

Letter to Shareholders

April 24, 2026

Dear Fellow Shareholders:

2025 was an exceptional year for Alvopetro. With our amended long-term gas sales agreement in effect as of January 1, 2025, as well as newly added Canadian operations, we were able to deliver a 41% increase in average daily sales volumes. On our 100% owned Murucututu natural gas field, we drilled the 183-D4 well and with production results well above expectations, we grew our proved plus probable reserves 43% to 13.1 MMboe, replacing production over five times. This allowed us to commit to a further 25% increase in firm natural gas sales for 2026 and 2027 and we have achieved record production levels to-date in 2026.

All of these achievements would not be possible without the dedication of the full Alvopetro team. We would like to take this opportunity to thank the entire team for their continued efforts in making Alvopetro such a success. We also thank all of the members of the board of directors (the "Board") for their strategic guidance, ongoing support and invaluable contributions.

2025 Financial and Operating Highlights

- Following the amendment to our long-term gas sales agreement which became effective on January 1, 2025, our natural gas sales increased 33% to 13.5 MMcfd in 2025.
- In early 2025 we announced a new strategic entry into Canada (the "Farmin"). A total of six wells (3.0 net) were drilled in 2025 with an additional two wells (1.0 net) drilled in early 2026.
- Our annual daily sales volumes increased 41% from 2024 to an average of 2,523 barrels of oil equivalent per day ("boepd").
- We generated funds flow from operations¹ of US\$40.6 million.
- Our operating netback per barrel of oil equivalent¹ ("boe") averaged US\$52.61 per boe, an 84% operating netback margin¹ relative to our average realized sales price of US\$62.92 per boe, an industry leading margin compared to peers.
- After 0.9 MMboe of production in 2025, our proved reserves (1P) increased 79% to 8.1 MMboe, representing a 1P production replacement ratio² of 485%. Our proved plus probable reserves (2P) increased 43% to 13.1 MMboe representing a production replacement ratio³ of 530%.
- With the increase in reserve volumes, the before tax net present value of our 1P reserves (discounted at 10%) increased 38% to US\$245.6 million² and our 2P reserves increased 20% to US\$393.6 million².
- We entered into a US\$20 million loan agreement which provides us with additional financial flexibility going forward to accelerate capital plans in both Canada and Brazil. As of December 31, 2025 our working capital, net of debt balance was US\$2.5 million including cash and cash equivalents of US\$32.4 million.
- We declared dividends of US\$0.42 per share in 2025 bringing our total dividends since commencement in Q3 2021 to December 31, 2025 to US\$1.82 per share.

The Meeting

The enclosed management information circular contains important details about the meeting, including matters to be voted on and how to vote your shares. The meeting will be held in person and only registered shareholders or their duly appointed proxy holders will be able to vote their shares at the meeting. We encourage any registered shareholders who are unable to attend the meeting in person and all beneficial shareholders to vote their shares in advance of the meeting as further outlined in the information circular.

We will also be broadcasting the meeting via live webcast for the interest of all shareholders. Please be advised that shareholders will not be able to vote any shares through this webcast format. Details for joining the event are as follows:

¹ Refer to the "Non-GAAP and Other Financial Measures" section in this management information circular.

² Refer to the "Oil and Natural Gas Advisories" section in this management information circular.

Date: June 9, 2026

Time: 9:30 a.m. Mountain time/11:30 a.m. Eastern Time

Link: <https://us06web.zoom.us/j/86716593981>

Dial-in numbers: <https://us06web.zoom.us/j/86716593981>

Webinar ID: 867 1659 3981

Looking Ahead

Building on the success of our 183-D4 well on our wholly-owned Murucututu field, our 2026 capital program in Brazil is focused on increasing capacity at the field to support additional production, positioning the asset for sustained, long-term growth. Plans include expanding the Murucututu field production facility and pipeline network to raise field capacity, along with enhancements to gas processing capabilities at our gas processing facility to handle higher volumes of richer Murucututu gas. In parallel we have a multi-year drilling program planned at the field, with the first well to be drilled in the second quarter of 2026. In Canada, we now have 8 (4.0 net) wells drilled with 7 (3.5 net) wells currently on production. We have increased our land base to 100.9 gross sections (32,273 net acres) all targeting the Mannville stack heavy oil play fairway with over 100 Tier 1 drilling locations.

We remain committed to our balanced capital allocation and stakeholder return model. Since commencing natural gas production on July 5, 2020 to December 31, 2025 we have generated over US\$204 million in funds flow from operations and, with our Q1 2026 dividend, we have now paid dividends totaling over US\$70 million (US\$1.94/share) to shareholders.

With a growing base of production and growth opportunities in both Brazil and Canada, we are excited to execute on our 2026 plans. We would like to thank our fellow shareholders for their continued support. We look forward to updating you on our progress throughout 2026.

Sincerely,

(signed) "Corey C. Ruttan"

Corey C. Ruttan
President, Chief Executive Officer and Director

(signed) "John D. Wright"

John D. Wright
Chairman of the Board of Directors