



ANNUAL INFORMATION FORM
FOR THE YEAR ENDED DECEMBER 31, 2025
March 5, 2026

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CORPORATE STRUCTURE

Legal Overview

Badger Infrastructure Solutions Ltd. (referred to herein as "**Badger**" or the "**Company**"), provided that such defined terms shall, where the context requires, include Badger Infrastructure Solutions Ltd. and its direct and indirect subsidiaries considered on a consolidated basis and its predecessors and their subsidiaries considered on a consolidated basis) was incorporated on April 27, 2010 pursuant to the provisions of the *Business Corporations Act* (Alberta) (the "**ABCA**"). The Company was incorporated for the purpose of participating in the conversion of Badger Income Fund from an income fund structure to that of a corporation, being the Company. Pursuant to the conversion, the then existing holders of units of Badger Income Fund transferred all of their Badger Income Fund units to the Company in exchange for Badger Shares (as defined below) on the basis of one such Badger Share for each one Badger Income Fund unit held and the Company became the owner of all issued and outstanding units of Badger Income Fund. Articles of arrangement for the Company giving effect to the conversion were filed on December 31, 2010. The conversion was accounted for as a continuity of interests of Badger Income Fund since there was no change in control and since Badger continued to operate the business of Badger Income Fund. Badger Income Fund was subsequently dissolved.

On May 6, 2010 the Company filed articles of amendment to change its share structure so that the only authorized class of shares in the capital of the Company is common shares (referred to herein as "**Badger Shares**").

On January 1, 2012 the Company filed articles of amalgamation to complete a vertical short-form amalgamation with its wholly-owned subsidiary Badger Daylighting Inc.

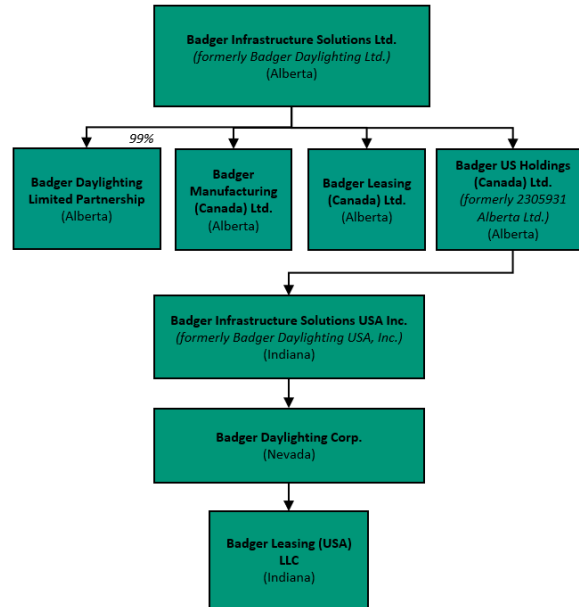
On January 24, 2014, the Badger Shares were split on the basis of three (3) Badger Shares for every one (1) existing Badger Share. The record date for the share split was the close of business on January 24, 2014. The payment date, being the date that additional Badger Shares issuable as a result of the share split were issued, was on January 27, 2014.

On May 5, 2021, the Company filed articles of amendment to change its name from Badger Daylighting Ltd. to Badger Infrastructure Solutions Ltd.

The head office of Badger is located at Suite 3100, 525-8th Avenue SW, Calgary, Alberta T2P 1G1. The registered office of Badger is located at CAS Corporate Governance Services Inc., Suite 600, 815 8th Avenue SW, Calgary, Alberta T2P 3P2.

Organizational Structure

The following diagram sets out the Company's organizational structure, including all of the material subsidiaries of the Company.



Authorized Share Capital

An unlimited number of Badger Shares may be created and issued pursuant to the articles of the Company. As at December 31, 2025, and at March 5, 2026 there were 33,740,238 Badger Shares issued and outstanding. Holders of Badger Shares (referred to herein as "**Badger Shareholders**") are entitled to one vote per Badger Share held at any meeting of Badger Shareholders, to participate in dividends declared by the Company, and to receive the remaining property of the Company upon dissolution.

General Developments of the Business

History

Badger is North America's largest provider of non-destructive excavating and related services with operations in both the United States and Canada.

Badger continues to focus on the execution of a growth strategy, largely through an organic growth model. Since 2016, the majority of Badger's growth in revenue and operating locations has been, and is expected to continue to be, led by Badger's operations in the United States. Growth in the United States is being driven by further penetration of the Company's existing markets. Badger expects that it will continue to execute on its organic growth model in both Canada and the United States in future years with the majority of the growth anticipated to occur in the United States.

Recent Developments

Year Ended December 31, 2023

- On September 29, 2023, the Company amended and restated its credit agreement pursuant to a fourth amended and restated credit agreement to extend the term to September 27, 2028, among other things.
- In 2023, Badger initiated a refurbishment program to extend the useful life of a select number of non-destructive excavation units by approximately five years and improve Badger's return on invested capital.
- No material acquisitions or dispositions were completed in 2023.

Year Ended December 31, 2024

- On May 31, 2024, the Company amended and restated the credit agreement pursuant to a fifth amended and restated credit agreement to contemplate a \$300 million syndicated, revolving credit facility (previously C\$400 million), to replace other references to Canadian dollars with references to US dollars instead, and to account for interest rate benchmarking changes, among other things.
- On September 27, 2024, the Company amended the fifth amended and restated credit agreement to extend the term to September 29, 2029, among other things.
- On August 1, 2024, Badger's board of directors (the "**Board**") approved and, on August 22, 2024, the Toronto Stock Exchange ("**TSX**") accepted notice of a normal course issuer bid providing for the purchase and cancellation of up to 861,836 Badger Shares during the period commencing August 26, 2024 and ending on the earlier of: (i) August 25, 2025; (ii) the date on which the number of Badger Shares intended to acquire had been purchased; and (iii) the date on which Badger terminated its bid at its option (the "**NCIB**").
- On October 30, 2024, the Board approved and the TSX accepted Badger's amended notice of intention to increase the size of its NCIB to allow for the purchase and cancellation of up to 2,658,294 Badger Shares and for the implementation of an automatic securities purchase plan (the "**ASPP**"). During the year ended December 31, 2024, the Company purchased and cancelled 240,400 Badger Shares pursuant to the NCIB, at a weighted average price per share of CAD \$36.89. See "Normal Course Issuer Bid" for additional details.
- On December 12, 2024, the Company amended and restated the credit agreement pursuant to a sixth amended and restated credit agreement (the "**Credit Agreement**") to also provide for a three-year \$100.0 million syndicated, secured, non-revolving term loan facility, and the proceeds of which were used to pay down the syndicated, revolving credit facility.
- No material acquisitions or dispositions were completed in 2024.

Year Ended December 31, 2025

- On August 22, 2025, the TSX accepted Badger's amended notice of intention to renew its NCIB pursuant to which Badger may purchase and cancel up to 2,910,453 Badger Shares, representing 10% of the Company's public float as at August 14, 2025 and approved the implementation of an ASPP. During the year ended December 31, 2025, pursuant to its NCIB, the Company purchased and cancelled 492,800 Badger Shares, at a weighted average price per share of CAD \$37.78. Subsequent to December 31, 2025, there were no additional shares purchased by the Company. See "Normal Course Issuer Bid" for additional details.
- On September 29, 2025, the Company extended the maturity date of the credit facilities under the Credit Agreement for an additional year, which now matures on September 29, 2030.
- On September 29, 2025, the maturity date of the Term Loan (as defined below) was extended for an additional year, which now matures on December 11, 2028.
- No material acquisitions or dispositions were completed in 2025.

THE BUSINESS OF BADGER

Description of the Business

Badger Infrastructure Solutions Ltd. (TSX:BDGI) is North America's largest provider of non-destructive excavating and related services. Badger provides services to contractors and facility owners in a broad range of infrastructure industries, general commercial construction and industrial cleaning services. Badger's customers typically operate near high concentrations of underground power, communication, water, gas and sewer lines, where safety and economic risks are high and where non-destructive excavation provides a safe alternative for certain customer excavation requirements. The Company operates in Canada and the United States, with the majority of revenue generated in the United States. For financial reporting purposes, Badger has one reportable segment.

The Company's key technology is the Badger Hydrovac™, which uses a pressurized water stream to liquify the soil cover, which is then removed with a powerful vacuum system and deposited into a storage tank. Badger operates a vertically integrated business model, designing and manufacturing its non-destructive excavation fleet at its facility in Red Deer, Alberta. This approach provides the Company with direct control over equipment specifications, fleet availability, and lifecycle management, supporting operational consistency across its Canadian and U.S. operations. Badger's annual production capacity is more than 350 hydrovac units. More recently, the Company has initiated a refurbishment program to extend the service life of certain units when it is financially prudent to do so based on the condition of the unit at the end of its normal useful life. To complement the Badger Hydrovac and expand the Company's service offerings, the Company has a select number of specialty units, mainly airvac, combo trucks and sewer and flusher units.

The Company is headquartered in Calgary, Alberta, has a U.S. administrative office and training centre in Brownsburg, Indiana, a suburb of Indianapolis, Indiana, and services customers from approximately 140 field locations. The Company derives its revenues by providing non-destructive excavation related services to its customers directly or indirectly through its operating partners and franchisees, and does not currently sell, lease or rent its non-destructive excavation equipment except to third-parties (except for operating parties and franchisees, which lease equipment for a nominal fee). For additional details regarding Badger's relationship with operating partners and franchisees, see "The Business of Badger – Operating Partners and Franchisees".

The Badger Hydrovac

The Badger Hydrovac is designed for excavation, trenching, daylighting and other services in a variety of ground conditions. The Badger Hydrovac excavates a hole 8 to 20 inches in diameter to a practical depth of 20 feet, safely exposing underground infrastructure or potential hazards and conflicts. The process involves injecting hot or cold pressurized water into the ground while a vacuum system collects the waste water and soil debris. Once a sufficient amount of debris is collected, the debris is transported and disposed of in accordance with individual customer requirements and applicable local, state, provincial, and federal regulations, including requirements related to environmental protection and waste management. Badger's customers maintain ownership of all soil debris and provide Badger with direction as to soil debris disposition.

The Badger Hydrovac is a self-contained operating unit that is manoeuvrable enough to operate safely in a wide variety of operating locations and conditions, including urban locations such as city streets. The Badger Hydrovac is equipped with a boiler to provide hot water, enabling the Badger Hydrovac to work efficiently in harsh climates and frozen ground conditions, operating at temperatures as low as -40°C.

The Badger Hydrovac is designed for safe and efficient usage over its economic life, which historically has been 10 years, and to meet the requirements of regulatory jurisdictions across the U.S. and Canada, which allows Badger to readily relocate equipment and optimize utilization.

The Company manufactures a portion of the Badger Hydrovac system's operating parts, sub-frames and tanks. The truck chassis including the engine and other truck parts are obtained from various third-party

suppliers. The equipment parts from third-party suppliers and those manufactured by Badger are assembled at the manufacturing facility in Red Deer, Alberta. Assembly of the Badger Hydrovac includes welding, plumbing and wiring of all equipment parts and customization of the engine, cab and chassis into a complete and operational Badger Hydrovac. As the Company controls the design and manufacturing of its Badger Hydrovac, it is able to incorporate feedback from its Badger Hydrovac operators into its existing and future design and manufacturing processes.

Fleet

The Company manages its fleet of purpose-built non-destructive excavation units to facilitate its internal requirements. Among other short-term and long-term growth and operations factors, Badger focuses on utilization, pricing and volume to drive operational and financial performance. Higher revenue per unit may indicate that utilization is improving which may result in an increase in the size of Badger's fleet. The Company monitors fleet deployment by geography based on customer demand and operational requirements.

The following table details the number of non-destructive excavation units in Badger's fleet for the last five completed fiscal years:

Fiscal Period Ended	United States	Canada	Total
December 31, 2021	984	387	1,371
December 31, 2022	1,016	371	1,387
December 31, 2023	1,150	384	1,534
December 31, 2024	1,293	350	1,643
December 31, 2025	1,368	355	1,723

The following table illustrates the number of non-destructive excavation units manufactured, retired and refurbished over the last five completed fiscal years:

Fiscal Period Ended	Manufactured	Retired	Refurbished
December 31, 2021	32	53	-
December 31, 2022	115	79	-
December 31, 2023	217	79	19
December 31, 2024	190	90	35
December 31, 2025	210	130	35

The average age of Badger's non-destructive excavation fleet (1,723 total non-destructive excavation units) as at December 31, 2025 was approximately 5.1 years (5.3 years as at December 31, 2024). Approximately 858 non-destructive excavation units were five years in age or less, while 865 non-destructive excavation units greater than five years in age.

Revenue

The Company provides non-destructive excavation services to a wide range and diverse customer base in Canada and the United States. In 2025, the Company reassessed its reportable segments and determined it has one reportable segment. The table below sets out the revenues for the last five completed fiscal years for its one reportable segment. The Company does not currently provide services or derive revenues from jurisdictions outside of Canada or the United States.

Revenues fluctuate modestly on a quarterly basis as a result of the seasonality inherent in the existing business. Typically, revenues on a total basis are highest in the second and third quarters of the Company's fiscal year as a result of increased general construction activity during this period. As Badger's business continues to expand, particularly in the United States, the seasonality within the business may change due to the varying weather conditions and underlying activity levels throughout the United States.

Net working capital requirements typically fluctuate based on the seasonality of revenues. Working capital requirements may increase as a result of organic growth within the business combined with the seasonal impact of revenues as previously noted. Working capital is a normal course component of Badger's business. Changes in working capital levels may result from factors including, but not limited to, changes in revenues, the seasonality in the operations, the timing and collection of receivables and the payment of payables, the timing of capital expenditures, and the impact of fluctuations in foreign currency exchange rates.

Revenue (thousands of U.S. dollars) ⁽¹⁾⁽²⁾⁽³⁾

Fiscal Period Ended	Total
December 31, 2021	\$453,910
December 31, 2022	\$570,812
December 31, 2023	\$683,799
December 31, 2024	\$744,952
December 31, 2025	\$831,702

(1) Includes revenue generated through Badger Consolidated (as hereinafter described; see "The Business of Badger - Badger Consolidated") as well as by operating partners and franchisees (see "The Business of Badger - Operating Partners and Franchise") and fees payable to Badger thereunder.

(2) Includes revenues from business lines of Badger other than the provision of non-destructive excavation services; see "The Business of Badger - Other Business". These other business lines are not a material component of Badger's consolidated assets or revenues.

(3) During 2025, the Company reassessed its reportable segments and determined it has one reportable segment.

Badger Consolidated

The Company operates non-destructive excavation units, providing services directly to the customer in locations throughout the United States and Canada through its corporate operations known as "**Badger Consolidated**". The following table illustrates the growth in the number of non-destructive excavation units in Badger's fleet operated by Badger Consolidated over the last five completed fiscal years:

Non-destructive excavation units operated by Badger Consolidated:

Fiscal Period Ended	United States	Canada	Total
December 31, 2021	953; 43 states	225; 5 provinces	1,148
December 31, 2022	985; 43 states	197; 5 provinces	1,182
December 31, 2023	1,116; 44 states	202; 5 provinces	1,318
December 31, 2024	1,261; 44 states	193; 5 provinces	1,454
December 31, 2025	1,361; 44 states	201; 5 provinces	1,562

Within Badger Consolidated there are 7 non-destructive excavation units operated by independent contractors, which are dispatched by Badger Consolidated to perform services on an as-needed basis and compensated with a percentage of the revenue generated by the services provided.

Operating Partners and Franchisees

Badger also engages operating partners and franchisees to provide non-destructive excavation services in specific geographic markets throughout Canada and the United States, respectively. The following table illustrates the number of non-destructive excavation units in Badger's fleet operated by operating partners and franchisees at the end of the indicated fiscal years:

Non-destructive excavation units operated by operating partners and franchisees:

Fiscal Period Ended	United States	Canada	Total
December 31, 2021	31; 2 states	162; 4 provinces	193
December 31, 2022	31; 3 states	174; 4 provinces	205
December 31, 2023	34; 3 states	182; 4 provinces	216
December 31, 2024	32; 2 states	157; 4 provinces	189
December 31, 2025	7; 2 states	154; 4 provinces	161

Operating partners and franchisees are granted operational, marketing and general franchise rights for a specific market or territory, for the operation of non-destructive excavation units. The revenue generated by operating partners and franchisees is split as between them and Badger pursuant to a pre-determined formula, and Badger typically receives a nominal monthly administration fee to cover a portion of Badger's internal administration costs. While the non-destructive excavation units remain the property of Badger, the operating partner or franchisee is typically responsible for the operating costs of such units. Certain maintenance costs related to the non-destructive excavation units, initial training of the operating partner or franchisee, and the administrative duties such as billing, invoicing, and collecting of revenues are the responsibility of or are performed by Badger. The initial term of each operating partner or franchisee relationship is typically five or 10 years, and such term can typically be renewed for an additional five or 10 years. The operating partner or franchisee relationship can also be extended if the operating partner or franchisee obtains additional non-destructive excavation units from Badger. Badger has the right to terminate its relationship with an operating partner or franchisee if the operating partner or franchisee does not meet specified sales, safety, maintenance or other requirements.

Market Segments

The Company provides its services to a broad customer base across a diverse range of infrastructure and other end-use markets. Based on historical sales patterns and its experience in the industry, Badger believes that its non-destructive excavation services market is comprised of the following end use segments:

Construction – 46%

- commercial/industrial;
- residential; and
- engineering.

Utilities – 30%

- electric and gas;
- water and sewer;
- telecom; and
- private and public infrastructure.

Transportation/Other – 19%

- highway;
- railroad; and
- other.

Industrial – 5%

- pipeline and facilities;
- manufacturing;
- oil and gas exploration and production; and
- mining; oil and gas facility and industrial related.

Market Segment ⁽¹⁾	Percentage of Total 2025 Revenues	Percentage of Total 2024 Revenues
Construction	46%	46%
Utilities	30%	31%
Transportation/Other	19%	16%
Industrial	5%	7%

⁽¹⁾ The determination of revenues by market segment is approximate as it requires management to make certain estimates and judgements in the determination of the percentages. Management believes these estimates and judgments to be appropriate. Comparative figures have been adjusted to reflect the current methodology of calculating revenue by market segment.

Utilities, Construction and Transportation Segments

The Company has continued to expand its customer base in its utilities, construction and transportation segments. The success in growing these end use markets is due to a combination of Badger's expanding footprint, particularly in the United States, investments in sales and marketing, and general economic growth. In addition, customers in these segments typically operate near high concentrations of underground power, communication, water, gas and sewer lines, particularly in large urban centres, where safety and economic risks are high and therefore non-destructive excavation provides a safe alternative for certain customer excavation requirements.

These market segments consist primarily of infrastructure or infrastructure related projects in areas such as: energy generation, electricity and natural gas transmission networks, roads and highways, telecommunications, water and sewage treatment and general municipal infrastructure. A significant investment in North America's aging infrastructure is currently being undertaken by both the private and public sectors. In conjunction with this undertaking and the impact of recent extreme weather activity on critical infrastructure, the impact of climate adaptation is being actively discussed and taken into consideration for both new and existing projects, with the goal of hardening infrastructure to adapt and prepare for the impact of climate change. Consequently, investments in utility grid hardening, renewable energy projects, mass urban transportation and urban intensification have a direct link to environmental, social and governance trends that are anticipated to drive continued demand for non-destructive excavation services.

The Company also provides disaster response services to its customers. Disaster response services typically relate to large scale natural disasters such as: hurricanes, floods and large scale fires. After a natural disaster or similar disruption, the Company's customers rely on Badger to provide safe and efficient excavation and/or clean-up and removal of a variety of hazards and debris, enabling critical infrastructure such as electrical infrastructure to be up and running in a timely manner.

Industrial Segment

The industrial segment has historically been a meaningful segment for Badger. This segment includes infrastructure plants, petroleum plants, and pipelines and facilities. Demand from customers in this end use market is typically tied to underlying activity in the energy, mining and manufacturing sectors. Similar to the benefits for Badger's utilities, construction and transportation end use markets, the use of non-destructive excavation to excavate near oil and gas facilities, pipelines and related oil and gas infrastructure, provides safety and excavation productivity advantages compared to traditional excavation methods.

Other Business

In addition to providing non-destructive excavation services, the Company also provides a number of complementary services for its customers, including sewer cleaning and inspection, locating services, trenching, shielding, disposition of excavated materials, supply of water, supplies, and coordinating or

arranging for various services required by the customer but provided by other third-parties which may include items such as backfilling or other material purchases.

Health, Safety, and Environment

Badger is committed to conducting its operations in a manner that prioritizes the health and safety of its employees, contractors, customers, and the public, while managing environmental risks associated with its services. The Company's non-destructive excavation services are designed to reduce the risk of damage to underground infrastructure and enhance workplace and public safety using enhanced GPS data.

Badger maintains health, safety and environmental programs designed to support employee training, incident reporting, and regulatory compliance across its Canadian and U.S. operations. Environmental practices include measures related to spill prevention, appropriate handling and disposal of excavated materials, and compliance with applicable environmental regulations. Oversight of health, safety, environment, sustainability and climate-related risks, related management practices and performance is provided by the Board through its Sustainability, Health and Safety Committee, with day-to-day implementation managed by senior leadership and regional vice presidents across operations.

Employees

As at December 31, 2025, Badger Consolidated employed 2,807 people (as at December 31, 2024: 2,517). Of the total employees, 662 are salaried and 2,145 are paid on an hourly basis (as at December 31, 2024: 612 salaried; 1,905 hourly). As at December 31, 2025, Badger employed 2,284 people in the United States and 523 people in Canada (as at December 31, 2024: 2,022 in the U.S.; and 495 in Canada).

Badger strives to hire and retain a diverse employee base across all aspects of its operations. As at December 31, 2025, Badger's employee base consisted of 246 female employees and 2,561 male employees (as at December 31, 2024: 246 female employees; and 2,271 male employees).

A summary of employees by function is as follows:

As at December 31, 2025

Function	Female	Male	Total
Executive	1	5	6
Management	58	361	419
Operator	38	1,848	1,886
Administration	149	347	496
Total employees	246	2,561	2,807
Board of Directors	3	7	10

As at December 31, 2024⁽¹⁾

Function	Female	Male	Total
Executive	1	5	6
Management	57	326	383
Operator	38	1,633	1,671
Administration	150	307	457
Total employees	246	2,271	2,517
Board of Directors	3	7	10

⁽¹⁾ Certain comparative figures have been restated to reflect changes in employee classification following the implementation of a new HR system in 2025.

Of Badger's total employees as at December 31, 2025, approximately 969 are unionized (as at December 31, 2024: 851). Badger has 106 union or collective bargaining agreements with expiry dates ranging from 2026 to 2029. Union agreements are renegotiated in the normal course of business.

Badger's 2025 annual employee turnover rate was 29% (2024: 32%), down from 44% in 2021.

Except as noted above regarding independent contractors (see "The Business of Badger - Badger Consolidated") and operating partners and franchisees (see "The Business of Badger - Operating Partners and Franchisees"), Badger does not utilize subcontractors or other third-party providers to provide hydrovac or hydrovac related services, such as sewer flushing, to its customers. Badger does utilize subcontractors or third-party service providers for certain services that are complementary to its service offering for which the Company does not have the capability to provide directly such as: disposition services, back filling, concrete cutting and other similar services.

Trademarks

This annual information form (“AIF”) includes certain trademarks Badger owns or has the right to use, including Badger Daylighting, Badger Hydrovac and Badger Infrastructure in Canada and the United States, which are protected under applicable intellectual property laws and are Badger's property. Solely for convenience, Badger's trademarks referred to in this AIF may appear without the ® or TM symbol, but such references are not intended to indicate, in any way, that Badger will not assert, to the fullest extent under applicable law, Badger's rights to these trademarks.

Badger has registered the following trademarks:

United States Patent and Trademark Office		Canadian Intellectual Property Office	
Trademark	Registration Number	Trademark	Registration Number
Badger	2,749,562	Badger Daylighting	TMA427552
Badger Daylighting	3,947,060	Badger Hydrovac	TMA941560
Badger Design	2,419,263	Badger Hydro Excavation	TMA941570
BADGER MATERIAL SOLUTIONS	6,887,049	BADGER POTHOLING	TMA941573
BADGER UNIVERSITY SCHOOL OF OPERATIONS	6,754,751	BADGER DESIGN	TMA531100
BADGER MATERIAL SOLUTIONS & DESIGN	6,634,144	BADGER MATERIAL SOLUTIONS & DESIGN	TMA1208129
BADGER UNIVERSITY	7,002,876	BADGER UNIVERSITY	TMA1165323
BADGER AIRVAC	7,109,982	BADGER AIRVAC	TMA1159881
BADGER FLEET SERVICES	7,153,126	BADGER FLEET SERVICES	TMA1170685
BADGER INFRASTRUCTURE SERVICES	7,459,400	BADGER INFRASTRUCTURE SERVICES	TMA1206960
BADGER INFRASTRUCTURE	7,459,401	BADGER INFRASTRUCTURE	TMA1206959
BADGER LEASING	7,963,331	BADGER LOCATING SOLUTIONS	TMA1289137
		BADGER MATERIAL SOLUTIONS	TMA1289138
		BADGER LEASING	TMA1290836
		BADGER UNIVERSITY SCHOOL OF OPERATIONS	TMA1156963
		BADGER INFRASTRUCTURE SOLUTIONS	TMA1317977
		BADGER MANUFACTURING	TMA1317978

Badger has also applied for registration of the following trademarks with the United States Patent and Trademark Office, each of which are currently pending:

United States Patent and Trademark Office	
Trademark	Serial Number
BADGER INFRASTRUCTURE SOLUTIONS	90567748
BADGER LOCATING SOLUTIONS	90567739
BADGER MANUFACTURING	90567732

The Company has been successful in establishing and continuing to build its brand in both its Canadian and United States operations. Maintaining and continuing to build Badger's brand is an important part of Badger's ongoing growth initiatives. Trademarks are renewed on an ongoing basis in the normal course of operations.

The Non-Destructive Excavation Industry and Competition

Prior to the development of hydrovac technology, the primary means of exposing underground infrastructure was by hand digging or machine excavation. Excavation by hand can be expensive, time consuming and labour intensive. Both methods can pose a significantly higher risk of damage to underground infrastructure which could pose significant risks or result in disruption of services if the integrity of the underground infrastructure is compromised or damaged.

In the late 1980s, a system using pressurized water or air and a vacuum system, commonly referred to as "hydrovacating", was developed in North America. Several types of hydrovac systems have been developed each with its own method of utilizing pressurized water or air and vacuum systems. The hydrovac industry in North America continues to expand as facility owners acknowledge its safety and environmental benefits concerning excavation near sensitive underground infrastructure.

The North American hydrovac industry is generally regarded as fragmented, as such, the Company competes with a number of regional competitors in the majority of the markets in which it operates. To its knowledge, Badger is the largest provider of non-destructive excavation services in North America. In addition to other companies providing hydrovac services, Badger also faces direct and indirect competition from traditional means of excavation, including mechanical and manual methods. Mechanical equipment has become less attractive to owners of infrastructure as a result of increasing concerns and costs associated with underground line strikes combined with general health and safety concerns. Manual digging by hand is labour intensive, inefficient and ineffective in frozen ground conditions.

While there are a number of hydrovac manufacturers from which competitors can purchase hydrovacs, there are several barriers to entry to become a significant player in the hydrovac market, including:

- safety and operational procedures and experience;
- excavation productivity and reliability;
- reputation and customer loyalty;
- efficient management of operating costs across seasons and business cycles;
- capital cost of hydrovac units; and
- level of engineering expertise and development cost required to construct similar units.

Normal Course Issuer Bid

On July 31, 2024, the Board approved the Company to pursue the implementation of the NCIB pursuant to which Badger would have the option to repurchase Badger Shares for cancellation starting August 26, 2024. Under the NCIB, the Company was permitted to acquire up to 861,836 Badger Shares, which represents approximately 2.5% of the Company's issued and outstanding Badger Shares as at August 12, 2024.

In October 2024, the TSX accepted Badger's amended notice of intention to increase the size of its NCIB pursuant to which Badger may purchase and cancel up to 2,658,294 Badger Shares, representing 10% of the Company's public float as at August 12, 2024 and has approved the implementation of an ASPP. Pursuant to such ASPP, Badger's broker was authorized to facilitate repurchases of Badger Shares during blackout periods within certain parameters prescribed by the TSX, applicable Canadian securities laws, and the terms of the parties' written agreement.

In August 2025, the TSX accepted Badger's amended notice of intention to renew its NCIB pursuant to which Badger may purchase and cancel up to 2,910,453 Badger Shares, representing 10% of the Company's public float as at August 14, 2025 and approved the implementation of an ASPP. Pursuant to such ASPP, Badger's broker may facilitate repurchases of Badger Shares during blackout periods within certain parameters prescribed by the TSX, applicable Canadian securities laws, and the terms of the parties' written agreement.

The Company continues to focus on prudent capital allocation to drive long-term shareholder value and believes that from time to time, the market price of Badger Shares may not fully reflect the underlying value of its business. Purchases of Badger Shares for cancellation under the NCIB may provide an opportunity to enhance long-term total shareholder return.

RISK FACTORS

An investment in Badger Shares involves a number of risks and uncertainties. This section describes the general material risks that Badger believes may impact Badger Shareholders and/or the Company. If any of the following risks actually occur, Badger's business, operating results and financial condition, and the amount of cash available for distribution to Badger Shareholders, could suffer. Further, the risks described below are not the only risks that Badger faces. Additional risks not currently known to management or that are currently deemed immaterial may also have a negative impact on Badger Shareholders and/or the Company.

Risk factors include, but are not limited to, the following:

Reliance on Certain End Use and Geographic Markets

Badger operates across a wide range of end use infrastructure markets, as well as across a wide geographic footprint. Badger could be subject to a downturn in any of its end use segments and/or in certain geographic markets in which Badger operates.

Reductions in customer spending levels adversely affect the demand for Badger's products and services, and consequently, its revenues and operating results. Over the past several years, Badger has effectively expanded its geographic footprint as well as diversified its customer base across a broad range of segments including the construction, utilities, transportation and industrial and, as a result, has diversified its customer demand risk. Badger continues to focus on these elements in its commercial strategies; however, no assurance can be provided that this expansion or diversification will be successful and a significant downturn in one or several regions or customer segments can have a material impact on revenues and operating results.

Badger also provides disaster response related services, including work related to large scale natural disasters such as hurricanes. The timing, size and nature of the services related to disaster response work performed by Badger is highly variable as a result of the non-recurring and specific nature of these type of events.

Loss of Key Customers

Badger has a number of key customers that, in aggregate, generate a significant portion of Badger's revenue. There can be no assurance that Badger's relationship with these customers will continue, and a significant reduction or total loss of the business from these customers, if not offset by sales to new or existing customers, would have a material adverse effect on the Company's business, financial condition, results of operations and cash flows.

Reliance on Key Suppliers

Badger sources the parts and products for the manufacture of its Badger Hydrovacs from a variety of suppliers, all of which may be subject to wide price variation, from time to time. Should any suppliers of Badger be unable to provide the necessary products or otherwise fail to deliver products in the quantities required or at acceptable prices, any resulting disruption or delays in the sourcing of new products or suppliers could have a material adverse effect on Badger's business, financial condition and results from operations. In addition, Badger's ability to grow will be dependent on the Company having access, at a reasonable cost and in a timely manner, to parts and products required to manufacture Badger Hydrovacs. No assurance can be given that the Company will be successful in maintaining the required supply of parts and products to manufacture Badger Hydrovacs. A significant increase in the price of any part, product, or material used in the manufacturing of such parts or products could negatively impact our profitability.

Competition

Badger operates in a highly competitive environment for hydrovac services in Canada and the United States. In order to remain the leading provider of hydrovac services, Badger continually enhances its safety and operational procedures to ensure they meet or exceed Badger's customers' expectations. Badger also has the in-house capabilities to continuously improve its Badger Hydrovac units so that they remain safe, productive and efficient. There can be no assurance that Badger's competitors will not substantially increase the resources devoted to the development and marketing of services that compete with those of the Company, that Badger's competitors will not achieve greater market acceptance due to pricing, efficiency, safety and other factors, or that new or existing competitors will not enter the various markets in which the Company is active. Badger's customers may elect not to purchase our services if they view the Company's financial viability as unacceptable, which would cause the Company to lose customers, and may adversely affect the Company's results of operation, financial condition and reputation. There is also a risk that Badger is unable to respond in a timely or effective manner to competitive changes in the marketplace, at which point the business and financial condition of Badger could be adversely affected.

Development of Alternative or Competing Technology and Equipment

Generally speaking, the use of hydrovac and the process of non-destructive excavation is not protected by patents. As such, there are no significant technological barriers to entry within the industry, and new technological advances could occur in the design of hydrovac trucks or the process of hydro excavation, or other forms of excavation at any time. Such new advancements could render hydrovac equipment obsolete, or could result in a reduction in demand for hydrovac services through the introduction of competing products that are lower in cost, perform better or are determined by the market to be a more preferable service. If the Company is not successful in continuing to keep current with such changing excavation trends and technology that are accepted in the marketplace or that comply with industry standards, the Company could lose market share to competitors which could have a material adverse effect on our business, financial condition, and results of operations.

Badger may, from time to time, invest in and use new, or less proven, technologies or methods in the design and manufacturing of Badger Hydrovac units. There can be no assurances that such new technologies or methods will perform as anticipated. The failure of such new technologies or methods to perform as anticipated may have a material adverse effect on Badger's business, financial condition, and results of operations.

Expansion of Badger's Business into New Jurisdictions

Badger has an organic growth strategy, the success of which is dependent upon a number of factors including the Company's ability to: retain and expand its customer roster; expand into new geographical regions; recruit and retain additional staff; and manufacture sufficient additional Badger Hydrovac units. The achievement of these results may be impacted by many factors described elsewhere in this AIF including competitive conditions; availability of qualified staff; and changes in input costs including labour rates.

Accordingly, Badger may from time to time expand its business into new operating jurisdictions. The expansion of the business will depend upon the ability of management to successfully implement its strategy. There is no guarantee that this business expansion will be successful. Badger will need to comply with the laws and regulations of these new jurisdictions, which may be significantly different than those the Company is accustomed to. Any failure to comply with applicable laws could result in the imposition of restrictions on the ability of Badger to conduct business in these jurisdictions, and could also result in fines or sanctions, any or all of which could adversely affect its results of operations or financial condition. In addition, any changes in laws and regulations in these new jurisdictions could adversely affect the business, results of operations and financial condition of the Company.

Badger may expand into cities where there is insufficient economic activity, reduced capacity for growth or less qualified personnel to support our operations. The Company may encounter operating conditions in these new markets that materially differ from our current operations and customer relationships may be difficult to obtain. Also, the Company may not be able to apply our regional operating strategy successfully in additional cities, and it might take longer than expected or require a more substantial financial

commitment than anticipated to establish operations in the additional cities.

Cyber Security and Terrorism

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

In the ordinary course of business, Badger collects, uses and stores sensitive data, including intellectual property, proprietary business information and personal information of employees and third parties. Despite the Company's internal controls and security measures, the Company's information systems, technology and infrastructure may be vulnerable to attacks by hackers and/or cyberterrorists or breaches due to employee error, malfeasance or other disruptions. Any such breach could compromise information used or stored on Badger's systems and/or networks and, as a result, the information could be accessed, publicly disclosed, lost or stolen. Any such access, disclosure or other loss of information could result in legal claims or proceedings, liability under laws that protect the privacy of personal information, regulatory penalties or other negative consequences, including disruption to Badger's operations and damage to its reputation, which could have a material adverse effect on Badger's business, financial condition, and results of operations.

The Company attempts to prevent security breaches and other related information technology risks by implementing various technology security measures, segregating control systems from general business networks, engaging skilled employees and consultants to manage technology applications and adopting policies and procedures as deemed appropriate. Data backup and recovery processes are in place to minimize the risk of data loss and resulting disruption of business. Badger may also be required to invest in improved systems, software, or related services from time to time to ensure that it adequately adapts to cyber risks or security vulnerabilities. To date, Badger has not experienced any material cyber security breaches.

In addition, Badger's assets may be the target of terrorist activities that could disrupt its ability to service customers. Badger may be required by regulators or by the future terrorist threat environment to make investments in security that cannot be predicted. The implementation of security guidelines and measures and maintenance of insurance, to the extent available, addressing such activities could increase costs. These types of events could materially adversely affect Badger's business, financial condition, and results of operations.

Health and Safety

Provision of non-destructive excavation services involves numerous risks including undertaking operations in dangerous conditions or confined spaces, equipment defects, malfunctions and failures, incidents caused by human error, environmental liabilities including liability related to slurry disposal, damage to or total loss of our property or assets or injury or death of our employees or of third parties. These risks also expose Badger to potential liability for pollution and other environmental damage or destruction claims. We must also maintain a level of health and safety performance which meets the thresholds set by our customers in order to qualify to perform services for them. Although Badger has (i) implemented programs that seek to ensure its operations meet or exceed established safety standards, including through extensive training of our operators and monitoring activities; (ii) developed comprehensive maintenance programs for Badger Hydrovac's; and (iii) put in place insurance programs that meet or exceed industry standards and are intended to minimize our potential liability for safety or environmental claims, no assurance can be given that such programs will be adequate to protect against the occurrence of incidents and all resulting potential

liabilities. Failure to maintain acceptable health and safety performance may have an adverse impact on our ability to retain and acquire customers.

Uncertainty Surrounding Trade Tariffs and Retaliatory Measures

Changes in trade policy, including tariffs, duties or other trade measures adopted by governments or authorities may create uncertainty for the Company and its customers. In 2025, the U.S. administration imposed significant tariffs on Canada, and in response, Canada imposed retaliatory tariffs. Ongoing developments in tariffs between the U.S. and Canada, including U.S. duties on certain imports and retaliatory Canadian measures, have contributed to trade uncertainty and shifts in export markets, trade flows and supply chain behaviour. Uncertainty regarding tariff measures or government policy and direction may complicate long-term planning, capital allocation and investment decisions. Any such changes or uncertainty could have a material adverse effect on the Company's business, financial condition, results of operations and cash flows.

Performance Obligations

Badger's success depends in large part on whether it fulfills its obligations with clients and maintains client satisfaction. If the Company fails to satisfactorily perform its obligations, or makes professional errors in the services that it provides, its clients could terminate contracts, including master service agreements, exposing the Company to loss of its reputation and risk of loss or reduced profits or, in some cases, the loss of the customer.

Moreover, if a client project is not completed as scheduled or expected, the Company may either incur significant additional costs or be held responsible for the costs incurred by the client to rectify damages due to late or insufficient completion. In addition, performance of projects can be affected by a number of factors beyond the Company's control, including unavoidable delays due to government regulation or inaction, inability to obtain financing, weather conditions, unavailability of vendor materials, changes in project scope of services requested by clients, industrial accidents, environmental hazards, labour disruptions and other factors. To the extent these events occur, the total cost of the project could exceed estimates and the Company could experience reduced profits or, in some cases, incur a loss on a project, which may reduce or eliminate overall profitability.

Restrictive Trade Measures

Badger manufactures non-destructive excavation units used across its operations at its plant in Red Deer, Alberta, using parts and materials sourced from various third-party suppliers, which are primarily located in Canada and the U.S. restrictive trade measures or countermeasures, including tariffs, will impact the cost of parts and materials as well as the cost of non-destructive excavation units delivered to our operations in the U.S. Any such measures could also impact the market for our services in Canada and the U.S. and could result in, among other things, a high degree of both cost and price volatility, a relative weakening of the Canadian dollar, and decreased demand for Badger's services. Any or all of such effects may have a material adverse impact on Badger's business, results of operations and financial condition.

Foreign Currency and Operations Risk

A significant portion of the Company's activities relate to operations in the United States and are therefore exposed to foreign currency fluctuations. The Company is exposed to foreign currency fluctuations as revenues, expenses and working capital derived from its foreign operations are denominated in U.S. dollars. In addition, the Company's U.S. subsidiaries are subject to translation gains and losses on consolidation. Foreign exchange gains and losses are included in net earnings except for foreign exchange gains and losses arising from the translation of the assets, liabilities, revenues and expenses of the Company's foreign operations, including the translation of foreign currency denominated assets and liabilities designated as a hedge of the Company's net investment in foreign operations, if applicable, are included in other comprehensive income. With the exception of the designation of the Company's U.S. dollar denominated debt, the Company does not maintain an active hedging program to mitigate this risk.

Risks of foreign operations include, but are not necessarily limited to, changes of laws affecting foreign ownership, government participation, taxation, royalties, tariffs and duties, rates of exchange, inflation, repatriation of earnings, social unrest or civil war, acts of terrorism, extortion or armed conflict and uncertain

political and economic conditions resulting in unfavourable government actions such as unfavourable legislation or regulation. While the impact of these factors cannot be accurately predicted, if any of the risks materialize, they could have a material adverse impact on the Company's business, financial condition, and results of operations.

Operating Risk and Insurance Coverage

Badger's operations are subject to certain risks due to the nature and environment in which Badger operates and the types of services Badger provides. Badger is and will continue to be involved in various legal proceedings that arise in the normal course of business. Badger maintains insurance policies with insurers for such circumstances, and in such amounts and with such coverages and deductibles, as it believes is reasonable and prudent. However, there can be no assurance that such insurance will cover all circumstances under which Badger will be subject to potential future claims related to its operations, or that such insurance will be adequate to protect Badger from all material expenses arising from potential future claims related to its operations or that such levels of insurance will be available in the future at economical prices. Badger's future insurance and claims expense may also exceed historical levels, which could reduce our earnings. Moreover, there can be no assurance that Badger's insurance providers will have the ability to satisfy all future claims in accordance with the policies.

Litigation

From time to time, Badger may receive demands or be involved in disputes, regulatory orders, investigations or proceedings, arbitrations and litigation ("**Legal Claims**") in the ordinary course of Badger's business. All industries, including the hydrovac industry, are subject to Legal Claims, with and without merit. Such Legal Claims may be brought against Badger or one or more of its subsidiaries in the future from time to time. Defense and settlement costs of legal claims can be substantial, even with respect to Legal Claims that have no merit. Due to the inherent uncertainty of the litigation process, such legal proceedings could divert management time, attention and effort and the resolution of any particular legal proceeding to which Badger may become subject could have a material effect on Badger's business, financial condition, and results of operations.

Interruptions to Internal Facilities

Badger's manufacturing and storage facilities are subject to the risk of critical equipment breakdown or failure, safety shutdowns and lower-than-expected levels of efficiency or operational performance due to the deterioration of assets from use or age, design flaws and/or related modification requests from original equipment manufacturers and service providers, errors in the operation or maintenance of these facilities or moderate to severe damage to these facilities due to fire or other natural disasters, among other things. While Badger maintains sufficient insurance to mitigate the financial impact of such events as much as possible, such events and the resulting conditions could cause harm to Badger's employees or property, increased capital expenditures, and production disruptions, among other things, and could have a material adverse impact on Badger's operating and financial results.

Impairment Losses on Physical Assets

The Company has significant investments in physical assets. Reduced activity in the end use markets in which Badger operates could result in a sustained decrease in the demand for services provided by the Company's existing infrastructure. In any such case, the Company may be required to record a write down of the carrying value of the impacted fixed assets on its balance sheet and the recognition of an impairment charge on its income statement. If the Company elects to sell such assets, it may receive substantially less in consideration than the carrying book value for such assets.

The Company depreciates its Badger Hydrovac units over a period of 10 years, a policy that is based on its current knowledge and operating experience. While management believes that this time frame is reasonable, newer technology or some other unforeseen circumstance could lower this life expectancy.

Scheduled and Unscheduled Maintenance

Much of Badger's assets, including the Badger Hydrovacs, are subject to regularly scheduled maintenance or may require additional unscheduled downtime for unanticipated maintenance or repairs. Scheduled and unscheduled maintenance reduces Badger's revenues and increases its operating expenses during the

period of time that our equipment is not operating. Furthermore, material unanticipated costs and delays may be incurred in scheduled and unscheduled maintenance which may negatively impact Badger's results of operations.

Trademarks and Proprietary Technology

Badger relies on various intellectual property rights to maintain proprietary control over its trademarks, know-how, technology, business secrets and other intellectual property. These rights may not be sufficient to prevent competitors from duplicating or improving upon the Badger Hydrovacs.

Policing unauthorized use of the Company's proprietary technology rights could prove to be difficult, and there can be no assurance that the steps taken by the Company will prevent misappropriation of its proprietary technology. In addition, litigation may be necessary in the future to enforce the intellectual property rights of the Company or to defend against claims of infringement or invalidity. Such litigation could result in substantial cost and diversion of resources and could have a material adverse effect on Badger's business, financial condition and results from operations.

Despite the efforts of the Company, the intellectual property rights of the Company may be invalidated, circumvented, challenged, infringed or required to be licensed to others. It cannot be assured that any steps the Company may take to protect its intellectual property rights and other rights to such proprietary technologies that are central to the Company's operations will prevent misappropriation or infringement.

Moreover, Badger may be vulnerable to competitors who develop competing technologies, whether independently or as a result of acquiring access to the proprietary information or know-how of the Company.

Risk of Third-Party Claims for Infringement

Third-parties may claim that Badger has infringed their intellectual property rights or may challenge the right of Badger in their intellectual property. In such event, Badger will undertake a review to determine what, if any, actions Badger should take with respect to such claim. Any claim, whether or not with merit, could be time consuming to evaluate, result in costly litigation, cause delays in operations or require Badger to enter into licensing agreements that may require the payment of a license fee or royalties to the owner of the intellectual property. Such royalty or licensing agreements, if required, may not be available on terms acceptable to Badger.

Energy Transition

Globally, there continues to be a focus in certain jurisdictions on transitioning to a low-carbon economy resulting in a range of policies and initiatives designed to shift resources and investment away from fossil fuels towards low carbon sources. This includes federal, provincial, territorial, state, regional and municipal laws and regulations imposed by various levels of government that restrict the production and consumption of fossil fuels such as zero emission vehicle mandates, prohibitions on plastic use, and fuel efficiency standards. The scope, pace, and direction of these policies and initiatives vary by jurisdiction and may change over time in response to political, economic, or regulatory developments.

Government subsidies directed towards new low-carbon technologies or to businesses providing products and services that reduce consumer demand for fossil fuels may also result in a broader reduction in the global economy's reliance on fossil fuels. In addition, shifting consumer preferences towards low-carbon products and services are also driving investment in technologies and products that reduce fossil fuel consumption. Badger is constantly evaluating its options with respect to increasing environmental efficiency through its operations. There can be no assurances, however, that Badger will be able to predict any such market trends or consumer preferences. Accordingly, there is a risk that the nature of the global energy transition negatively impacts Badger's operational results and financial condition.

Fluctuations in Weather and Seasonality

Badger's operating results have been, and are expected to continue to be, subject to fluctuations on a quarterly basis due to a variety of factors including changes in weather conditions and seasonality. The seasonal nature of non-destructive excavation services requires Badger to estimate market demand for different seasons and prepare accordingly by hiring and training operators sufficiently in advance of demand.

materializing. While management takes into account several factors in estimating market demand, there can be no assurance that Badger will recover such additional expenditures or that the estimates made by management in respect of demand will materialize, or materialize on the timing anticipated. Additionally, in the western United States, Badger has, in the past, been restricted by the imposition of government regulations from conducting its work in environmentally sensitive areas during the mating seasons of certain animals and birds. This has had a negative effect on Badger's results. As such, changes in the weather and seasonality may, depending on the location and nature of the event, have either a positive or negative effect on Badger's operating and financial results.

Breach of Confidential Information

Badger's efforts to protect confidential information may prove unsuccessful due to the action of third-parties, software bugs, technical malfunctions, employee error, or other factors. Should any of these events occur, this information could be accessed or disclosed improperly. Any incidents involving a breach of confidential information could damage Badger's reputation and expose competitive positioning of its future growth strategy. Should this occur, it could have a material adverse effect on the Company's business, financial condition and results from operations.

Conflict of Interest

Certain of the directors and officers of the Company are also directors and officer of entities that the Company may do business with, and as such, conflicts of interest may arise between their duties as directors and officers of the Company and their duties as a director or officer of such other companies. Any such conflicts are handled in accordance with the provisions of the ABCA.

Reputation

Badger relies on its reputation to build and maintain positive relationships with its stakeholders in the industry and in the communities in which it operates, to recruit and retain personnel, and to be a credible, trusted company. Reputational risk is the potential for negative impacts that could result from the deterioration of the Company's reputation with key stakeholders. The potential for harming the Company's reputation exists in every business decision and public interaction, including the actions of its employees, which in turn can negatively impact the Company's business and value of its securities.

Reputational risk cannot be managed in isolation from other forms of risk. Credit, market, operational, insurance, liquidity, regulatory, environmental and legal risks must all be managed effectively to safeguard Badger's reputation. If the Company's reputation is adversely affected, it could result in, among other things: loss of customers; revenue loss; delays in obtaining regulatory approvals with respect to growth projects; increased operating, capital, financing or regulatory costs; lower shareholder confidence; or loss of its social license to operate.

Disclosure Controls and Procedures

Management has designed disclosure controls and procedures to provide reasonable assurance that material information relating to the Company is made known to the CEO and CFO by others within the Company, particularly during the period in which the annual and interim filings of the Company are being prepared, in an accurate and timely manner in order for the Company to comply with its disclosure and financial reporting obligations and in order to safeguard the Company's assets. Consistent with the concept of reasonable assurance, the Company recognizes that the relative cost of maintaining these controls and procedures should not exceed their expected benefits. As such, the Company's disclosure controls and procedures can only provide reasonable assurance, and not absolute assurance, that the objectives of such controls and procedures are met.

Climate Change Risks

Increasing concentrations of greenhouse gases ("**GHGs**") in the Earth's atmosphere may produce climate changes that have significant physical effects, such as increased frequency and severity of storms, floods, wildfires and other climatic events. To the extent such weather events or natural disasters become more frequent or severe, disruptions to Badger's business and costs to repair damaged equipment and facilities could increase. Such adverse weather events can disrupt our operations and result in damage to our properties, as well as negatively impact the activity and financial condition of our customers.

Fluctuations in Fuel Costs

The price and supply of fuel fluctuates considerably based on events beyond the Company's control, including, among others, political developments impacting international trade, particularly between Canada and the United States, the United States and China, Canada and China, and the EU and China, including military exercise, trade disputes, new or increased tariffs, retaliatory tariffs, geopolitical developments, supply and demand for oil and gas, actions by oil and gas producers and associated organizations, war and unrest in oil producing countries and regional production patterns. As fuel is necessary to operate our fleet of Badger Hydrovacs, price escalations for fuel increase our operating expenses and may adversely affect the business and financial condition and results of operations of Badger.

Dependence on Key Personnel

If the Company is unable to retain executive officers and key management employees, its business, financial condition and results of operations could be adversely affected. Badger is highly dependent upon the services of our executive officers and key management employees, including our CEO. While management and the Board continue to be focused on succession planning with respect to senior management personnel, there is no guarantee that such efforts will be successful. Although the Company strives to reduce the potential negative impact of any such changes, the loss of any executive officers or key management employees could result in disruptions to its operations. In addition, hiring, training, and successfully integrating replacement personnel, whether internal or external, could be time consuming, may cause additional disruptions to our operations, and may be unsuccessful, which could negatively impact our business, financial condition and results of operations.

Availability and Cost of Qualified Labour

Badger's ability to maintain, and grow, its business is dependent upon its ability to attract and retain skilled personnel. Shortages of skilled personnel could have a material effect on Badger's operations and financial results by restricting growth and/or by increasing labour costs.

A significant proportion of Badger's workforce is comprised of operators for its Badger Hydrovac units, who are required to hold commercial driver's licenses. Badger hires and trains these operators over a broad range of geographies, and its ability to recruit and retain drivers with the necessary skills, including commercial driver's licenses, is subject to local and regional labour market conditions. Badger remains focused on front line leadership training, a robust health and safety culture in addition to other programs to help retain our skilled operators. However, Badger remains at risk of attracting and retaining its skilled work force.

A portion of Badger's workforce is unionized, and Badger is a party to various local union agreements. Relations with local unions and the renewal of existing agreements could negatively impact Badger's business, financial condition, and results from operations. Badger maintains ongoing dialogue with local unions but there is no guarantee that operational disruptions will not occur.

Market Price of Badger Shares

The value of Badger Shares is subject to volatility, which is often based on factors related and unrelated to the financial performance of Badger. The price of Badger Shares could fluctuate in response to variations in Badger's operating results, financial condition, liquidity, and other factors. Factors unrelated to Badger's performance that could also affect the price include domestic and global macroeconomic trends, government infrastructure spending, commodity prices, international financial markets and economic uncertainty, and market perceptions of the attractiveness of particular industries and business that may provide services to such industries.

Cash Dividends are Not Guaranteed

Although the Company intends to pay cash dividends these payments are not assured and may be reduced or suspended.

The ability of the Company to pay dividends and the actual amount of such dividends will be dependent upon numerous factors including, but not limited to, Badger's financial performance, debt covenants and obligations, working capital requirements and future capital requirements. Under the terms of Badger's credit facilities,

Badger is restricted from declaring dividends or distributing cash if Badger is in breach of its debt covenants. As at the date of this AIF, Badger is in compliance with all of its covenants. Moreover, Badger must comply with the requirements of the ABCA, which states that a corporation shall not declare or pay a dividend if there are reasonable grounds for believing that (i) the corporation is, or would after the payment be, unable to pay its liabilities as they become due or (ii) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities and stated capital of all classes.

In addition, the timing and amount of capital expenditures will directly affect the amount of cash available for dividend payments to Badger Shareholders. Dividends may be reduced, or even eliminated, when significant capital or operating expenditures are required.

The market value of the Badger Shares may decline if the Company is unable to meet its cash dividend targets in the future and that decline may be significant. Dividend payments may be reviewed and adjusted from time to time by the Board to reflect current business conditions. The Badger Shares are not a source of guaranteed income and Badger Shareholders should be aware that they bear the risk that the frequency and amounts of dividends may fluctuate or be interrupted.

It is important for anyone making an investment in Badger Shares to consider the particular risk factors that may affect both the Company and the industry, in which it operates, as described herein, and which may therefore affect the stability of the dividend payments on the Badger Shares. Badger has not obtained a stability rating for the Badger Shares and does not anticipate doing so in the foreseeable future.

Debt Financing

The degree to which the Company is financially leveraged could have important consequences to the Company and Badger Shareholders.

The ability of the Company to pay dividends or make other payments or advances will be subject to applicable laws and contractual restrictions contained in the instruments governing Badger's indebtedness. The degree to which Badger is leveraged could have important consequences to Badger, including: the ability to obtain additional financing for working capital, capital expenditures or acquisitions in the future may be limited; a significant portion of Badger's cash flow from operations may be dedicated to the payment of the principal and interest on its indebtedness, thereby reducing funds available for future operations and distributions; certain of Badger's borrowings may be at variable rates of interest, which exposes it to the risk of increased interest rates; and Badger may be vulnerable to economic downturns. Also, there can be no assurance that Badger will continue to generate sufficient cash flow from operations to meet required interest and principal payments. Further, Badger is subject to the risk that any of its existing indebtedness may not be able to be refinanced upon maturity or that the terms of such financing may not be as favourable as the terms of its existing indebtedness. These factors may adversely affect the frequency or amounts of dividends paid.

Badger's credit facilities are collateralized by a general security interest over the Company's and certain of its subsidiaries' assets, property and undertaking, present and future. The credit facilities contains terms and covenants that limit the discretion of management with respect to certain business matters. These covenants place restrictions on, among other things, the ability of Badger to create liens or other encumbrances, to pay dividends on its securities or make certain other payments, investments, loans and guarantees and to sell or otherwise dispose of assets and merge or consolidate with other entities. In addition, the credit facilities contain a number of financial covenants that require Badger to meet certain financial ratios and tests. A failure to comply with the obligations in the credit facilities could result in a default which, if not cured or waived, could result in a reduction or termination of Badger's dividends, and may permit acceleration of the relevant debt. If the indebtedness under the credit facilities was to be accelerated, there can be no assurance that assets of the Company would be sufficient to repay that indebtedness and the Company may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional financing. Badger's ability to refinance our indebtedness will depend on the capital markets and our financial condition at such time. Badger may not be able to engage in any of these activities or engage in these activities on desirable terms, which could have a material adverse effect on the Company's business and financial condition.

In addition to indebtedness owing under Badger's credit facilities, the Company enters into various leases in the normal course of business, primarily related to the leasing of operating and administrative buildings and light-duty vehicles. Terms and conditions associated with the lease arrangements would be consistent with industry norms.

As at December 31, 2025, Badger's outstanding debt was \$259.5 million including:

- \$100.0 million outstanding pursuant to its non-revolving term loan;
- \$99.0 million outstanding pursuant to its credit facility, which does not include \$6.6 million in outstanding letters of credit and \$1.0 million in unamortized debt issuance costs; and
- \$60.5 million in lease liabilities.

Credit Risk

Credit risk arises where a financial loss would be experienced if a counterparty to a financial asset failed to meet its contractual obligations. Badger's credit risk exposure is primarily through its trade receivables. If Badger is unable to manage credit risk issues adequately, or if a large number of customers should have financial difficulties at the same time, Badger's credit losses could increase significantly and Badger's business results would be adversely affected. Badger mitigates credit risks by: (i) maintaining a large and diversified customer base across the utility and construction industries; (ii) actively monitoring the financial strength of its customer base through credit processes to minimize the risk of default on receivables; (iii) relying on a due diligence process to approve credit for new and existing customers by assessing the creditworthiness of each customer; and (iv) by insuring its trade receivables portfolio. Badger cannot assure that these mitigation efforts will be successful in mitigating its credit risk exposure.

Credit Market Instability

Instability of the credit markets and the resulting effects on the economy could have a material adverse effect on Badger's operating results. If the credit markets and the economy weaken, Badger's business, financial results, and results of operations could be materially and adversely affected, especially if consumer confidence declines and domestic spending decreases. We may need to incur indebtedness, which may include drawing on our credit facilities, or issue debt securities in the future to fund working capital requirements, make investments, or for general corporate purposes. Additionally, stresses in the credit market causes uncertainty in the equity markets, which may result in volatility of the market price for Badger's securities.

Access to Capital

The Company may find it necessary in the future to obtain additional debt or equity to support ongoing operations, to undertake capital expenditures, to undertake acquisitions or other business combination transactions or for general corporate purposes. There can be no assurance that additional financing will be available to the Company when needed or on terms acceptable to the Company. The Company's inability to raise financing to support ongoing operations or to fund capital expenditures or acquisitions could limit the Company's growth and may have a material adverse effect on the Company.

Global Financial Conditions

Global financial conditions include the commodity and equity markets that have been volatile as investors react to changes in the global economy. As a result of these global conditions, the Company may be subject to increased counterparty and liquidity risks. The Company is exposed to various counterparty risks including, but not limited to: financial institutions that hold the cash of the Company to provide available funding on the credit facilities and the insurance providers of the Company. As a result, the cash of the Company may become exposed to credit related losses in the event of non-performance by counterparties to these financial instruments. In the event that a counterparty fails to complete its obligations, the Company would bear the risk of loss of the amount expected to be received under these financial instruments in the event of the default or bankruptcy of a counterparty.

The Company is also exposed to liquidity risk in the event its cash positions decline or become inaccessible for any reason, or additional financing is required to advance its projects or growth strategy and appropriate

financing is unavailable, or is available but on uneconomic terms. Any of these factors may impact the ability of the Company to obtain further equity based funding, loans and other credit facilities in the future and, if obtained, on terms favorable to the Company. If volatility and market turmoil recur, the Company's results from operations and planned growth could be adversely impacted and such impact may have an adverse effect on the financial condition of the Company.

Additionally, the agreements governing the Company's various credit facilities impose certain operating and financial covenants on the Company that may prevent the Company from pursuing certain business opportunities and restrict its ability to operate its business. The Company's ability to comply with these covenants will likely be affected by events beyond its control, and the Company cannot assure that it will satisfy those requirements. If the Company's financial performance results in a breach of any existing or future financial covenants, access to financing could be restricted and/or all or a portion of the Company's debt could become due on demand.

Interest Rates

Badger has certain floating rate loans and may be negatively impacted by increases in interest rates, the effect of which increase would be to reduce the amount of cash available for operating, investing and financing related activities, including the amount of cash available for dividends on Badger Shares.

Inflation

Badger and its end use markets are susceptible to impact by the general rate of inflation. Recent and ongoing inflationary pressures may result in an increase to the cost of all inputs relating to products and services utilized by the Company. To the extent that Badger is not able to pass these costs on to Badger's customers, or otherwise offset such increases through reductions in operating costs, Badger's financial condition and results from operations may be adversely impacted.

Additional Badger Shares May Be Issued Diluting Existing Badger Shareholders' Interests

Badger's articles of incorporation authorize the Company to issue an unlimited number of Badger Shares. As such, the Company may issue additional Badger Shares to raise funds. In addition, the by-laws of the Company provide that dividends may be paid by issuing fully paid Badger Shares to Badger Shareholders. As a result, the Company cannot predict the number of Badger Shares it may issue, or the effect, if any, that an issue will have on the market price of the Badger Shares. Additional Badger Shares issued by the Company may be dilutive to Badger Shareholders and such dilution could be significant.

Shareholder Activism

Badger's relationships with stakeholders are critical to ensure the future success of its existing operations and the development of its projects. Activist shareholder activity could cause a disruption to Badger's strategy, operations, and leadership, resulting in a material unfavourable impact on its operational and financial performance and longer-term value creation strategy. Responding to challenges from activist shareholders, such as proxy contests, media campaigns or other activities, could be costly and time consuming and could have an adverse effect on Badger's reputation and divert the attention and resources of the management and Board. Reputation loss may result in decreased investor confidence, increased challenges in developing and maintaining community relations and impede Badger's overall ability to advance its projects, obtain permits and licenses or continue its operations, which could have a material adverse impact on Badger's business, operations and financial condition.

Structural Subordination of the Badger Shares

In the event of a bankruptcy, liquidation, or reorganization of the Company or its subsidiaries, certain debtholders and certain trade creditors will be entitled to payment from the assets of the Company before assets are made available for distribution to the Company and/or the Badger Shareholders. Badger Shareholders are subordinated to the indebtedness and other liabilities of the Company and its subsidiaries.

Income Tax Matters

Badger and its subsidiaries are subject to federal, provincial and state income taxes in Canada and the United States, as applicable. While Badger works to keep itself and its subsidiaries in full compliance with all applicable legal requirements relating to federal, provincial and state legislation on income tax, sales

tax, goods and services tax, excise tax and all other direct or indirect taxes including business tax, real estate tax, municipal, and other taxes, there can be no assurance that Badger and its subsidiaries will not be subject to assessment, reassessment, audit, investigation, inquiry or judicial or administrative proceedings under any such laws. As taxing regimes change their tax basis and rates, with either retroactive or prospective effect, or initiate reviews of prior tax returns, Badger's liability to income tax may increase and Badger could be exposed to increased costs of taxation, which could, among other things, reduce the amount of funds available to distribute to Badger Shareholders or otherwise have a material adverse effect on Badger's business, financial condition, and results of operations.

Climate Change Legislation and Related Regulatory Initiatives

In Canada, several provinces and the Government of Canada have adopted and continue to evaluate legislation to reduce, cap or tax GHG emissions. Depending on the particular program, Badger may be required to reduce GHG emissions, pay a carbon tax or purchase and surrender allowances or offsets for GHG emissions resulting from Badger's operations. Additionally, independent of Congress, the United States Environmental Protection Agency ("**EPA**") has in the past adopted regulations controlling GHG emissions under its existing authority under the Clean Air Act ("**CAA**"). For example, following its findings that emissions of GHGs endanger human health and the environment because such emissions contributed to warming of the earth's atmosphere and other climatic changes, the EPA adopted regulations under existing provisions of the CAA that, among other things, establish construction and operating permit reviews for GHG emissions from certain large stationary sources that are also potential major sources for conventional pollutants. In addition, the EPA adopted rules requiring annual monitoring and reporting of GHG emissions from specified production, processing, transmission and storage facilities in the United States. The current U.S. administration has recently rescinded the GHG emission standards and associated compliance, testing, reporting, averaging, banking and trading provisions for light, medium, and heavy duty motor vehicles and engines. At this time, the U.S. administration has not rescinded such GHG emission standards in respect of stationary sources.

The scope, application, and future enforcement of climate-related regulations may vary by jurisdiction and may change over time as governments reassess policy priorities.

Also, Canada is a party to the Paris Agreement, an international climate change agreement that calls for countries to set GHG emissions targets and the measures each country will use to achieve those targets. Although it is not possible at this time to predict how new laws in Canada that address GHG emissions will impact Badger's business, any such future laws could require Badger to incur costs and delay or restrict GHG emissions from new or modified sources. The reductions may not be technically or economically feasible and the failure to meet such reduction requirements or other compliance mechanisms may materially adversely affect Badger's business and result in fines, penalties and the suspension of operations.

There have also been increasing efforts in recent years to influence the investment community, including investment advisors and certain sovereign wealth, pension and endowment funds, promoting divestment of fossil fuel equities and pressuring lenders to limit funding to companies engaged in the extraction of fossil fuel reserves. Such environmental activism and initiatives aimed at limiting climate change and reducing air pollution could interfere with our business activities, operations, and ability to access capital.

As well, equipment from suppliers which can meet future emission standards may not be available on an economic basis and other compliance methods of reducing emissions to levels required in the future may significantly increase Badger's operating costs or reduce output. Emission reductions or offset credits may not be available on an economic basis. In addition, limitations on GHG emissions could adversely affect a number of Badger's customers thereby delaying or decreasing the demand for Badger's products and services.

Although it is not currently possible to predict how any such proposed or future GHG legislation will impact Badger's business, any regulation of GHG emissions in areas in which Badger conducts business could result in increased compliance costs or additional operating restrictions to Badger's exploration and production customers which could have a significant adverse effect on Badger's operations.

Compliance with Government and Related Regulations

Badger's operations are subject to a variety of federal, provincial, state and local laws, regulations and guidelines. Such laws and regulations relate to, among other things, health and safety, environment and emissions, the excavation, transportation and disposal of customer's materials and the manufacture of Badger Hydrovacs used in the Company's operations, foreign trade, rules imposed by the TSX and Canadian securities regulators, and reporting obligations. While Badger believes that it is currently in compliance with all applicable government standards and regulations, there can be no assurance that all of Badger's business will be able to continue to comply with all applicable standards and regulations that may be in place in the future.

The laws and regulations applicable to Badger's operations provide that Badger could be liable for fines, penalties and other costs in the event that it is found to not be in compliance with those laws and regulations. A failure to comply with such laws and regulations could result in, among other things, investigations into Badger's operations or the suspension or revocation of operating permits and damage Badger's reputation and have a negative effect on Badger's operating and financial results. Private parties may also pursue legal actions against the Company based on alleged non-compliance with or liability under certain of these laws, rules and regulations. Further, any changes in the current legal and regulatory environment could impact industry activity and the demands for our products and services, the scope of products and services that the Company provides, or our cost structure required to provide its products and services, or the costs incurred by its customers.

Environment and Social-Related Regulatory Activity

On June 20, 2024, Bill C-59 received royal assent, thereby enacting certain changes to the *Competition Act (Canada)* to address "greenwashing", meaning false, misleading, or deceptive environmental claims made for the purpose of promoting a product or a business interest. Under the new rules, the use of environmental-related words and phrases, for instance "sustainable", is problematic given that such terms can be vague and can mean different things to different people. The interpretation and application of the new rules remains unclear, which creates significant uncertainty regarding how Canadian companies may publicly communicate their environmental and climate performance. The new rules also impose significant financial penalties for non-performance. Companies found to have made representations that violate the rules, intentionally or inadvertently, could be subject to an administrative penalty for the greater of \$10 million for the first order and \$15 million dollars for any subsequent order, and 3% of the corporation's annual worldwide gross revenues.

On November 4, 2025, Bill C-15 "*An Act to implement certain provisions of the budget*" was tabled in Parliament and recently passed in the House of Commons. Bill C-15 contemplates, among other things, amending the *Competition Act* to: (i) remove the requirement for business to substantiate their environmental claims based on internationally recognized methodology standards; and (ii) remove the ability for third parties to bring cases directly to the Competition Tribunal for greenwashing complaints. If Bill C-15 receives royal assent, it may come into effect in 2026.

Changes in Laws or Regulations Governing Foreign Trade

Changes in governmental laws or regulations affecting foreign trade or taxation, or the introduction of new laws or regulations, may have a direct or indirect effect on the Company's business or that of its customers or suppliers. Such changes could increase the costs of doing business for the Company, its customers, or suppliers, or restrict the Company's actions, causing the Company's results of operations to be adversely affected.

Implementation of new legislative or regulatory regimes could impose additional costs on the Company, decrease demand for the Company's services or otherwise negatively impact the Company, which may have a material adverse effect on the Company's business, financial condition and results of operations. Although regulatory expenditures have not, historically, been material to Badger, such laws, regulations and guidelines are subject to change. Accordingly, it is impossible for Badger to predict the cost or effect of such future laws, regulations or guidelines on Badger's future operations.

Fighting Against Forced Labour and Child Labour in Supply Chains Act

The Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada) requires Badger to publish an annual report on steps taken to assess and mitigate the risk of forced or child labour in its business and supply chains. Increased scrutiny on forced or child labour in Canadian markets and supply chains, along with measures by us, our suppliers, other businesses and the Government of Canada, may impact business activities. This could impact our access to certain goods or materials at desired prices, procurement processes, productivity, operating costs and financial condition. There is a risk that our supply chain may use or be alleged to use forced or child labour, and gathering sufficient information from suppliers to assess and mitigate such risks may be challenging. Our due diligence and mitigation activities might not identify or mitigate all risks, potentially harming our reputation. The Government of Canada plans to expand the legislative framework on forced and child labour, possibly including specific due diligence requirements for high-risk goods. However, there is uncertainty about the timing, requirements, implementation, and impact of these additional measures on our business activities and supply chains. The risks and commercial impacts of expanding regulation in this area cannot be fully assessed at this time.

Artificial Intelligence

The emergence of new, disruptive companies leveraging artificial intelligence ("AI") can pose a threat to us in the market. These newcomers, unencumbered by legacy systems or traditional business models, have the potential to swiftly gain market share and redefine industry dynamics. The unpredictable nature of AI development and its impacts on the market further contribute to uncertainties, making it challenging to anticipate and navigate potential disruptions.

General Economic and Business Risk

In addition to the risk factors outlined elsewhere in this AIF, Badger's business is dependent on a number of general economic and business factors that may have a materially adverse effect on the Company's results of operations, many of which are beyond our control. These factors include strikes or other work stoppages, significant increases or fluctuations in interest rates, tariffs, fuel taxes, fuel prices, and license and registration fees, natural disasters, forest fires, national emergencies, acts of war, acts of terrorism, technological attacks, domestic and global trade disruptions, infrastructure disruptions, civil disobedience or unrest, the outbreak of disease, or similar events. We are affected by recessionary economic cycles and downturns in customers' business cycles, particularly in market segments and industries where the Company has a significant concentration of customers. Economic conditions may adversely affect our customers and their ability to pay for our services.

It is not possible to predict the effects of actual or threatened armed conflicts or terrorist attacks, efforts to combat terrorism, military action against any foreign state, heightened security requirements, or other related events and the subsequent effects on the economy or on consumer confidence in the United States and Canada, or the impact, if any, on our future results of operations.

In addition, Badger's financial and/or operating performance could be materially adversely affected by the outbreak of new public health crises, epidemics, pandemics or outbreaks of new infectious diseases or viruses. Public health crises can result in volatility and disruption to global supply chains, demand for oil and gas, trade and market sentiment, mobility of people, and global financial markets, which could affect access to capital, interest rates, credit ratings, credit risk, inflation, business, financial conditions and results of operations, and other factors relevant to Badger.

MANAGEMENT

Executive Officers

The following table sets forth certain information in respect of each executive officer of the Company.

Name and Jurisdiction of Residence	Current Office in the Company	Principal Occupation and Other Information
Robert Blackadar Georgia, United States	President & Chief Executive Officer	Mr. Blackadar was appointed to the Board and to the office of President & Chief Executive Officer of Badger effective October 1, 2022, after having previously served as Senior Vice President, Operations & Chief Operating Officer of Badger since July 2021. Before joining Badger, Mr. Blackadar most recently held the role of President of NESCO Specialty Rentals ("NESCO") in Ft. Wayne, Indiana. NESCO was the largest utility rental company in the U.S. prior to merging with Custom Truck One Source. As President of NESCO, Mr. Blackadar was responsible for all operations, including sales and marketing, branch operations, fleet management, and safety. Prior to NESCO, Mr. Blackadar held roles of increasing responsibility in sales and marketing and operations at Blueline Rentals, Ritchie Bros. Auctioneers, United Rentals, and HERC Rentals. Mr. Blackadar holds a Bachelor of Science (Management and Finance) from Louisiana State University.
Robert Dawson Alberta, Canada	Chief Financial Officer	Mr. Dawson joined Badger in April 2023 as Chief Financial Officer, Rob brings over 30 years of experience leading finance, accounting, strategy, and corporate development teams across a broad range of industries. Prior to joining Badger, Mr. Dawson most recently held the role of Managing Director at BluMaple Capital Partners, a fund focused on investing in industrial based low-carbon innovators, from September 2021 to March 2023. Prior to BluMaple Capital Partners, Mr. Dawson served as Executive Vice President, Strategy and Corporate Development of Tervita Corporation, a publicly traded environmental and waste services company, from May 2019 to July 2021, after having served as Chief Financial Officer of Tervita Corporation from March 2017 to May 2019. Prior to Tervita Corporation, Mr. Dawson served as the Chief Financial Officer of Canadian Oil Sands Limited, a publicly traded oil and gas company. Mr. Dawson has also worked in various roles at Suncor Energy Inc., Global Crossing Ltd. based out of Dublin, Ireland, and the reinsurance industry in Bermuda. Mr. Dawson holds a Bachelor of Commerce degree (B. Comm.) with distinction from the University of Calgary and is a Chartered Financial Analyst (CFA) and a Chartered Professional Accountant (CPA).
Julie Lee Indiana, United States	Chief Human Resources Officer	Ms. Lee joined Badger in December 2022 as Chief Human Resources Officer. Prior to joining Badger, Ms. Lee most recently served as Senior Vice President of Harbor Group International, LLC, a real estate investment and management company, from June 2017 to November 2022 and, before that, as Vice President of Apartment Investment and Management Company, a real estate investment, development and management company, from May 2006 to June 2017. Ms. Lee has extensive experience in all facets of human resources. Ms. Lee holds a Master of Arts (M.A.) in Educational Psychology/Student Personnel Administration from New Mexico State University, an Executive and Professional Coaching Certificate from the University of Texas at Dallas and various other professional certificates from the Society of Human Resources Management (CPHR) and Human Resources Certification Institute (PHR).
Christopher Gunn Oklahoma, United States	Senior Vice President, Sales, Marketing and Manufacturing	Mr. Gunn joined Badger as Vice President of Field Sales in January 2022, and currently serves as Senior Vice President, Sales, Marketing and Manufacturing since his appointment to that office in November 2024. Before joining Badger, Mr. Gunn most recently held the role of Vice President of Operations for United Site Services ("USS"), a Platinum Equity Company in Westborough, Massachusetts from April 2019 to December 2021. USS is the largest provider of site services in the United States to construction, industrial, and event customers. In his role, Mr. Gunn was responsible for Operations, Sales, and Safety. Prior to USS, Mr. Gunn was Region Vice President for BlueLine Rental from August 2015 to November 2018. At BlueLine Mr. Gunn was responsible for Sales and Operations for the Southern United States prior to a successful sale

Name and Jurisdiction of Residence	Current Office in the Company	Principal Occupation and Other Information
Logan Mellott Illinois, United States	Senior Vice President, Strategic Initiatives and Fleet	<p>to United Rentals. Mr. Gunn was a Regional Manager at Mobile Mini from July 2014 to August 2015.</p> <p>Mr. Mellott joined Badger as Regional Vice President, West in January 2022, and currently serves as Senior Vice President, Strategic Initiatives and Fleet since his appointment to that office in November 2024. Prior to joining Badger, Mr. Mellott was employed by Ritchie Bros. Auctioneers for nine years, holding various roles of increasing responsibility in sales and operations, including most recently the roles of Global Vice President, Asset Solutions from October 2020 to November 2021 and Director, Strategic Accounts Commercial Sales and Operations from June 2017 to October 2020. Mr. Mellott holds a Bachelor of Business Administration (BBA) from Southern Illinois University Carbondale.</p>
Reid Yester Alberta, Canada	Vice President, Legal, General Counsel & Corporate Secretary	<p>Mr. Yester joined Badger as Vice President, Legal, General Counsel & Corporate Secretary in January 2023. Prior thereto, Mr. Yester acted as Badger's Director, Legal & Corporate Secretary from July 2021 to December 2022 while on secondment from Norton Rose Fulbright Canada LLP, a global law firm, where Mr. Yester practiced primarily corporate, securities and M&A law as a member of the Capital Markets group from March 2017 to December 2022. Prior thereto, Mr. Yester was Legal Counsel at Paramount Resources Ltd., another public company listed on the TSX, from July 2015 to February 2017.</p> <p>Mr. Yester earned a Bachelor of Arts Degree in Political Science from the University of Victoria in 2010 and a Juris Doctor from the University of Calgary in 2014, and was subsequently admitted to the Law Society of Alberta in 2015.</p>

Directors

The following table sets forth certain information in respect of each director of the Company. Directors are appointed annually to serve on the Board until the close of the next annual meeting of Badger Shareholders or until his or her successor is elected or appointed.

Name and Jurisdiction of Residence	Principal Occupation and Other Information
David Bronicheski ⁽¹⁾⁽²⁾ Ontario, Canada	<p>Mr. Bronicheski is a corporate director, serving on public, private and volunteer non-profit boards. From 2007 until his retirement in 2020, Mr. Bronicheski served as Chief Financial Officer of Algonquin Power & Utilities Corp., a public renewable energy and regulated utility company with assets across North America. He previously held various senior executive management positions in the cable television, telephone, internet and health care sectors. Mr. Bronicheski holds a Bachelor of Arts (Economics) (cum laude) and a Bachelor of Commerce (Accounting and Finance) from Laurentian University, and a Master of Business Administration (Finance and Industrial Relations) from the University of Toronto. In addition, Mr. Bronicheski is a Chartered Accountant and a Chartered Professional Accountant (retired). Mr. Bronicheski has been a member of the Board since May 8, 2020.</p>

Stephanie Cuskley⁽¹⁾⁽²⁾
New Jersey, United
States

Ms. Cuskley is a corporate director who, in addition to serving as a member of the Board, also currently serves as a member of the Board of Directors of TMX Group Limited, a public company listed on the TSX. From 2015 to 2021, Ms. Cuskley served as the Chief Executive Officer of the Leona M. and Harry B. Helmsley Charitable Trust, a foundation which supports a wide range of organizations with a major focus on health and medical research. Prior thereto, Ms. Cuskley served as a member and later as the Chair of the Board of Directors of Aegion Corporation, a public pipeline and infrastructure services company listed on the Nasdaq Stock Exchange ("**Nasdaq**"), from 2005 to 2019 and 2019 to 2021, respectively. From 2009 to 2015, Ms. Cuskley also served as Chief Executive Officer of NPower, a charitable organization that launches underserved individuals into meaningful and sustainable technology careers. From 1995 to 2005, Ms. Cuskley was a Managing Director at JP Morgan Chase in New York, NY, providing investment banking services. Ms. Cuskley holds a Bachelor of Arts (Economics & Commerce) from the University of Toronto and a Master of Business Administration (Finance) from Cornell University. Ms. Cuskley has been a member of the Board since May 18, 2022.

William Derwin⁽¹⁾⁽⁴⁾
Colorado, United States

Mr. Derwin is a corporate director and executive officer who, in addition to serving as a member of the Board, also currently serves as the Chief Executive Officer of GO Car Wash, a car wash operator in the United States that is owned by a Canadian private equity firm. Mr. Derwin is also the founder and Chairman of Lily's Toaster Grills, a consumer food company supplying ready-made frozen grilled cheese sandwiches to food retailers. Previously, Mr. Derwin served as the Chief Executive Officer of International Car Wash Group, the world's largest car wash company with operations in 14 countries. Prior thereto, Mr. Derwin served in senior executive roles in the US and internationally with Terminix International, Otis Elevator, McKinsey & Company, and the Boeing Company. Mr. Derwin holds a Bachelor of Science (Mechanical Engineering) from Stanford University and a Master of Business Administration from Harvard University. In addition, Mr. Derwin participated in the Leadership Program in Artificial Intelligence (AI) and Analytics at the University of Pennsylvania. Mr. Derwin has been a member of the Board since November 20, 2018.

G. Keith Graham⁽¹⁾⁽²⁾
Ontario, Canada

Mr. Graham is a corporate director who, in addition to serving as a member of the Board, also currently serves as a member of the Board of Directors of Element Fleet Management Corp., a public fleet management solutions company listed on the TSX. Mr. Graham was the founder and President of Rondeau Capital Inc., a private investment and advisory company where he actively managed investments from 2009 to 2017. Mr. Graham has over 25 years of experience as a portfolio manager and senior executive with firms such as AGF Funds Inc., Trimark Investments and Ontario Teachers' Pension Plan, one of the world's largest single-profession pension plans and private equity investors. Mr. Graham holds a Master of Business Administration from the Ivey School of Business at the University of Western Ontario. In addition, Mr. Graham is a Chartered Financial Analyst. Mr. Graham has been a member of the Board since October 1, 2022.

Stephen Jones
Pennsylvania, United
States

Mr. Jones is a corporate director who, in addition to serving as the Chair of the Board, also currently serves as a member of the Board of Directors of Tronox Holdings plc, a public mining and chemical production company listed on the New York Stock Exchange (“**NYSE**”). Mr. Jones also serves as a Special Advisor to the Supervisory Board of Kanadevia Inova AG, a global green tech company located in Switzerland. From 2025 to 2026, Mr. Jones served as a member and later the Chair of the Board of Directors, as well as the Interim President & Chief Executive Officer, of 374Water Inc., a public clean tech and services company listed on the Nasdaq. From 2015 to 2020, Mr. Jones was President, Chief Executive Officer and a member of the Board of Directors of Covanta Holding Corporation, formerly a public company listed on the New York Stock Exchange (now owned by a private equity firm), and a leading global provider of sustainable waste and energy solutions. From 1992 to 2014, Mr. Jones held a variety of senior-level management positions with Air Products and Chemicals Inc., including in its tonnage gases, equipment and energy businesses, as well as in its industrial chemicals division, before ultimately serving as President of its China region based out of its office in Shanghai. Prior to 1992, Mr. Jones practiced corporate law at Dechert LLP in Philadelphia, Pennsylvania, primarily in the areas of mergers and acquisitions. Mr. Jones holds a Bachelor of Science (Economics) from Bloomsburg University of Pennsylvania, a Master of Business Administration (Finance) from Temple University and a Juris Doctor from the University of Pennsylvania. In addition, Mr. Jones participated in the Institut Européen d'Administration des Affaires (INSEAD) Advanced Management Program in Fontainebleau, France and the Artificial Intelligence (AI): Implications for Business Strategy program at the Massachusetts Institute of Technology (MIT). Mr. Jones has been a member of the Board since March 11, 2021, and the Chair of the Board since May 2024.

Mary B. Jordan⁽³⁾⁽⁴⁾
British Columbia,
Canada

Ms. Jordan is a corporate director, whose most recent external involvements was having served as a member of the Board of Directors of Superior Plus Corporation, a public energy distribution company listed on the TSX, from 2014 to 2025. Prior thereto, Ms. Jordan served as a member of the Board of Directors of Mosaic Forest Corp., a private timberlands management and logging company, from 2013 to 2021, as a member of the Board of Directors of Coast Capital Savings Credit Union, a private member-owned financial cooperative, from 2008 to 2020, as a member and later the Chair of the Board of Directors of the Vancouver Airport Authority, a not-for profit organization that manages and operates the Vancouver International Airport, from 2004 to 2010 and 2010 to 2019, respectively, as the Executive Vice President, Human Resources & Internal Communications at Laidlaw International Inc., a public transportation services company listed on the NYSE (prior to being acquired in 2007 by FirstGroup plc, another public company listed on the London Stock Exchange), from 2006 to 2008, and as the Provincial Executive Director for the B.C. Centre for Disease control from 2003 to 2006. In addition, Ms. Jordan has spent more than 20 years in the airline industry, holding senior executive positions with Air Canada, Canadian Airlines and American Airlines, including terms as the President of several wholly-owned regional carriers. Ms. Jordan holds a Bachelor of Arts (magna cum laude) from Rice University and a Master of Business Administration from the University of Texas. In addition, Ms. Jordan holds the ICD.D designation from the Institute of Corporate Directors (delivered in partnership with the University of Toronto Rotman School of Management). Ms. Jordan has been a member of the Board since June 3, 2019.

William Lingard⁽³⁾⁽⁴⁾
Alberta, Canada

Mr. Lingard is a corporate director, whose most recent external involvement was having served as a member and later the Chair of the Board of Governors of the Southern Alberta Institute of Technology, a technical institute offering training and applied education in technology and trades, from 2007 to 2011 and 2011 to 2014, respectively. Prior thereto, Mr. Lingard was the President and Chief Operating Officer of URS Corporation, a public engineering, design and construction company listed on the NYSE (prior to being acquired in 2014 by AECOM Technology Corporation, another public company listed on the NYSE), from 2013 to 2014, the President and Chief Executive Officer and a director of Flint Energy Services Limited, a public oil and gas construction services company listed on the TSX, from 2005 to 2012, the Chief Operating Officer of Nabors Drilling Canada, a global oil and gas drilling company wholly owned subsidiary of Nabors Industries Ltd., from 2002 to 2005, and the Chief Operating Officer of Enserco Energy Services, a public integrated energy services company listed on the TSX, from 2000 to 2002. Mr. Lingard started his career with Halliburton, holding various positions of increasing responsibility from 1982 to 2000 with assignments in the US and Canada, including Country Manager for Halliburton Canada. He served as the Chair of the Petroleum Services Association of Canada in 2000 and the Chair of the Executive Oilmen's Association in 2004. Mr. Lingard holds a Bachelor of Engineering from Memorial University. In addition, Mr. Lingard has completed business management courses at the University of Texas as well as the Chartered Governance Institute (CGI) Directors' Education and Accreditation Program. Mr. Lingard has been a member of the Board since June 18, 2015

Patricia (Tribby)⁽¹⁾⁽³⁾
Warfield
Florida, United States

Ms. Warfield is a corporate director who, in addition to serving as a member of the Board, also currently serves as a member of the board of directors of two private equity-sponsored global diversified manufacturing portfolio companies. Previously, Ms. Warfield served as a member of the Board of Directors of Motorcar Parts of America Inc., public car parts manufacturing and distribution company listed on the Nasdaq, from 2022 to 2026. Prior thereto, Ms. Warfield served as the Chair and Chief Executive Officer of APC Automotive Technologies LLC (APC), a private automotive company, from 2019 to 2020, overseeing a restructuring and a strategic refocusing of the business on braking and exhaust-related products. Prior thereto, from 2017 to 2019, Ms. Warfield served as Senior Vice President, Business Development and Strategy for Nitta Corporation, a Japanese global provider of power transmission and conveyor belting products for Europe, the Middle East & Africa. Prior thereto, from 2014 to 2017, Ms. Warfield held dual positions as Senior Vice President at Kaman Corporation and General Manager for Kaman Fluid Power and Kaman Automation. Ms. Warfield's career includes 25 years with the Gates Corporation and 11 consecutive years in Europe in executive management and operational positions, residing in Belgium, Germany, and the United Kingdom. Ms. Warfield is an advisor board member of the University of Colorado Denver Business School, and formally served as an adjunct professor at the Daniels College of Business at the University of Denver. She is a member of the Institute of Corporate Directors, as well as The Committee of 200, comprised of the world's most successful women entrepreneurs and corporate innovators. Ms. Warfield holds a Bachelor of Business Administration (cum laude) from National University, San Diego. Ms. Warfield has been a member of the Board since May 4, 2023.

George A.
Williams⁽²⁾⁽⁴⁾⁽⁵⁾
Illinois, United States

Mr. Williams is a corporate director who, in addition to serving as a member of the Board, also currently serves as a member of the Board of Directors of Capital Power Corporation, a public power company listed on the TSX, as a member of the Board of Directors of UL Solutions Inc., a public safety testing, inspection and certification company listed on the NYSE, and as the Chair of the Board of Trustees of UL Research Institutes, a private research company. Mr. Williams also serves as a consultant and advisor to PMI Energy Solutions LLC, a private electrical distribution construction and maintenance, directional boring, fiber optics, storm restoration and technical services company, after having previously served as Chief Executive Officer and the Chair of the Board from 2011 to 2021 and 2021 to 2023, respectively. Prior thereto, Mr. Williams held various executive and senior leadership roles at El Paso Electric Company, Exelon Corporation, Entergy Corporation, PPL Corporation, Progress Energy, and PECO Energy. Mr. Williams also served on the board of directors of the American Association of Blacks in Energy (AABE), including as Chairman, the Illinois Black Chamber of Commerce, the Quad County Urban League, and Tuskegee Next, as well as on the Black Creativity Advisory Board for the Chicago Museum of Science & Industry. Mr. Williams holds a Master of Business Administration from Saint Joseph's University and a Bachelor of Science in

Electrical Engineering from Widener University. Mr. Williams has been a member of the Board since January 1, 2025.

Robert Blackadar See "Executive Officers". Mr. Blackadar has been a director of Badger since October 2022.
Georgia, United States

- (1) Member of the Audit Committee of the Board.
- (2) Member of the Nominating & Governance Committee of the Board.
- (3) Member of the Human Resources & Compensation Committee of the Board.
- (4) Member of the Sustainability, Health & Safety Committee of the Board.
- (5) Mr. Williams was appointed to the Nominating & Governance Committee and the Sustainability, Health & Safety Committee effective March 5, 2025.

Share Ownership

As at March 5, 2026, 136,457⁽¹⁾ Badger Shares were beneficially owned or controlled directly or indirectly by the directors and executive officers of Badger, as a group, which represented approximately 0.39% of the issued and outstanding Badger Shares.

- (1) Number of Badger Shares owned does not include shares related to the Company's share-based compensation plans.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as set out below, to the best of the knowledge of management of Badger:

- (a) no person who is a director or executive officer of Badger is, as at the date of this AIF, or has been, within 10 years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including Badger) that:
 - (i) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days and that was issued while such person was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (ii) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days and that was issued after such person ceased to be a director, chief executive officer or chief financial officer but resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; and
- (b) no person who is a director or executive officer of Badger, or who is a person holding a sufficient number of Badger Shares to affect materially the control of Badger:
 - (i) is, as at the date of this AIF, or has been within 10 years before the date of this AIF, a director or executive officer of any company (including Badger) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
 - (ii) has, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted

any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director or trustee; and

- (c) no person who is a director or executive officer of Badger, or who is a person holding a sufficient number of Badger Shares to affect materially the control of Badger, has been subject to:
 - (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
 - (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Ms. Patricia (Tribby) Warfield was a director and an executive officer of APC Automotive Technologies LLC ("**APC**") when APC instituted bankruptcy proceedings in the US Bankruptcy Court for the District of Delaware under Chapter 11 of the US Bankruptcy Code on June 4, 2020. APC confirmed its Chapter 11 reorganization on July 10, 2020, effective July 24, 2020.

Conflict of Interest Restrictions and Provisions

The ABCA contains "conflict of interest" provisions that serve to protect Badger Shareholders by requiring each director and officer of the Company to disclose to the Company any interest in a material contract or transaction or proposed material contract or transaction with Badger, or the fact that such person is a director or officer of or otherwise has a material interest in any person who is a party to a material contract or transaction or proposed material contract or transaction with Badger. Such disclosure is required to be made at the first meeting at which a proposed contract or transaction is considered. In the event that a material contract or transaction or proposed material contract or transaction is one that in the ordinary course would not require approval by the Board, the director or officer is required to disclose in writing to the Company or request to have entered into the minutes of the meeting of the Board the nature and extent of his or her interest forthwith after the director or officer becomes aware of the contract or transaction or proposed contract or transaction. In any case, a director or officer who has made disclosure to the foregoing effect is not entitled to vote on any resolution to approve the contract or transaction unless the contract or transaction is one relating primarily to his or her remuneration as a director, officer, employee or agent of the Company or one for indemnity under the provisions of the ABCA or liability insurance.

In the case of subsidiaries of the Company, the governing statutes contain similar "conflict of interest" provisions to those described in the preceding paragraph and the directors and executive officers of the subsidiaries of the Company are legally obligated to comply with such provisions.

Neither the Company nor any of its subsidiary entities have been advised of any current or potential material conflicts of interest of their respective directors or executive officers.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No person or company who is a director or executive officer of Badger, a person or company that is the direct or indirect owner of, or who exercises control or direction over, more than 10% of the outstanding Badger Shares, or an associate or affiliate of any of the aforementioned persons or companies, has had any material interest in any transaction with Badger within the three most recently completed financial years, or during the current financial year, that has or will materially affect Badger.

MARKET FOR SECURITIES, TRADING PRICE AND VOLUME

The following table sets forth the reported high and low sales prices and the trading volumes of the Badger Shares, as reported by the TSX, for the periods indicated:

<i>Canadian Dollars</i> 2025	Sales Price Range Per Common Share		Trading Volume
	High	Low	
January	C\$42.02	C\$35.85	1,981,940
February	C\$40.76	C\$38.80	1,977,001
March	C\$41.05	C\$38.86	2,729,143
April	C\$39.49	C\$34.82	1,605,537
May	C\$45.61	C\$39.38	1,549,339
June	C\$48.34	C\$44.40	1,557,022
July	C\$54.55	C\$48.62	2,468,664
August	C\$58.81	C\$52.52	2,303,082
September	C\$61.38	C\$56.14	1,499,980
October	C\$73.59	C\$61.00	2,472,921
November	C\$76.03	C\$70.88	3,266,855
December	C\$78.78	C\$72.26	1,780,842
Total			25,192,326

DIVIDEND HISTORY

Dividend Policy

Effective with the March 2022 dividend, the Company currently has a policy of distributing cash to Badger Shareholders on a quarterly basis. The Company has recently been paying a quarterly dividend of \$0.1875 per Badger Share, or \$0.75 per Badger Share on an annualized basis. Prior to March 2022, Badger paid dividends to Shareholders on a monthly basis.

Cash dividends are generally paid quarterly to the Badger Shareholders of record on the last day of each quarter (unless such day is not a business day, in which case the date of record has generally been the immediately preceding business day) and have been paid on or about the 15th day of the following month (unless such day is not a business day, in which case the payment date has generally been on the business day either immediately preceding or immediately following such day).

Badger's current dividend policy is based on the assumption that the underlying business of Badger will continue to generate sufficient cash flow. Dividends and the dividend policy of the Company are reviewed by the Board and adjusted from time to time to reflect the then current business conditions. Badger is restricted from declaring dividends if it is in breach of the covenants governing its credit facilities. Moreover, Badger must comply with the requirements of the ABCA, which states that a corporation shall not declare or pay a dividend if there are reasonable grounds for believing that (a) the corporation is, or would after the payment be, unable to pay its liabilities as they become due or (b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities and stated capital of all classes. See "Risk Factors" for a discussion of various risks that may impact the ability of the Company to pay dividends.

Particulars of Dividends

The particulars of dividends declared and paid by Badger for the three most recently completed financial years are as follows in Canadian Dollars:

Year	Month	Payment Date	Dividend Per Common Share
2023	March	April 14, 2023	C\$0.1725
	June	July 14, 2023	C\$0.1725
	September	October 16, 2023	C\$0.1725
	December	January 15, 2024	C\$0.1725
Total			C\$0.690

Year	Month	Payment Date	Dividend Per Common Share
2024	March	April 15, 2024	C\$0.180
	June	July 15, 2024	C\$0.180
	September	October 15, 2024	C\$0.180
	December	January 15, 2025	C\$0.180
Total			C\$0.720

Year	Month	Payment Date	Dividend Per Common Share
2025	March	April 15, 2025	C\$0.1875
	June	July 15, 2025	C\$0.1875
	September	October 15, 2025	C\$0.1875
	December	January 15, 2026	C\$0.1875
Total			C\$0.750

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Badger is involved in various claims and actions arising in the course of its operations. Management does not believe any of these legal proceedings or regulatory actions would generate a material impact to the financial results of the Company.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of Badger are Deloitte LLP, Chartered Accountants, of Calgary, Alberta.

The transfer agent and registrar for Badger is Odyssey Trust Company at its principal offices in Calgary, Alberta and Toronto, Ontario.

MATERIAL CONTRACTS

Other than as set out in the list below, there are no contracts, other than contracts entered into in the ordinary course of business, that are material to Badger that were entered into within the most recently completed financial year, or before the most recently completed financial year but that are still in effect.

Credit Facilities: The Company's maintains a \$300.0 million committed, syndicated revolving credit facility (the "Credit Facility") pursuant to the Credit Agreement, which is made available for general corporate and liquidity purposes, and to cover any financing requirements related to Badger's capital expenditures. During the year, the Credit Facility was extended for an additional year, and now matures on September 29, 2030. Amounts may be drawn under the Credit Facility in either Canadian or U.S. dollars and bear interest at the Canadian Overnight Repo Rate Average and Secured Overnight Financing Rate. A standby fee is paid on the unused portion of the Credit Facility on a tiered basis. Standby fees are expensed as incurred. Throughout 2025, and as at December 31, 2025, the Company was in compliance with all of the covenants required to be complied with under the terms of the Credit Facility. The Credit Facility is collateralized by a general security interest over the Company's and certain of its subsidiaries' assets, property and undertaking, present and future. As at December 31, 2025, the Company had \$201.0 million (December 31, 2024 - \$228.8 million) of undrawn committed borrowing facilities available under the Credit Facility. The Company has the ability to exercise the accordion feature under its Revolving Credit Facility to add an additional \$150.0 million in borrowing capacity.

Non-revolving term loan facility: On December 12, 2024, Badger entered into a \$100.0 million syndicated, secured, non-revolving term loan facility (the "Term Loan"), pursuant to the Credit

Agreement, the proceeds of which were used to pay down the Credit Facility. During the year, the Term Loan was extended for an additional year and now matures on December 11, 2028. The Term Loan is non-amortizing and bears interest at the Secured Overnight Financing Rate. Throughout 2025, and as at December 31, 2025, the Company was in compliance with all of the covenants required to be complied with under the terms of the Term Loan.

Letter of credit facility: The Company has an unsecured demand revolving letter of credit facility with a maximum principal amount of \$10.0 million (the "LC Facility") guaranteed by Export Development Canada through its Performance Security Guarantee program (the "PSG Program"). The PSG Program covers standby letters of credit or letters of guarantee, required as part of a collateral package provided to support Badger's U.S. insurance program and certain other performance bonds. The maturity date of the PSG Program is June 30, 2027.

Surety bond: Badger has provided a corporate guarantee in the form of a surety bond to its insurer (the "Obligee") so that the Obligee is able to provide insurance coverage to Badger. As of December 31, 2025, the outstanding surety bond guaranteed by Badger was \$2.6 million (December 31, 2024 - \$2.2 million). Management believes that adequate liquidity exists to meet the projected surety requirements. Badger has not recorded a liability under this guarantee as no material event of default exists under the applicable contract with the Obligee.

INTERESTS OF EXPERTS

Audited financial statements for Badger for the financial years ended December 31, 2025 and 2024 have been included in filings made by Badger under National Instrument 51-102 – *Continuous Disclosure Obligations* during or relating to Badger's most recently completed financial year or during or relating to Badger's current financial year. The firm which conducted the audits and signed the audit reports on the financial statements of Badger for the years ended December 31, 2025 and 2024 was Deloitte LLP. Deloitte LLP has advised that it is independent of Badger in accordance with the Rules of Professional Conduct as outlined by the Institute of Chartered Accountants of Alberta.

AUDIT COMMITTEE INFORMATION

Audit Committee Mandate

A copy of the Mandate of the Audit Committee of Badger is attached as Schedule A to this AIF.

Audit Committee Composition

The Audit Committee is a standing committee appointed by the Board to assist the Board in carrying out its oversight responsibility for Badger's internal controls, financial reporting and risk management processes. The Audit Committee currently consists of David Bronicheski (chair), Stephanie Cuskley, William Derwin, G. Keith Graham and Tribby Warfield. Each member of the Audit Committee is independent and financially literate, as such terms are defined in National Instrument 52-110 – *Audit Committees*, and otherwise has the experience and education required to perform their responsibilities as a member of the Audit Committee (see "Management – Directors" for details).

Pre-Approval Policies and Procedures

The Audit Committee must pre-approve all non-audit services to be provided to Badger by its external auditors. Prior to engaging the auditors to provide any services over and above the regular audit engagement, management will contact the Chair of the Audit Committee for approval. The Chair of the Audit Committee will assess whether or not approval of the entire Audit Committee should be sought prior to approving the engagement.

External Auditor Service Fees

The aggregate amounts paid or accrued by Badger with respect to fees payable to its external auditor, Deloitte LLP, for the last two completed financial years for audit (including separate audits of subsidiary entities, financings and regulatory reporting requirements), audit-related, tax and other services in the applicable fiscal periods ended were as follows:

	2025	2024
Audit fees ⁽¹⁾	532,468	537,670
Audit-related fees ⁽²⁾	93,191	132,478
Tax fees ⁽³⁾	-	-
All other fees ⁽⁴⁾	-	-
Total	\$625,659	\$670,148

⁽¹⁾ Audit fees include the aggregate professional fees paid to the auditors for the audit of the annual consolidated financial statements, the review of quarterly financial statements, and other regulatory audits and filings.

⁽²⁾ Audit-related fees include the aggregate fees paid to the auditors for services related to the audit services, including consultations regarding financial reporting and accounting standards, statutory audits and consulting related to transfer pricing planning services.

⁽³⁾ Tax fees include the aggregate fees billed in each of the last two fiscal years for professional services rendered by Badger's external auditor for tax compliance, tax advice, and tax planning.

⁽⁴⁾ All other fees include the aggregate fees paid to the auditors for all other services other than those presented in the categories of audit fees, and audit-related fees.

The Audit Committee of Badger considered and agreed that the above fees are compatible with maintaining the independence of Badger's auditors. Further, the Audit Committee determined that, in order to ensure the continued independence of the auditors, only limited non-audit related services will be provided to Badger by Deloitte LLP and in such case, only with the prior approval of the Audit Committee.

CURRENCY

All dollar amounts set forth in this AIF are in U.S. dollars, except where otherwise indicated.

DATE OF INFORMATION

Unless otherwise specified, information in this AIF is given as at December 31, 2025, being the last day of the most recently completed financial year of Badger.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING INFORMATION AND STATEMENTS

Certain statements and information contained in this AIF and other continuous disclosure documents of the Company referenced herein, including statements related to the Company's capital expenditures, projected growth, view and outlook toward margins, cash dividends, customer demand and pricing, future market opportunities, and statements, and information that contain words such as "could", "should", "would", "likely", "indicate", "attempt", "can", "intend", "anticipate", "expect", "plan", "cause", "maintain", "believe", "predict", "will", "shall", "might", "may", "potential", "proposed", "design", "estimate", "objective", "target", "seek", "undertake", "focus", "continue to" and similar expressions relating to matters that are not historical facts, constitute "forward-looking information" within the meaning of applicable Canadian securities legislation. These statements and information involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements and information. The Company believes the expectations reflected in such forward-looking statements and information are reasonable, but no assurance can be given that these expectations will prove to be correct. Such forward-looking statements and information included in this AIF should not be unduly relied upon. These forward-looking statements and information speak only as of the date of this AIF.

In particular, forward-looking information and statements in this AIF include, but are not limited to the following:

- anticipated continued growth in Badger's Canadian and U.S. markets and the overall macro-economic environment therein;
- the execution of Badger's growth strategy, largely through an organic growth model in Canada and the United States, and expectations that the majority of the growth will occur in the United States;
- expectations that growth in revenue and operating locations will continue to be led by Badger's operations in the United States;
- Badger's focus on utilization, pricing and volume and the anticipated impact thereof to drive operational and financial performance;
- The expansion of Badger's customer base;
- the expected benefits of the refurbishment program;
- expectations relating to customer demand as a result of increased usage of hydrovac's for non-destructive excavation;
- the ability to continue building Badger's brand as an ongoing growth initiative;
- the expected growth of the fleet of Badger Hydrovac's;
- the ability of Badger to expand its business into new operating jurisdictions;
- the payment of Badger's quarterly cash dividends and anticipated timing thereof;
- expectations with regards to the outcome or impact of ongoing legal proceedings and regulatory actions;
- the ability of Badger to successfully implement new technologies or processes;
- the ability to enhance or exceed safety and operational procedures to exceed customers' expectations;
- the impact of weather conditions on Badger's business and the seasonality thereof;
- the impact of climate change and related market conditions on Badger's business;
- Badger's ability to conduct its operations in a manner that prioritizes the health and safety of its employees, contractors, customers, and the public, while managing environmental risks associated with its services;
- Badger's ability to drive long-term shareholder value and Badger's beliefs with respect to the underlying value of the business;
- the impact of potential supply chain constraints or issues;
- fluctuations in foreign exchange rates;
- expectations regarding increased working capital requirements;
- expectations regarding the fluctuation of Badger's operating results on a quarterly basis;
- the impact of inflationary pressures on Badger's business and operations; and
- the potential impact of new legislative and regulatory initiatives on Badger's business and operations, if any.

The forward-looking information and statements made in this AIF rely on certain expected economic conditions and overall demand for Badger's services and are based on certain assumptions. The assumptions used to generate this forward-looking information and statements are, among other things, that:

- Badger will maintain its financial position and financial resources will continue to be available to Badger;
- there will be customer demand for hydrovac services from infrastructure, construction, and oil and gas activity in North America;
- the underlying business of Badger will continue to generate sufficient cash flow to support Badger's dividend policy;
- Badger will collect customer payments in a timely manner;
- Badger will be able to compete effectively for the demand for its services;
- there will not be significant changes in profit margins due to pricing changes driven by market conditions, competition, regulatory factors or other unforeseen factors;

- the overall market for Badger's services will not be adversely affected by weather, natural disasters, global events, legislation changes, technological advances, economic disruption or other factors beyond Badger's control;
- Badger will obtain all labour, parts and supplies necessary to complete the planned Badger Hydrovac build at the costs expected; and
- Badger will realize and continue to realize the efficiencies and benefits of the executed business restructuring activities and other business improvement initiatives.

Risk factors and other uncertainties that could cause actual results to differ materially from those anticipated in such forward-looking statements include, but are not limited to: public health crisis; political and economic conditions; loss of key customers; cybersecurity breaches; terrorism; industry competition; price fluctuations for oil and natural gas and related products and services; Badger's ability to attract and retain key personnel; the availability of future debt and equity financing; changes in laws or regulations, including taxation and environmental regulations; litigation; extreme or unsettled weather patterns; breaches of confidential information; reputational risks; fluctuations in fuel costs; inflation; fluctuations in foreign exchange or interest rates; the effects of artificial intelligence developments; and Badger's ability to protect its trademarks or other intellectual property rights.

Readers are cautioned that the foregoing factors are not exhaustive. Additional information on these and other factors that could affect the Company's operations and financial results is included in reports on file with securities regulatory authorities in Canada and may be accessed through the SEDAR+ website (www.sedarplus.ca) or at the Company's website. The forward-looking statements and information contained in this AIF are expressly qualified by this cautionary statement. The Company does not undertake any obligation to publicly update or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

ADDITIONAL INFORMATION

Additional information relating to Badger may be found on SEDAR+ at www.sedarplus.ca.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans, where applicable, is contained in the management information circular of the Company for its most recent meeting of Badger Shareholders which involved the election of directors.

Additional financial information is provided in Badger's consolidated financial statements and management's discussion and analysis for its most recently completed financial year.

SCHEDULE A
BADGER INFRASTRUCTURE SOLUTIONS LTD.
MANDATE OF THE AUDIT COMMITTEE

Adoption

This Mandate has been adopted by the Board of Directors (the **Board**) of Badger Infrastructure Solutions Ltd. (the **Corporation**).

References to "Badger"

In this Mandate, "**Badger**" means the Corporation and, where the context requires, the Corporation and its subsidiaries considered on a consolidated basis.

Overview

The Corporation will maintain an Audit Committee (the **Audit Committee**), composed entirely of independent members of the Board (each member thereof, a **Director**, and together, **Directors**), to oversee the work of the external auditor and to assist the Board in carrying out its oversight responsibility for Badger's internal controls, financial reporting and risk management processes. The Committee will be provided with resources commensurate with the duties and responsibilities assigned to it by the Board including administrative support. If determined necessary by the Committee, it will have the discretion to institute investigations of improprieties, or suspected improprieties within the scope of its responsibilities, including the standing authority to retain special counsel or experts.

Composition of the Committee

1. The Committee will consist of at least three Directors. The Board will appoint the members of the Committee. The Board will appoint one member of the Committee to be the Chair of the Committee (the **Committee Chair**).
2. Each Director appointed to the Committee by the Board must be an independent Director. Generally speaking, a Director is "**independent**" if such Director has no direct or indirect material relationship with Badger. A "**material relationship**" is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of the Director's independent judgment. In determining whether a Director is independent, the Board will make reference to the then current legislation, rules, policies and instruments of applicable regulatory authorities.
3. Each member of the Committee must be "**financially literate**". In order to be financially literate, a Director must be, at a minimum, able to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that are reasonably expected to be raised by Badger's financial statements.
4. A Director appointed by the Board to the Committee will be a member of the Committee until replaced by the Board or until his or her resignation.

Meetings of the Committee

1. The Committee will convene a minimum of four times each year at such times and places as may be designated by the Committee Chair and whenever a meeting is requested by the Board, a member of the Committee, the external auditor, or a senior officer of the Corporation. Meetings of the Committee will correspond with the review of the quarterly and annual financial statements and management's discussion and analysis.

2. Notice of each meeting of the Committee will be given to each member of the Committee, the chair of the Board (the **Chair of the Board**), who will be entitled to attend each meeting of the Committee, and the Chief Executive Officer, who will attend whenever requested to do so by a member of the Committee.
3. Notice of a meeting of the Committee will:
 - (a) be in writing;
 - (b) state the nature of the business to be transacted at the meeting in reasonable detail;
 - (c) to the extent practicable, be accompanied by copies of documentation to be considered at the meeting; and
 - (d) be given at least two business days prior to the time stipulated for the meeting or such shorter period as the members of the Committee may permit.
4. A quorum for the transaction of business at a meeting of the Committee will consist of a majority of the members of the Committee. However, it will be the practice of the Committee to require review, and, if necessary, approval of certain important matters by all members of the Committee.
5. A member of the Committee may participate in a meeting of the Committee by means of such telephonic, electronic or other communication facilities, as permits all persons participating in the meeting to hear and communicate adequately with each other. A member participating in such a meeting by any such means is deemed to be present at the meeting.
6. In the absence of the Committee Chair, the members of the Committee will choose one of the members present to be Chair of the meeting.
7. The secretary of the meeting (the **Secretary**) will act as secretary of the meeting or, in the absence of the Secretary, members of the Committee may choose one of the persons present to be the secretary of the meeting.
8. Senior management of Badger and other parties may attend meetings of the Committee at the invitation of the Committee Chair; however (i) the Committee members shall have an "in camera" session without management whenever management attends a meeting; (ii) the Committee members shall have an "in camera" session without management but with the auditor at each Committee meeting held to approve the annual financial statements and at other meetings when deemed appropriate.
9. Minutes will be kept of all meetings of the Committee. The minutes will include copies of all resolutions passed at each meeting, will be maintained with the Corporation's records, and will be available for review by members of the Committee, the Board, management, and the external auditor.

Duties and Responsibilities of the Committee Chair

1. The Committee Chair may be removed at any time at the discretion of the Board. The incumbent Committee Chair continues in office until (i) a successor is appointed, (ii) he or she is removed by the Board, or (iii) he or she ceases to be a Director.
2. The Committee Chair has the following responsibilities and duties:
 - (a) effectively leads the Committee in discharging all duties set out in this Mandate and chairs meetings of the Committee;

- (b) ensures the co-ordination of the agenda, information packages and related events for Committee meetings in conjunction with the Chair of the Board, the Secretary, Badger's external auditors, and management of Badger;
- (c) ensures the Committee meets as frequently as necessary to carry out its duties effectively and ensures that there is sufficient time during Committee meetings to fully discuss all business properly put before the Committee;
- (d) assesses the performance of the Corporation's external auditors and internal audit department, if any;
- (e) ensures that the Committee works as a cohesive group, including by maintaining effective communication and working relationships between members of the Committee, the Board, management and advisors, while maintaining the independence of the Committee;
- (f) ensures that the resources available to the Committee (in particular, timely and relevant information) are adequate to support its work;
- (g) exercises all powers of the Committee between meetings, while attempting to involve all other members as appropriate prior to the exercise of any powers and, in any event, advises all other members of any decisions made or powers exercised; and
- (h) carried out any other or special assignments or any functions as may be requested by the Board

Duties and Responsibilities of the Committee

1. External Auditor - Appointment and Removal

The Committee will:

- (a) recommend to the Board, to put forward for shareholder approval at the annual meeting, the appointment of the external auditor or the discharge of the external auditor when circumstances are warranted;
- (b) recommend to the Board the auditor's compensation and otherwise set the terms of the auditor's engagement (including reviewing and negotiating the engagement letter);
- (c) review and monitor the independence and performance of the auditor; and
- (d) when there is to be a change of auditor, review all issues and provide documentation related to the change, including the information to be included in the Notice of Change of Auditors and documentation required pursuant to National Instrument 51-102 – *Continuous Disclosure* (or any successor legislation) of the Canadian Securities Administrators and the planned steps for an orderly transition period.

2. Auditor Oversight – Audit Services

The Committee will:

- (a) require the external auditor to report directly to the Committee and provide an avenue of communication among the auditor, management and the Board;
- (b) oversee the external audit process and results, including reviewing the audit plan and discussing with the auditor the nature and scope of the audit, the auditor's responsibilities in relation to the audit, the overall audit strategy, the timing of the audit, the processes used

by the auditor to identify risks and reporting such risks to the Committee, and any other matters relevant to the audit;

- (c) review and discuss with management and the auditor any proposed changes in major accounting policies or principles, the presentation and impact of significant risks and uncertainties and key estimates and judgements of management that may be material to financial reporting;
- (d) review with management and with the auditor significant financial reporting issues arising during the most recent fiscal period and the resolution or proposed resolution of such issues;
- (e) review any problems experienced or concerns expressed by the external auditors in performing an audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management; and
- (f) review all reportable events, including disagreements, unresolved issues and consultations, as defined by applicable securities policies, on a routine basis, whether or not there is to be a change of external auditors.

3. Auditor Oversight – Non-Audit Services

The Committee will:

- (a) pre-approve all non-audit services to be provided by the auditor to Badger, provided that it may delegate such pre-approval to a member or certain members of the Committee as long as such members present the pre-approval at the next Committee meeting following such pre-approval; and
- (b) approve the engagement letter for non-audit services to be provided by the auditor together with estimated fees, and consider the potential impact of such services on the independence of the auditor.

4. Internal Controls

The Committee will:

- (a) oversee an effective system of internal controls and procedures for the Corporation relating to the financial reporting process and disclosure of financial results;
- (b) review with management the internal control memorandum or management letter containing the recommendations of the auditor and management's response, if any, including an evaluation of the adequacy and effectiveness of the internal financial controls of Badger and subsequent follow-up to any identified weaknesses;
- (c) monitor procedures for: (i) the receipt, retention and treatment of complaints relating to financial reporting and disclosure, accounting, internal controls, or auditing matters and (ii) the confidential, anonymous submission by employees and other stakeholders of concerns relating to questionable accounting or auditing matters; and
- (d) review and discuss with the Chief Executive Officer and Chief Financial Officer, or those who perform similar duties, the steps taken to complete the required certifications of annual and interim filings with the securities commissions.

5. Financial Statements

The Committee will:

- (a) review the Corporation's audited annual financial statements, accompanying auditor's report, management discussion and analysis (**MD&A**) and earnings press release with the auditor and management, before the Corporation publicly discloses this information;
- (b) review the Corporation's quarterly unaudited financial statements, MD&A and earnings press release with the auditor and management, before the Corporation publicly discloses this information;
- (c) assess the quality of the accounting principles applied to the financial statements, the clarity of the disclosure in the financial statements and whether the financial statements present fairly, in all material respects, in accordance with generally accepted accounting principles, the Corporation's financial condition, operational results and cash flows; and
- (d) upon satisfactory completion of its review, recommend the audited annual financial statements, auditor's report, related MD&A and press release, and quarterly financial statements, related MD&A and press release to the Board for approval.

6. Disclosure of Other Financial Information

The Committee will:

- (a) before public release, review and if appropriate, recommend for approval by the Board, all public disclosure documents containing audited or unaudited financial information, including press releases, prospectuses, annual reports, annual information forms, MD&A, and securities offering documents; and
- (b) periodically review and discuss with management the design, implementation and maintenance of effective procedures relating to the Committee's prior review of the Corporation's public disclosure of financial information extracted or derived from its financial statements and assess the adequacy of such procedures.

7. Compensation

The Committee will annually review and make recommendations to the Human Resources & Compensation Committee regarding corporate performance financial metrics, targets and attainments for incentive compensation purposes.

8. Risk Management

The Committee will:

- (a) review with management and the external auditors their assessment of significant corporate and financial risks and exposures;
- (b) review and assess the appropriateness and effectiveness of the steps that management has taken to monitor and mitigate such risks including policies, procedures, responses, recovery and communication and disclosure plans, where applicable;
- (c) communicate with the Board regarding the Corporation's Code of Conduct and on matters relating to ethics and fraud, as it relates to internal controls, financial reporting and all auditing activities;
- (d) enquire into and determine the appropriate resolution of any conflict of interest in respect

of audit or financial matters which are directed to the Committee by any member of the Board, a securityholder of Badger, the auditor, or senior management;

- (e) Review trends and practices related to audit and risk management, including trends and practices identified in proxy advisory firm reports, and make recommendations in respect thereof to the board and/or other relevant committees; and
- (f) annually review the adequacy of the Corporation's insurance program.

9. Legal Compliance

The Committee will review with Badger's legal counsel as required, but at least annually, any legal matter that could have a significant impact on Badger's financial statements, and any enquiries received from regulators, or government agencies.

10. Related Party Transactions

The Committee will review all proposed related party transactions as defined under Canadian corporate and securities laws, other than those reviewed by a special committee of disinterested directors in accordance with Canadian corporate and securities laws, and will evaluate each such transaction consistent with Canadian corporate and securities laws.

11. General

The Committee will:

- (a) review the appointments of the Chief Financial Officer and any key financial managers who are involved in the financial reporting process;
- (b) review and approve the Corporation's policies respecting the hiring of any (former or current) auditor's past or present employees or past or present partners;
- (c) review policies and practices concerning the expenses and perquisites of the Chief Executive Officer and Chair of the Board, including the use of the assets of the Corporation;
- (d) periodically review with management the need for an internal audit function;
- (e) make recommendations to the Board in respect of dividend related matters;
- (f) make recommendations to the Board in respect of the purchase, redemption, or any other form of acquisition of securities issued by the Corporation; and
- (g) complete any other duties and responsibilities delegated by the Board to the Committee from time to time.

12. Reporting

The Committee shall report to the Board on all matters set out in this Mandate and other matters assigned to the Committee by the Board, including: the auditor's independence, the auditor's performance, the recommendation to reappoint or terminate the auditor, the adequacy of internal controls, the review of annual and interim financial statements along with the related MD&A, compliance with legal and regulatory matters and such other matters affecting the financial statements, the Corporation's risk management programs and any risks identified in such programs.

13. Authority

The Committee shall have the authority to:

- (a) inspect any and all of the books and records of Badger;
- (b) meet privately with the auditor as frequently as the Committee deems necessary to fulfil its responsibilities and to discuss any concerns in relation to the matters covered by this mandate;
- (c) discuss with management, any affected party and the auditor, such accounts, records and other matters as any member of the Committee deems necessary to fulfil its responsibilities in relation to the matters covered by this mandate; and
- (d) engage independent counsel and other advisors as it determines necessary to carry out its duties and set and pay the compensation for any such advisors.

14. Assessment

The Committee will annually assess the adequacy of this Mandate and the performance of the Committee in fulfilling it and recommend any proposed changes to the Mandate to the Nominating & Governance Committee of the Board for its consideration and, if acceptable, recommend to the Board for approval.