

2025 Report on the Fighting Against Forced Labour and Child Labour in Supply Chains Act

This report is made pursuant to section 11 of Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act").

This report has been prepared by Advantage Energy Ltd. ("Advantage") (TSX: AAV) and reflects key supply chain information for the period between January 1, 2025, and December 31, 2025. The terms "Advantage", "Advantage Energy Ltd.", the "Company", "we", "us", "our", and similar terms refer to Advantage Energy Ltd.

The steps the Company has taken during its previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the Company or of goods imported into Canada by the Company:

- Analyzed all current direct suppliers (Tier 1) based on product or service country of origin and the top 50 direct suppliers by industry to evaluate potential risks within Advantage's immediate supply chain.
- Reviewed select top suppliers (by spend), including published modern slavery reports where available, to evaluate alignment with Advantage's policies and practices, identify areas for follow-up, and begin an assessment of indirect (Tier 2) supply chain risks as disclosed by our direct suppliers.
- Attached Advantage Vendor Code of Conduct to Vendor Onboarding Requirements Form, which is required to be completed by all new vendors conducting work on behalf of Advantage.
- Completed regular assessments of all Advantage corporate policies and programs to ensure alignment with our human rights program, best practices, and legislative requirements.
- Working Group established to discuss emerging human rights legislation and the development of our Human Rights Program on a frequent basis, with updates to the Board of Directors on a bi-annual basis.
- Continued progress on our Action Plan to identify and address potential concerns related to forced labour and child labour and updating the Action Plan as required with evolving best practices and legislative requirements.
- Updated comprehensive Advantage Policies and Programs training, which provides an overview of key corporate policies, including our Human Rights Policy, which was mandatory for all employees, contract operators, and consultants to complete.
- Engaged with external legal counsel to support the development of our human rights program.
- Ongoing monitoring of legislative requirements and best practices to ensure Advantage policies, procedures, and Human Rights Program remain compliant and effective.

a) Structure, activities and supply chains

Advantage is a growth-oriented energy corporation headquartered in Calgary, Alberta, Canada with a significant position in the Western Canadian Sedimentary Basin and operating entirely in Canada at Glacier, Valhalla, Wembley, Progress, and Gordondale, Alberta and in the Attachie and Conroy area of British Columbia.

Advantage conducts exploration, development, production, processing, marketing, abandonment, and reclamation activities, utilizing suppliers predominantly from Canada, with a limited number of suppliers from the United States. Some examples of the services or goods required for Advantage operations include drilling and completions, related equipment, trucking/freight, operations and maintenance, information technology, consulting, engineering and construction, and others.

Organization

In 2025, Advantage employed 99 full-time permanent employees and 98 contract operators. 100% of these staff members are based in Canada, consisting of oil and gas professionals in both field and office-based positions.

b) Policies and due diligence processes in relation to forced labour and child labour

Advantage's management and Board of Directors (the "Board") are responsible for the overall organizational strategy and appropriate policies and procedures to align with the strategy. The Board established the Governance and Sustainability Committee to assume responsibility for developing the policies and strategies of the Company concerning environmental, social, governance ("ESG") and sustainability matters including human rights. The following policies are related to forced labour and child labour risk mitigation:

- **Code of Business Conduct and Ethics**: Outlines Advantage's requirements for the highest standards of professional and ethical conduct, where no employee is permitted to violate laws or regulations, or unscrupulous dealings.
- **Human Rights Policy**: Establishes the principles embedded into Advantage's business operations regarding high ethical standards, including respect for human rights. The policy is built upon the internationally recognized human rights and fundamental labour rights.
- **Whistleblower Program**: Summarizes the procedure for individuals to confidentially and anonymously report complaints and concerns regarding internal code and policy compliance, accounting, internal controls or auditing matters without the fear of repercussions.
- **Workplace Harassment and Violence Policy**: Demonstrates Advantage's commitment to ensuring everyone knows their right to work in an environment free from harassment and violence, and to be treated with dignity and respect. Advantage does not tolerate conduct that is abusive, harassing, or offensive, and is committed to respecting individual rights.
- **Vendor Code of Conduct**: Establishes the ethical, legal, and operational standards that vendors, contractors, and suppliers must adhere to, including commitments to human rights, workplace health and safety, environmental sustainability, data protection, and anti-corruption practices. Vendors are expected to comply with the Vendor Code of Conduct and all applicable laws and report any violations.

Other due diligence measures Advantage has implemented include:

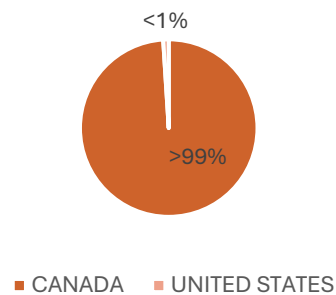
- **Action Plan**: Advantage continued to implement our Action Plan to identify and address potential concerns related to forced labour and child labour within our supply chain, with initiatives such as expanding our supply chain mapping activities to include additional evaluation criteria. These action items are informed by Public Safety Canada, in addition to various ESG reporting methodologies, ESG rating agencies, and industry best practices.

- **Contractor Management System:** All contractors conducting work for or on behalf of Advantage must be prequalified through a third-party compliance management system. This process includes an assessment of WCB and insurance coverage, safety performance, safety programs, and a newly added human rights specific evaluation in our contractor questionnaire to ensure adequacy.
- **External Counsel:** Advantage engages regularly with external legal counsel to support the development of our human rights program, including updating current policies, internal communication, and additional documentation to support supplier due diligence.

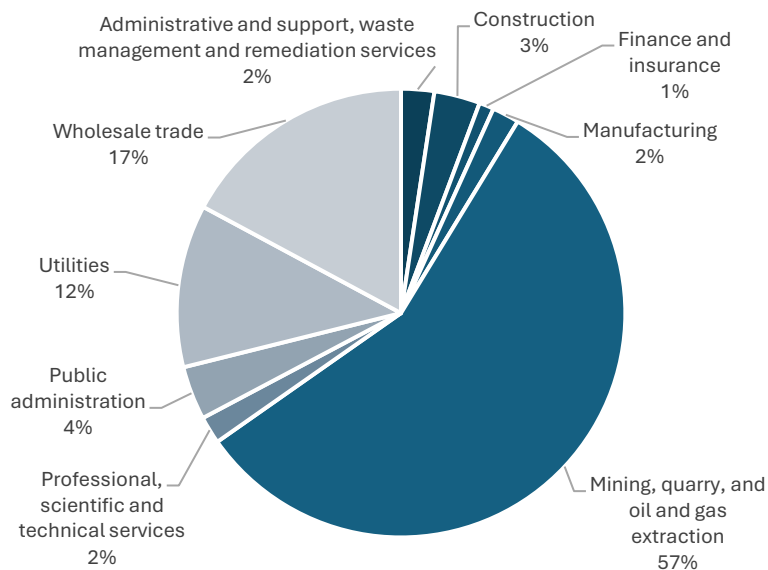
c) Parts of the business and supply chains that carry a risk of forced labour or child labour being used and the steps taken to assess and manage that risk

As part of our assessment framework, Advantage analyzed all current, direct suppliers (Tier 1) based on country of origin to assess potential risks within our immediate supply chain. Greater than 99% of Advantage’s suppliers are based in Canada, with less than 1% in the United States. Additionally, Advantage identified the top 50 direct (Tier 1) suppliers by spend, representing 63% of total annual expenditures, and categorized them by industry. This analysis determined that our direct suppliers present a low risk. While modern slavery risks are not entirely absent in Canada and the United States, industries associated with higher potential risks (e.g., agricultural)* have not been identified in the assessed group of Advantage’s supply chain.

Advantage Suppliers by Country



Advantage Suppliers by Industry (Top 50 by Spend)



*Walk Free – Global Slavery Index 2023 – walkfree.org

d) Measures taken to remediate any forced labour or child labour

Advantage did not identify any instances of forced labour or child labour within the supply chain, and therefore remediation efforts were not required.

Advantage's Whistleblower Program provides all employees and individuals working for or on behalf of Advantage with a grievance mechanism to report matters that are in violation of the Company's Code of Business Conduct and Ethics, Human Rights Policy, or Vendor Code of Conduct directly to a Board representative. This allows the reporter to remain anonymous while the report is being investigated, and appropriate remediation measures are applied.

e) Measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains

Advantage has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

f) Training provided to employees on forced labour and child labour

All employees, contract operators, and consultants are required to complete an annual mandatory review and acknowledgement of relevant policies including Advantage's Code of Conduct and Ethics, Human Rights Policy, Whistleblower Program, Workplace Harassment and Violence Policy, and IT Usage Policy and Practices. The completion rate for these acknowledgements in 2025 was 100%.

In 2025, Advantage updated our Policies and Programs training module that reviews the Company's Code of Conduct and Ethics, Whistleblower Program, Workplace Harassment and Violence Policy, and Human Rights Policy. The training addresses our Human Rights Policy and broader human rights principles derived from the United Nations Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. This training was mandatory for all employees, including those in supply chain related roles, with a completion rate of 100% in 2025.

g) How the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains

To reduce and prevent risk of forced labour or child labour within our operations or supply chains, Advantage utilizes the following measures to assess effectiveness:

- **Policy and Program Reviews:** Ongoing review of and updates to policies and programs related to forced labour and child labour, such as the Human Rights Policy, Vendor Code of Conduct, and Whistleblower Program to ensure alignment with current laws and best practices.
- **Monitoring Training Completion Rates:** Tracking annual completion rates for mandatory policy acknowledgements and training to ensure employee understanding and compliance.
- **Whistleblower Program Monitoring:** Tracking the number and nature of any reports made through the Whistleblower Program or otherwise, ensuring any issues are investigated and addressed promptly. The Company has not received any complaints through its Whistleblower Program or otherwise related to forced labour or child labour.

Attestation

This report was approved by Advantage's Board of Directors on April 30th, 2026 pursuant to paragraph 11(4)(b)(ii) of the Act and will be filed with the Minister of Public Safety and Emergency Preparedness.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I have the authority to bind Advantage Energy Ltd.

/s/ John Festival

John Festival

Chair of the Board of Directors

Advantage Energy Ltd.

April 30, 2026