | 0.00% |
| Imported Electricity | | | | 6.85 | 0.08% |
| Total | 7,896.24 | 17.12 | 0.52 | 8,519.20 | 100% |

BC Hydro's clean electrification represents Coelacanth's largest opportunity to mitigate future GHG emissions from fuel combustion, given that stationary fuel gas combustion is used for electricity and heat at Coelacanth's Two Rivers West battery facility and will also be required at Coelacanth's future Two Rivers East battery facility. Coelacanth continues to assess the feasibility of future power connection lines from BC Hydro to these facilities and related well-sites.

An internal ESG team is also tracking the innovations for GHG emissions abatement and is a member of the Clean Resource Innovation Network (CRIN) and Petroleum Technology Alliance Canada (PTAC).

METHANE EMISSIONS REDUCTION

Methane is the main component of natural gas. During oil and gas operations, methane can be released during normal operations when natural gas is incompletely combusted, vented, emitted, or leaked during a normal and regulated process. Coelacanth recognizes the climate risk of methane emissions and seeks to abate them from these sources.

To that end, and in compliance with BCER Regulatory guidelines, Coelacanth uses instrument air in pneumatic devices, as well as a vapor recovery unit at its 14-05 Two Rivers West facility.

For 2024, total methane emissions were 17.12 tCH₄, or 5.63 percent of total Scope 1 tCO₂e emissions (compared to 22.39 tCH₄ or 7.4 percent for 2023).

Coelacanth also uses a third-party service to inspect the 14-05 facility three times per year and all producing well locations once per year for any fugitive emissions. Any fugitives that are identified are immediately mitigated. No fugitive emissions were identified by third-party inspections in 2024.

The Company does not yet collect Scope 3 emissions data.

Total 2024 Coelacanth methane emissions were 17.12 tCH₄

CONTINUOUS IMPROVEMENT

Coelacanth monitors the advances in research, development, innovation, and policy in the field of methane reduction, actively following The BC Oil and Gas Methane Emissions Research Collaborative (MERC) and the methane stream of the Petroleum Technology Alliance (PTAC), along with industry professional and peer groups.

LAND PRESERVATION

REPORTABLE SPILLS AND ENVIRONMENTAL INCIDENTS

Coelacanth is compliant with the environmental and operational requirements of BCER. Coelacanth had no volumes of reportable spills for 2024, no reportable environmental incidents and no material issues of non-compliance for 2024.

MINIMIZING OUR FOOTPRINT

The Company's development plans over the next five years imply a development pace of 1-2 pads per year along with related infrastructure. When making these plans, the Company works to minimize surface disturbance through multi-well pads. This design allows multiple projects to be facilitated upon a single site, reducing the need for additional new land disturbance. Pad development also increases the efficiency of the resources needed for operations and helps reduce emissions by limiting the distance between service points.

BIODIVERSITY

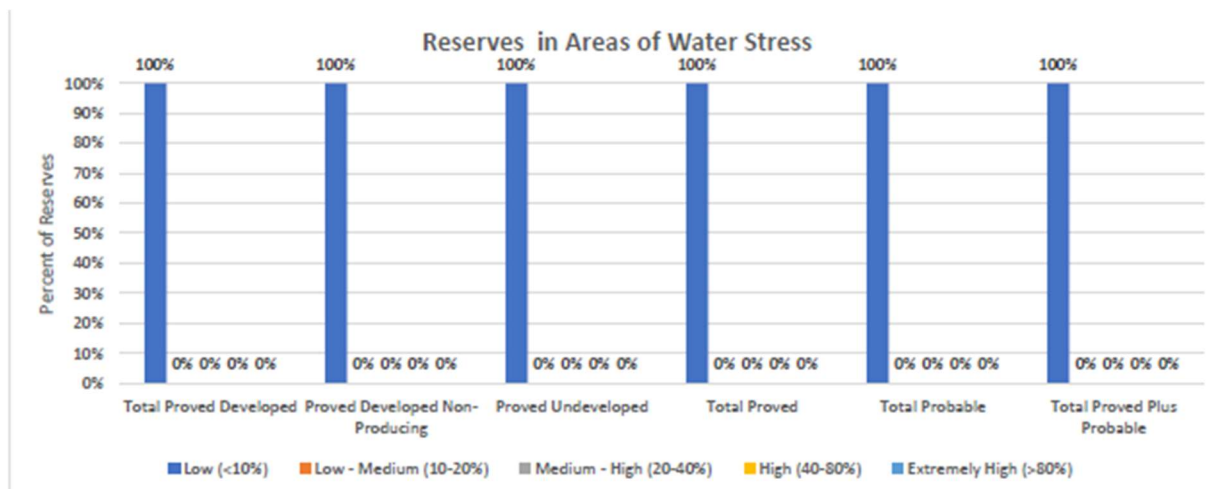
Pre-development environmental assessments assist the Company in mitigating potential impacts on biodiversity. Engagement with First Nations is also a crucial step in the Company's planning initiatives to ensure we identify and mitigate areas of environmental concern and potential impact on biodiversity.

Approximately 83% of Coelacanth's Total Proved Plus Probable Working Interest Reserves are within the 5km buffer zone in proximity to Parks and Protected Areas. No Proved or Probable Reserves are in proximity to Endangered Species Habitats, while 83% are in proximity to Threatened Species Habitat (Bank Swallow), for which preconstruction mitigations are in place.

RESERVES IN AREAS OF WATER STRESS

COELACANTH's Total Proved Plus Probable Working Interest Reserves for 2024 are located within areas of low-level water stress (<10%).





WATER MANAGEMENT

Water is a vital resource and one that is crucial to Coelacanth operations. The Company is therefore committed to the careful stewardship of water. During 2024, 110,739m³ freshwater was withdrawn from the Peace River for Coelacanth operations. The Company's water management for 2024 is summarized below.

Table of 2024 Water Volumes and Management

| Water Type (m3) | 2024 | 2023 |
|------------------------|---------|---------|
| Fresh | 110,739 | 198,813 |
| Recycled | 21,006 | 0 |
| Produced | 145,439 | 66,056 |
| Disposal | 145,370 | 65,942 |
| Fresh Water Storage | 0 | 0 |
| Produced Water Storage | 25,500 | 25,500 |

Going forward, Coelacanth will work to carefully steward any freshwater resources required for operations by using C-ring storage and filtration. The Company is currently in the pre-application stage of a future water recycling hub in Two Rivers East.

ASSET RETIREMENT OBLIGATION (ARO)

The retirement, reclamation, and restoration of end-of-life wells is an important part of the Company's effort to minimize its environmental footprint.

BCER Dormant Site Regulations specify the timing and required procedures to decommission and restore dormant sites. Pursuant to these regulations the Company set a target to spend \$1.0 million on ARO activities for 2023 and 2024.

In 2024 Coelacanth had 15 abandoned wells awaiting reclamation and 21 suspended wells awaiting abandonment and reclamation. Coelacanth reclaimed 3 wells in 2024 and abandoned 3 wells. Coelacanth spent \$1.43 million on these activities (compared to \$1.88 million during 2023) and will hold the target of \$1.0 million for 2025.

Coelacanth contributes to the Orphan Site Reclamation Fund in British Columbia.

Coelacanth spent \$1.43 million on ARO activities during 2024, exceeding target by 43%.

WASTE MANAGEMENT

Coelacanth has procedures in place for managing hazardous and non-hazardous waste. These procedures exercise conservation measures where possible, including the effort to reuse and recycle where possible. Coelacanth waste management procedures are compliant with the British Columbia Hazardous Waste Regulation and the British Columbia Environmental Management Act.



SOCIAL

HEALTH AND WORKER SAFETY

Coelacanth has a comprehensive safety program for all employees and contractors of the Company. At Coelacanth, we work hard to cultivate a strong safety culture where all employees and contractors understand their rights, duties, and responsibilities to protect themselves, the public, and the environment. This commitment starts with the Board of Directors and management and carries throughout the organization.



For 2024 Coelacanth had 0.52 Total Recordable Incident Frequency, 0.52 Lost Time Injury Frequency, and 0 Motor Vehicle Incident Frequency for employees and contractors. Coelacanth has never had a fatality in its operations.



Working safely is a priority for all Coelacanth workers across all operations, and we are committed to the regulatory safety standards set by WorkSafeBC. All contractors and their subcontractors working on Coelacanth properties are required to register in the Coelacanth Contractor Management system, be prequalified, and provide evidence of their Health and Safety program processes, training, and insurance coverage.

All contractors and subcontractors working on Coelacanth properties are issued Safe Work Permits that clearly define the scope of work and identify associated hazards. Once hazards are identified, they are risk-ranked and appropriate controls are implemented—whether through

engineered solutions, personal protective equipment (PPE), or established procedures—to help eliminate or manage the risk. This systematic approach helps to ensure work can be carried out safely. In addition, all hazards, near misses, and incidents are also ranked, communicated, and investigated as needed based on their severity.

All safe work practices and job task hazard assessments are made accessible to all contractors and subcontractors through the company's online Health and Safety management system platform, *InUnison*. The platform contains all company policies, safe work practices, operating procedures, and an Event reporting system to capture all Leading and Lagging events, ensure real time notifications are received and actioned efficiently, and stakeholders are appropriately notified.

Read and Accept functions ensure that workers sign off on policy/procedure requirements. Worksite Orientations are conducted with all Contractors prior to initiating any work. Worksite tailgate meetings are conducted to ensure all workers are aware of the job scope, task related hazards and inherent risk to lower the likelihood of an incident and support personal accountability for the care and control of the worksite.

To review the Coelacanth Health and Safety Management System, see the *InUnison* platform: <https://inunison.io/safety-program/ca-bc/content>

Coelacanth is committed to learning from each incident by revising the practice and sharing the learning with our personnel and regulatory authorities.

MODERN SLAVERY ACT

Through the *InUnison* EH&S platform, employees and contractors can now access education and training on the Modern Slavery Act as well as receive and read the Company's policy statement against forced labour and child labour.

COMMUNITY IMPACT

We are pleased to contribute to local economies through capital spending, job creation, and community contributions. During the fiscal year of 2024, Coelacanth spent approximately \$84 million in the region of Fort St. John, and surrounding communities to drill and complete oil and natural gas wells, install infrastructure, and run routine operations. Coelacanth was also

pleased to sponsor the Spirit of the Peace Powwow Society, the Taylor Minor Hockey Association, the Fort St. John Friendship Society, and Clearview School's team jersey.

Coelacanth has no proved or probable reserves in conflict areas.

INDIGENOUS ENGAGEMENT

While nearly all Coelacanth mineral tenure underlies privately owned and cultivated land in northeast British Columbia, 100 percent of its proved and probable reserves are within Treaty 8, which comprises the traditional territories of many First Nations. To that end, Coelacanth works to earn its social license by careful and respectful pre-engagement and consultation with First Nations. This includes strict adherence to the BCER and the Blueberry River First Nations (BRFN) guidelines on pre-application engagement, and to the specific requirements of each of the First Nations within Coelacanth's consultation area.

Coelacanth is committed to reconciliation, collaboration, and mutuality with Indigenous people. In the spirit of fostering strong community relationships, all of Coelacanth's executives and operations staff have received training in Reconciliation. It is the duty of each Coelacanth staff member to earnestly practice this commitment in all interactions.



With respect to Coelacanth spending commitments, \$2,075,430 was tendered directly to Indigenous-owned and affiliated companies during fiscal 2024 (compared to \$1,728,209 for 2023). The Company sets a target to spend at least \$1 million with Indigenous-owned and affiliated companies for 2025.

Over \$2.0 million spent with Indigenous owned and affiliated companies during 2024.

EMPLOYEE ENGAGEMENT

At Coelacanth, we recognize the entrepreneurial spirit that often attracts employees to junior Companies. To support the meaningful connection between commitment, responsibility, and various forms of ownership, Coelacanth offers each employee, in addition to competitive salaries and comprehensive health benefits, the opportunity to participate in Coelacanth's Stock Option, RSU (Restricted Share Unit), and Stock Savings programs. In addition, Coelacanth also offers education and training opportunities.

GOVERNANCE

RISK MANAGEMENT FOR TAILEND RISK

The Company has management systems in place to proactively eliminate or control risk by means of policies, safe work practices, hazard assessments, inspections, and training. These processes help identify and mitigate catastrophic and tail-end risks.

These systems comply with regulatory requirements and industry-recommended practices. The Coelacanth Health and Safety Management System integrates the following programs to reduce risk:

- Policies, Safe Work Practices, Standard Operating Procedures
- Competency Management
- Credential Management
- Job Hazard Assessments
- Role Risk Registry
- Event Reporting
- Corrective Action Registry
- Contractor Management
- Management of Change
- Simultaneous Operations
- Integrity Management Plans
- Confined Space Inventory
- Safety Loss Management Plan
- Emergency Response Plan
- Asset Retirement and Reclamation Program



EMERGENCY RESPONSE PLAN

Coelacanth's ERP prepares both field and corporate stakeholders to manage unplanned emergency-related events. The ERP conforms to regulatory requirements and includes the coordination of Coelacanth business units and external contractors. The ERP manual is designed by industry-recognized ERP experts, Black Gold Emergency Response Planners.

The ERP follows the Incident Command System (ICS) which is a globally accepted standard. ICS utilizes consistent language and protocols to ensure highly effective communication and efficient resource allocation between regulatory agencies, industry, and emergency management stakeholders.

All operations personnel receive Incident Command System training in ERP processes (ICS-100, ICS-200). In addition, the Company enacts annual tabletop/full field deployment training exercises that engage both field and corporate stakeholders in an emergency scenario relevant to Coelacanth operations. These exercises are led by Coelacanth field operations personnel, supported by corporate head office, and observed by the provincial Energy Regulator to ensure the training exercises meet all regulatory emergency management criteria. Feedback and lessons learned from tabletop and full field deployment events are used to fill in any gaps in the process and to strengthen the overall emergency response process and the ERP program. Ultimately these ERP training exercises are meant to proactively prepare stakeholders and support services should a significant high-risk event occur.

BOARD OF DIRECTORS

Coelacanth's Board of Directors governs the organization and ensures the exercise of due diligence, care and responsibility in corporate stewardship. The following members comprise Coelacanth's Board of Directors:

| | |
|---|---|
| William Lancaster, P. Geol., Chair ^{(2), (4), (5), (6)} | Raymond Hyer, CPA, ^{(1), (3), (6)} |
| John A. Brussa, B.A., LL.B., Lead Director ^{(1), (2a), (3a)} | Tom J. Medvedic, CA ^{(1a), (2), (5)} |
| Harvey Doerr, P.Eng. ^{(3), (4a), (5a), (6a)} | Robert J. Zakresky, CA |

- (a) Committee Chair
- (1) Member of Audit Committee
- (2) Member of Compensation Committee
- (3) Member of Corporate governance Committee
- (4) Member of ESG Committee
- (5) Member of HSE Committee
- (6) Member of Reserves Committee

Coelacanth recognizes the value of diversity and inclusion and is working to identify suitable candidates that can add value to the board as the Company grows. To that end, Coelacanth's Board of Directors took steps during 2023 and 2024 to assemble an evergreen list of potential candidates to be considered once additional directors are needed.

GOVERNANCE STRUCTURE

Coelacanth's governance structure includes a Charter for the Board of Directors and for each of the following Board committees: Audit, Compensation, Corporate Governance, Reserves, Environment, Health and Safety, and Environmental, Social and Governance. The full Charters can be found at www.coelacanth.ca/governance.

Executive job descriptions for the Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer, the Chair of the Board, and the Lead Director can also be found in full on the Company's website.

COELACANTH has robust Governance policies that include the following topics:

- Code of Business Conduct and Business Ethics
- Disclosure & Confidentiality
- Whistleblower Policy
- Treatment of Complaints
- Securities Trading Policy

The Company's policies concerning anti-corruption are included in the Code of Business Conduct and Ethics. All employees are required to read and sign this policy, which describes and provides clear direction regarding the prevention of bribery and corruption.

Anticorruption is enacted by corporate employees and managers by the following measures: Employees must be and be seen to be upholding the highest ethical standards by ensuring competitive bidding processes, tracking and holding to account any variance to bids; ensuring

that approvals are required by more than one responsible party; ensuring that routine meetings are held where cost profiles are reviewed by the operations team and managers; ensuring that onboarding prequalifies vendors' insurance, qualifications, trade tickets and regulatory requirements; and, ensuring an annual audit.

The Whistleblower Policy and the Treatment of Complaints Policy protect those reporting complaints or other reportable activities outlined in the policy are ensured anonymity and are protected from any retaliation.

All Coelacanth corporate policies are reviewed annually by the Board of Directors, and published at www.coelacanth.ca/governance

CURRENT OFFICERS

| | |
|--|--|
| Robert J. Zakresky, CA President & CEO | Jody Denis, P.Eng. VP Drilling & Completions |
| Bret Kimpton, P.Eng. VP Operations & COO | John Fur, P.Geol. VP Geosciences |
| Nolan Chicoine, MPAcc, CA VP Finance & CFO | |

CORPORATE INFORMATION

CONTACT INFORMATION

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Facsimile: (403) 705-4526 24-Hour emergency service line: 1-866-859-5962

info@Coelacanth.ca www.Coelacanth.ca

NOTES

(1) FORWARD LOOKING INFORMATION DISCLOSURES

This Report and the contents herein contain forward-looking information with respect to future production estimates based on well test rates, as well as to Company aspirations with respect to future emissions management. The Report is therefore to be read with the following disclosures in mind:

FORWARD-LOOKING INFORMATION

This document contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words “expect”, “anticipate”, “continue”, “estimate”, “may”, “will”, “should”, “believe”, “intends”, “forecast”, “plans”, “guidance” and similar expressions are intended to identify forward-looking statements or information.

More particularly and without limitation, this Report contains forward-looking statements and information relating to the Company’s oil and condensate, other NGLs, and natural gas production, capital programs, and spending targets. The forward-looking statements and information are based on certain key expectations and assumptions made by the Company, including expectations and assumptions relating to prevailing commodity prices and exchange rates, applicable royalty rates and tax laws, future well production rates, the performance of existing wells, the success of drilling new wells, the availability of capital to undertake planned activities, and the availability and cost of labour and services.

Although the Company believes that the expectations reflected in such forward-looking statements and information are reasonable, it can give no assurance that such expectations will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risks associated with the oil and gas industry in general such as operational risks in development, exploration and production, delays or changes in plans with respect to exploration or development projects or capital expenditures, the uncertainty of estimates and projections relating to production rates, costs, and expenses, commodity price and exchange rate fluctuations, marketing and transportation, environmental risks, competition, the ability to access sufficient capital from internal and external sources and changes in tax, royalty, and environmental legislation. The forward-looking statements and information contained in this document are made as of the date hereof for the purpose of providing the readers with the Company’s expectations for the coming year. The forward-looking statements and information may not be appropriate for other purposes. The Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether because of new information, future events or otherwise, unless so required by applicable securities laws.

TEST RESULTS AND INITIAL PRODUCTION RATES

The 5-19 Lower Montney well was production tested for 9.4 days and produced at an average rate of 377 bbl/d oil and 2,202 mcf/d gas (net of load fluid and energizing fluid) over that period which includes the initial cleanup where only load water was being recovered. At the end of the test, flowing wellhead pressure and production rates were stable.

The A5-19 Basal Montney well was production tested for 5.9 days and produced at an average rate of 117 bbl/d oil and 630 mcf/d gas (net of load fluid and energizing fluid) over that period which includes the initial cleanup where only load water was being recovered. At the end of the test, flowing wellhead pressure and production rates were stable.

The B5-19 Upper Montney well was production tested for 6.3 days and produced at an average rate of 92 bbl/d oil and 2,100 mcf/d gas (net of load fluid and energizing fluid) over that period which includes initial cleanup where only load water was being recovered. At the end of the test, flowing wellhead pressure and production rates were stable.

The C5-19 Lower Montney well was production tested for 5.8 days and produced at an average rate of 736 bbl/d oil and 2,660 mcf/d gas (net of load fluid and energizing fluid) over that period which includes the initial cleanup where only load water was being recovered. At the end of the test, flowing wellhead pressure and production rates were stable.

The D5-19 Lower Montney well was production tested for 12.6 days and produced at an average rate of 170 bbl/d oil and 580 mcf/d gas (net of load fluid and energizing fluid) over that period which includes the initial cleanup where only load water was being recovered. At the end of the test, flowing wellhead pressure and production rates were stable.

The E5-19 Lower Montney well was production tested for 11.4 days and produced at an average rate of 312 bbl/d oil and 890 mcf/d gas (net of load fluid and energizing fluid) over that period which includes the initial cleanup where only load water was being recovered. At the end of the test, flowing wellhead pressure was stable, and production was starting to decline.

The F5-19 Lower Montney well was production tested for 4.9 days and produced at an average rate of 728 bbl/d oil and 1,615 mcf/d gas (net of load fluid and energizing fluid) over that period which includes initial cleanup where only load water was being recovered. At the end of the test, flowing wellhead pressure was stable and production rates were still increasing.

The G5-19 Lower Montney well was production tested for 7.1 days and produced at an average rate of 415 bbl/d oil and 1,497 mcf/d gas (net of load fluid and energizing fluid) over that period which includes initial cleanup where only load water was being recovered. At the end of the test, flowing wellhead pressure was stable and production rates were still increasing.

The H5-19 Lower Montney well was production tested for 8.1 days and produced at an average rate of 411 bbl/d oil and 1,421 mcf/d gas (net of load fluid and energizing fluid) over that period which includes initial cleanup where only load water was being recovered. At the end of the test, flowing wellhead pressure was stable, and production rates were still increasing.

A pressure transient analysis or well-test interpretation has not been carried out on these nine wells and thus certain of the test results provided herein should be considered to be preliminary until such analysis or interpretation has been completed. Test results and initial production rates disclosed herein, particularly those short in duration, may not necessarily be indicative of long-term performance or of ultimate recovery.

Any references to peak rates, test rates, IP30, IP90, IP180 or initial production rates or declines are useful for confirming the presence of hydrocarbons, however, such rates and declines are not determinative of the rates at which such wells will continue production and decline thereafter and are not indicative of long-term performance or ultimate recovery. IP30 is defined as an average production rate over 30 consecutive days, IP90 is defined as an average production rate over 90 consecutive days and IP180 is defined as an average production rate over 180 consecutive days. Readers are cautioned not to place reliance on such rates in calculating aggregate production for the Company.

RESERVES DATA

There are numerous uncertainties inherent in estimating quantities of tight oil, shale gas, and NGLs reserves, and the future cash flows attributed to such reserves. The reserve and associated cash flow information set forth above are estimates only. In general, estimates of economically recoverable tight oil, shale gas, and NGLs reserves and the future net cash flows therefrom are based upon a number of variable factors and assumptions, such as historical production from the properties, production rates, ultimate reserve recovery, timing and amount of capital expenditures, marketability of oil and natural gas, royalty rates, the assumed effects of regulation by governmental agencies and future operating costs, all of which may vary materially. Individual properties may not reflect the same confidence level as estimates of reserves for all properties due to the effects of aggregation. This news release contains estimates of the net present value of the Company's future net revenue from its reserves. Such amounts do not represent the fair market value of the Company's reserves.

GLOSSARY OF TERMS AND DEFINITIONS

OIL AND GAS TERMS

The Company uses the following frequently recurring oil and gas industry terms in this Report:

Liquids

| | |
|------------|---|
| Bbls | Barrels |
| Bbls/d | Barrels per day |
| NGLs | Natural gas liquids (includes condensate, pentane, butane, propane, and ethane) |
| Condensate | Pentane and heavier hydrocarbons |

Natural Gas

| | |
|---------|--|
| Mcf | Thousands of cubic feet |
| Mcf/d | Thousands of cubic feet per day |
| MMcf/d | Millions of cubic feet per day |
| MMbtu | Million of British thermal units |
| MMbtu/d | Million of British thermal units per day |

Oil Equivalent

| | |
|-------|-----------------------------------|
| Boe | Barrels of oil equivalent |
| Boe/d | Barrels of oil equivalent per day |

Disclosure provided herein in respect of a boe may be misleading, particularly if used in isolation. A boe conversion rate of six thousand cubic feet of natural gas to one barrel of oil equivalent has been used for the calculation of boe amounts in this Report. This boe conversion rate is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

NOTE REGARDING PRODUCT TYPES

The Company uses the following references to volumes in this Report:

Natural gas refers to shale gas

Oil and condensate refer to condensate and tight oil combined

Other NGLs refers to butane, propane and ethane combined

Oil and NGLs refers to tight oil and NGLs combined

Oil equivalent refers to the total oil equivalent of shale gas, tight oil, and NGLs combined, using the conversion rate of six thousand cubic feet of shale gas to one barrel of oil equivalent as described above.

ESG TERMS

| | |
|--------|---|
| ISSB | International Sustainability Standards Board |
| CSDS 1 | Canadian Sustainability Disclosure Standard 1 |
| CSDS 2 | Canadian Sustainability Disclosure Standard 2 |
| CSSB | Canadian Sustainability Standards Board |
| SASB | Sustainability Accounting Standards Board |



COELACANTH SASB PERFORMANCE TABLE

| Category | Code | Metric | Page | 2024 | 2023 | 2022 |
|-----------|--|---|------|---|---|---|
| Corporate | | Number of Employees | 4 | 14 | 14 | 13 |
| Corporate | | Oil and Natural Gas Liquids, Bbls/d | 4 | 354 | 155 | 80 |
| Corporate | | Mineral Tenure, Sections | 1 | 150 Sections, Two Rivers Region, BC. | | |
| Corporate | | Natural Gas, Mcf/d | 4 | 3,648 | 1,624 | 1,614 |
| Corporate | | Oil Equivalent, Ave. Boe/d | 4 | 962 | 426 | 349 |
| Corporate | | Total Cumulative Boe Produced | 4 | 351,130 | 155,581 | 127,385 |
| Corporate | | Proved plus Probable Reserves (Mboe) | 4 | 27,515 | 14,080 | 4,450 |
| Corporate | | Reserves Life Index (RLI), Proved plus Probable | 4 | 69.0 | 41.4 | 38.7 |
| Air | EM-EP-110a.1, EM-MD-110a.1, EM-RM-110a.1, FB-AG-110a.1, | Amount of gross global Scope 1 emissions in Metric Tonnes CO ₂ -e from: carbon dioxide (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF ₆), and nitrogen trifluoride (NF ₃) | 9 | Direct CO ₂ : 7,598.23 Direct CH ₄ : 16.22, Direct N ₂ O: 0.51, Direct HFC 0.00, Direct PFC 0.00, Direct SF ₆ 0.00, Direct NF ₃ 0.00, Other direct (Scope 1) emissions 0.00, Total Scope 1 emissions 8,512.35 tCO ₂ -e, Methane emissions are 5.63% of total. 100% of global Scope 1 emissions are covered under emissions-limiting regulations | Direct CO ₂ : 7,731.11 Direct CH ₄ : 626.80, Direct N ₂ O: 104.55, Direct HFC 0.00, Direct PFC 0.00, Direct SF ₆ 0.00, Direct NF ₃ 0.00, Other direct (Scope 1) emissions 0.00, Total Scope 1 emissions 8,462.45 tCO ₂ -e, Methane emissions are 7.4% of total. 100% of global Scope 1 emissions are covered under emissions-limiting regulations | Direct CO ₂ : 2,071.51, Direct CH ₄ : 185.02, Direct NO _x 27.14, Direct HFC 0.00, Direct PFC 0.00, Direct SF ₆ 0.00, Direct NF ₃ 0.00, Other direct (Scope 1) emissions 0.00, Total Scope 1 emissions 2,283.67 tCO ₂ -e, Methane emissions are 8.10% of total. 100% of global Scope 1 emissions are covered under emissions-limiting regulations. |

| Category | Code | Metric | Page | 2024 | 2023 | 2022 |
|----------|---|---|------|--|---|---|
| Air | EM-EP-110a.2 | Amount of gross global Scope 1 emissions in metric tonnes of CO2-e from: (1) flared hydrocarbons, (2) other combustion, (3) process emissions, (4) other vented emissions, and (5) fugitive emissions | 9 | (1) Flared hydrocarbons 295.39, (2) Combustion emissions 7,600.85 (3) Process emissions 0.00, (4) Fugitive emissions 0.00 (5) Vented emissions 0.00 | (1) Flared hydrocarbons 317.12, (2) Combustion emissions 8,067.60, (3) Process emissions 0.00, (4) Fugitive emissions 77.73 (5) Vented emissions 0.00 | (1) Flared hydrocarbons 233.62 (2) Combustion emissions 2,021.83 (3) Process emissions 0.00 (4) Fugitive emissions 28.22, (5) Vented emissions 0.00 |
| Air | EM-EP-110a.3 | Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets | 8 | Coelacanth operations already make use of compressed instrument air in pneumatic devices to eliminate methane emissions at its Two Rivers West 14-05 facility. The facility is also electrified via BC Hydro, which reduces CO2 emissions, however, electrical capacity is insufficient in the area and purchased diesel fuel must be used to heat the facility. Instrument air in pneumatic devices is also installed at the Two Rivers East facility and eventual electrification via BC Hydro, which is Coelacanth's largest opportunity for mitigating future CO2 emissions. A feasibility study for Two Rivers East hydroelectricity is underway. Emissions reduction targets: None set at this time. Targets will be set once normative baseline is understood at Coelacanth's 5-19 Pad location, onstream in H2 2025. | | |
| Air | EM-MD-110a.2, EM-RM-110a.2, EM-RM-110a.2, FB-AG-110a.2 | | 8-9 | No targets set at this time. Targets will be set once normative baseline is understood at Coelacanth's 5-19 Pad location, scheduled to be onstream H2 2025 | | |
| Air | EM-EP-110.3.1 | Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets | 8 | See above. | | |

| Category | Code | Metric | Page | 2024 | 2023 | 2022 |
|----------|-------------------------------|--|-------|--|--|--|
| Water | EM-EP-140a.1, EM-RM-140a.1 | (1) Total fresh water withdrawn, (2) total fresh water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress | 12 | Total freshwater consumed 110,739 thousand cubic meters (m3) | Total freshwater consumed 198,480 thousand cubic meters (m3) | Total freshwater consumed 0.00 thousand cubic meters (m3) |
| | | | | Percentage of freshwater consumed in regions with high or extremely high baseline water stress 0.00 % | Percentage of freshwater consumed in regions with high or extremely high baseline water stress 0.00 % | Percentage of freshwater consumed in regions with high or extremely high baseline water stress 0.00 % |
| | | | | Total freshwater withdrawn 110,739 thousand cubic meters (m3) | Total freshwater withdrawn 198,813 thousand cubic meters (m3) | Total freshwater withdrawn 0.00 thousand cubic meters (m3) |
| | | | | Percentage of freshwater withdrawn in regions with High or Extremely High Baseline Water Stress 0.00 % | Percentage of freshwater withdrawn in regions with High or Extremely High Baseline Water Stress 0.00 % | Percentage of freshwater withdrawn in regions with High or Extremely High Baseline Water Stress 0.00 % |
| Water | EM-EP-140a.2 | Volume of produced water and flowback generated; percentage (1) discharged, (2) injected, (3) recycled hydrocarbon content in discharged water | 12 | 145,439 thousand cubic meters (m3) | 66,056 thousand cubic meters (m3) | 25,786 thousand cubic meters (m3) |
| | | | | Discharged 0.00 % | Discharged 0.00 % | Discharged 0.00 % |
| | | | | Injected 99.95% | Injected 99.12% | Injected 99.97 % |
| | | | | Recycled 0.00% | Recycled 0.00% | Recycled 0.00 % |
| Water | EM-EP-140a.3 | Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used | N/A | 100%. Public disclosure is submitted to FracFocus. | 100%. Public disclosure is submitted to FracFocus. | 0% (No wells fractured during 2022). |
| Land | EM-EP-160a.1 | Description of environmental management policies and practices for active sites | 10-13 | Coelacanth is compliant with all regulations with respect to the environment and active sites. | | |

| Category | Code | Metric | Page | 2024 | 2023 | 2022 |
|----------|--------------|--|-------|--|--|--|
| Land | EM-EP-160a.3 | Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or critical species habitat | 11 | (1) Approximately 97% of Coelacanth's Total Proved Working Interest Reserves are within the 5km buffer zone of Parks and Protected Areas, and (2) 84% of Total Probable Working Interest Reserves. | (1) Approximately 70% of Coelacanth's Total Proved Working Interest Reserves are within the 5km buffer zone of Parks and Protected Areas, and (2) 48% of Total Probable Working Interest Reserves. | Two Rivers East mineral tenure is bordering Parks and Protected areas. |
| Social | EM-EP-210a.1 | Percentage of (1) proved and (2) probable reserves in or near areas of conflict | 16 | 0% of Coelacanth's reserves are in or near areas of conflict. | | |
| Social | EM-EP-210a.2 | Percentage of (1) proved and (2) probable reserves in or near indigenous land | 16 | 100% of Coelacanth reserves are within traditional territories of BC Treaty 8 First Nations. | | |
| Social | EM-EP-210a.3 | Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict | 15-16 | Coelacanth abides by the regulatory process of BCER for Pre-application engagement and the Duty to Consult. Coelacanth exercises an ethic of pro-activity, transparency, respect and mutuality in all engagement activities. | | |
| Social | EM-EP-210b.2 | Number and duration of non-technical delays | N/A | No non-technical delays. | A total of 3.0 projects were delayed for approximately 120 days during the first half of 2023 awaiting the release of new BRFN pre-application engagement guidelines. | A total of 3.0 projects were delayed during 2022 for 270 days in aggregate owing to the Yahey V. BC court case. The BCER suspended all new permitting for one year while the Blueberry River First Nations Implementation Agreement process was devised. |

| Category | Code | Metric | Page | 2024 | 2023 | 2022 |
|------------|--------------|--|-------|---|------------------------------|------------------------------|
| Climate | EM-EP-420a.3 | Amount invested in renewable energy; revenue generated by renewable energy sales | N/A | 0 | 0 | 0 |
| Climate | EM-EP-420a.4 | Discussion of how price and demand for hydrocarbons and/or climate regulation influence the capital expenditure strategy for exploration, acquisition, and development of assets | N/A | Coelacanth has a mandate to grow production of both oil, natural gas and natural gas liquids. Oil and natural gas will continue to play an important part of energy transition, energy equity and energy security on the road to decarbonization. Commodity prices are the main driver of oil and gas exploration and production, but capital expenditures are also considered with respect to climate goals. Carbon tax, policy commitments and the changing regulatory landscape, especially in British Columbia are also considered. For example, Management is exploring the potentials of hydro electrification of Two Rivers East projects to offset rising carbon tax in the Province of British Columbia. | | |
| Governance | EM-EP-510a.1 | Percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index | N/A | Proved oil reserves 0.00 % | Proved oil reserves 0.00 % | Proved oil reserves 0.00 % |
| | | | | Probable oil reserves 0.00 % | Probable oil reserves 0.00 % | Probable oil reserves 0.00 % |
| | | | | Proved gas reserves 0.00 % | Proved gas reserves 0.00 % | Proved gas reserves 0.00 % |
| | | | | Probable gas reserves 0.00 % | Probable gas reserves 0.00 % | Probable gas reserves 0.00 % |
| Governance | EM-EP-510a.2 | Description of the management system for prevention of corruption and bribery throughout the value chain | 19-20 | See www.Coelacanth.ca/governance | | |
| Governance | EM-EP-530a.1 | Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry | 19-20 | Coelacanth has a Board Committee that oversees ESG factors. The COO along with an ESG manager oversees ESG related regulations and policy proposals. See www.Coelacanth.ca/governance | | |
| Social | EM-EP-540a.2 | Description of management systems used to identify and mitigate catastrophic and tail-end risks | 17-18 | The Company has a comprehensive Emergency Response Program and Environment, Health and Safety Program | | |