CGX Energy Inc.

Management's Discussion and Analysis of
Financial Condition and Results of Operations

For the three-month period and year ended December 31, 2025

March 17, 2026

CONTENTS

1. INTRODUCTION

This Management's Discussion and Analysis ("**MD&A**") is current to March 17, 2026, and is management's assessment of the operations and the financial results of CGX Energy Inc. (the "**Company**" or "**CGX**"). Financial data contained within this document is reported in United States dollars ("**USD**"), unless otherwise stated. This MD&A should be read in conjunction with the Company's audited consolidated financial statements and the related notes for the years ended December 31, 2025 and 2024 (the "**Consolidated Financial Statements**").

Unless indicated otherwise, all financial data in this MD&A has been prepared in accordance with International Financial Reporting Standards ("**IFRS**") issued by the International Accounting Standards Board ("**IASB**") and interpretations of the International Financial Reporting Interpretations Committee.

Additional information relevant to the Company's activities is available on SEDAR+ at www.sedarplus.ca or on the Company's website at www.cgxenergy.com.

2. FORWARD LOOKING STATEMENTS

This MD&A contains forward-looking statements or information ("**Forward-looking Statements**") that are not historical in nature and involve risks and uncertainties. Forward-looking Statements are not guarantees as to CGX's future results as there are inherent difficulties in predicting future results. Accordingly, actual results could differ materially from those expressed or implied in the Forward-looking Statements.

This MD&A contains certain statements or disclosures relating to the Company that are based on the expectations of its management as well as assumptions made by and information currently available to the Company which may constitute Forward-looking Statements under applicable securities laws. All such statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that the Company anticipates or expects may or will occur in the future (in whole or in part) should be considered Forward-looking Statements. In some cases, Forward-looking Statements can be identified by the use of the words “assume”, “believe”, “continue”, “estimate”, “expect”, “forward”, “future”, “lead”, “may”, “plan”, “potential”, “prospect”, “will”, “would” and other similar words suggesting future outcomes or statements regarding an outlook.

In particular, but without limiting the foregoing, this MD&A contains Forward-looking Statements pertaining to the following: potential results from discussions with the Government of Guyana (“GoG”); governmental and regulatory approvals and agreements; the Company’s development activities; expenditures; infrastructure projects and the Company’s long-term objectives with respect to the BRP (as defined herein) project; trends in financial and commodities markets; the Company’s future performance, operations, liquidity and financial condition, including its ability to continue as a going concern.

In addition, statements relating to resources are deemed to be Forward-looking Statements as they involve the implied assessment, based on certain estimates and assumptions, that the resources described exist in the quantities predicted or estimated and can be profitably produced in the future.

The Forward-looking Statements contained in this MD&A reflect several material factors and expectations and assumptions of the Company including, but not limited to, prevailing and future commodity prices and currency exchange rates; applicable royalty rates and tax laws; interest rates; market fluctuations for demand for the BRP; the ability of the Joint Venture (as defined herein) to reach an agreement with the GoG in respect of the Corentyne block; operating costs; the timing of receipt of regulatory approvals; success obtained in exploration, development and production activities; anticipated timing and results of capital expenditures; the sufficiency of budgeted capital expenditures in carrying out planned activities; the timing, location and extent of future drilling operations; the state of the global, Guyanese, Surinamese and other economies; the state of the oil and natural gas exploration and production industry; the availability and cost of financing, labour and services.

In particular, except where otherwise stated, the Company has assumed a continuation of existing business operations on substantially the same basis as exists at the time of filing of this MD&A.

The Company believes the material factors, expectations and assumptions reflected in the Forward-looking Statements are reasonable at this time but no assurance can be given that these factors, expectations and assumptions will prove to be correct. The Forward-looking Statements included in this MD&A are not guarantees of future performance and should not be unduly relied upon. Such Forward-looking Statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such Forward-looking Statements including, without limitation: expiry and/or termination of petroleum agreements and licenses; delays or changes in plans with respect to exploration or development projects or capital expenditures; risks associated with international operations; uncertainty of estimates and projections relating to reserves, resources, production, revenues, costs and expenses; risks associated with the development and operations of the BRP; health, safety and environmental risks; commodity price and exchange rate fluctuations; interest rate fluctuations; marketing and transportation;

environmental risks; competition; ability to access sufficient capital from internal and external sources; failure to obtain required regulatory and other approvals; changes in legislation, including but not limited to tax laws, royalties and environmental regulations; and supply conflicts among the Organization of Petroleum Exporting Countries and other oil producing countries over production restrictions which impact crude oil prices, the extent and duration of which are uncertain at this time, on the Company's business, general economic and business conditions and markets.

The Forward-looking Statements contained in this MD&A are made as of the date hereof and the Company undertakes no obligations to update publicly or revise any Forward-looking Statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive. The Forward-looking Statements contained in this MD&A are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any Forward-looking Statements contained in this document or in any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. The Forward-looking Statements contained in this document are expressly qualified by this advisory statement.

3. OVERVIEW

Company Profile

CGX is a Canadian oil and gas exploration company incorporated under the laws of Ontario, Canada in 1998. The Company's common shares ("**Common Shares**") are listed and publicly traded on the TSX Venture Exchange under the trading symbol "OYL".

The Company's head office is located in Toronto, Canada. Historically, CGX's primary business activities have included the exploration and evaluation ("**E&E**") of petroleum and natural gas in the Guyana-Suriname Basin and the construction and development of the Berbice River port ("**BRP**"), located on the eastern bank of the Berbice River in Guyana. As at December 31, 2025, the Company, through a wholly owned subsidiary, continues to hold an interest in the Corentyne Petroleum Prospecting License ("**PPL**") and related Petroleum Agreement ("**PA**"). Following the GoG's position regarding the status of the PPL and PA, the Company has ceased further investment in the Corentyne block and recorded an impairment, reducing the carrying amount of these assets to nil. The Joint Venture continues to assert its contractual and legal rights in respect of the licence; however, the outcome of these matters remains uncertain.

As a result of these developments, the Company's near-term activities are primarily focused on the operation of the BRP, as well as securing the financial resources necessary to support ongoing operations. These circumstances, together with the Company's working capital deficiency, accumulated losses and shareholders' deficit, present significant challenges to the Company's ability to continue operations.

The following table summarizes the Company's subsidiaries, the location of their registered offices, and CGX's percentage interest in each.

Company	Registered Office	Percentage of Interest (%)
CGX Resources Inc. ("**CRI**")	Bahamas	100%
GCIE Holdings Limited ("**GCIE Holding**")	Barbados	100%
Grand Canal Industrial Estates Inc. ("**GCIE**") [1]	Guyana	100%
CGX Energy Management Corp.	United States, Delaware	100%

1. Owned 100% by GCIE Holding.

Highlights

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

Berbice River Port Update

During the year ended December 31, 2025, the Company recognized a non-cash impairment charge of approximately $17.1 million related to its port infrastructure assets located on the Berbice River in Guyana. The impairment reflects updated assumptions regarding projected utilization levels and the timing of further development activities.

The recoverable amount of the port assets was determined using a discounted cash flow model based on conservative assumptions, including current operating levels and existing customers.

Corentyne License Update

In June 2024, the Joint Venture submitted a Notice of Potential Commercial Interest for the Wei-1 discovery and, in December 2024, initiated the contractual dispute resolution process.

In February 2025, the GoG asserted that the PPL had terminated or would be cancelled, which the Joint Venture rejected. A "Notice of Cancellation/Termination" was issued on March 11, 2025 and remains under dispute. Frontera Energy Corporation ("**Frontera**") and its subsidiaries, Frontera Petroleum International Holding B.V. and Frontera Energy Guyana Holding Ltd. ("**Frontera Guyana**", and collectively, the "**Investors**"), have initiated treaty protection proceedings.

On July 23, 2025, the GoG, through its legal counsel, responded to the Investors, rejecting the claims regarding the Corentyne block license, and reaffirmed its view that the Joint Venture's interest expired on June 28, 2024. The Joint Venture has continued to exchange without prejudice communications with the GoG and remains open to engaging in good faith discussions.

Given the ongoing uncertainty regarding license status and recoverability, the Company recognized a full impairment of the Corentyne E&E asset in 2025. No additional capital investment is currently planned in respect of the Corentyne block pending resolution of the dispute, the outcome of which remains uncertain and may impact the Company's future upstream strategy.

The impairment represents an accounting assessment of recoverability under IFRS and does not determine the legal status of the Joint Venture's rights under the applicable petroleum agreements or licenses. The Joint Venture continues to pursue available dispute resolution processes; however, there can be no assurance of economic recovery. Impairment charges may be reversed in future periods if indicators arise that the recoverable amount has increased.

4. BERBICE RIVER PORT FACILITY AND LOGISTICS YARD, GUYANA

Berbice River Port Facility

CRI acquired a 50-year lease in 2010 (the "**Lease**"), renewable for an additional 50-year term, covering approximately 55 acres of land located near the mouth of the Berbice River, adjacent to Crab Island on its eastern bank (the "Leased Land"). The Lease was transferred to GCIE in 2012. On November 26, 2020, the Lease was amended to reduce the acreage to no more than 30 acres as part of negotiations related to the Corentyne License Addendum III.

The BRP commenced initial operations in December 2024. The BRP is located approximately 4.8 km from the Atlantic Ocean and has been designed with expandable infrastructure capacity to support increased cargo throughput, including offshore oil and gas logistics, general cargo handling and regional agricultural trade flows.

Infrastructure Development

GCIE has completed several key construction and site-preparation activities, including:

- Installation of vertical drains and geotechnical ground stabilization works
- Approximately 400 metres of rip-rap flood protection
- A 10-acre quayside laydown yard with a load-bearing capacity of five tonnes per square metre
- A 3.2 km access road and access bridge connecting to the Corentyne Highway, constructed in accordance with American Association of State Highway and Transportation Officials ("AASHTO") standards

- Concrete drainage systems and community roadway improvements
- Extension of municipal water and electrical infrastructure
- A 50 x 12 metre access trestle extending from the quayside yard into the Berbice River.

Operational Status

The BRP is currently operational on a limited-capacity basis. Existing draft restrictions allow barges with drafts of approximately 3.8 metres at high water to berth alongside the trestle. The facility can accommodate vessels of up to approximately 150 metres in length and includes a 10-acre cargo yard.

Financial Performance and Capital Investment

Port revenues totaled $67,957 and $563,242 for the three-month period and the year ended December 31, 2025, respectively (2024: $53,145 and $53,145, respectively).

During the year ended December 31, 2025, GCIE incurred capital expenditures of $155,300 related primarily to sustaining and infrastructure enhancement activities (December 31, 2024: $662,500).

Environmental and Regulatory Approvals Update

The Company is progressing regulatory approvals with the Environmental Protection Agency in support of renewal applications for environmental authorizations related to dredging and the construction and operation of the BRP.

No-objection confirmations have been received from Maritime Administration (including an International Ship and Port Facility Security "ISPS" Certificate of Compliance valid to 2029), the Ministry of Agriculture, Fisheries Department, and the Neighborhood Democratic Council.

Approvals from the Guyana Lands and Surveys Commission and the River and Sea Defence Board remain outstanding.

The Company continues to engage with the relevant authorities to advance the remaining approvals.

Berbice River Port Impairment

During the year ended December 31, 2025, the Company reassessed the carrying value of its port infrastructure assets in Guyana. As a result of updated operating forecasts, revised ramp-up expectations, and funding constraints affecting the timing of future development activities, management identified indicators of impairment under IFRS.

Accordingly, the Company performed an impairment assessment of the BRP assets in accordance with IAS 36. The discounted cash flow model is based on management-approved forecasts reflecting the current operating plan and expected utilization of the BRP facilities. Cash flows were projected over ten years, followed by a terminal value.

Based on this analysis, the Company recorded a non-cash impairment charge of $17.1 million during the year ended December 31, 2025. The impairment reflects updated assumptions regarding projected vessel traffic, throughput volumes, operating margins, capital expenditure capacity, and discount rate assumptions reflecting current market and project-specific risk.

The impairment does not impact the Company's ownership of the asset, concession rights, or current operations. The BRP remains operational and continues to generate revenue from vessel handling, storage, and related services.

Logistics yard

CRI owns a 16-acre logistics property connected to the BRP by a 3.2 km access road built to AASHTO standards, of which approximately five acres have been developed into an operational logistics yard. The site includes high-capacity load-bearing surfaces (up to five tonnes per square metre), fuel supply infrastructure, office and sanitary facilities, security installations, and laydown and storage areas supporting port-related operations.

No capital expenditures were incurred in relation to the logistics yard during the year ended December 31, 2025 (December 31, 2024: $Nil).

5. EXPLORATION, GUYANA

Corentyne PA and PPL, Guyana (27.48% owned by CRI)

CRI is the operator of the Corentyne block. CRI and Frontera Guyana, (together with CRI, the "**Joint Venture**"), holds 100% working interest in the Corentyne block, located offshore Guyana. CRI and Frontera Guyana have agreed that their respective participating interests are 72.52% and 27.48%, which includes a 4.52% interest which CRI agreed to assign to Frontera Guyana in 2023. The assignment of this 4.52% participating interest remains subject to the approval of the GoG, but is believed to be enforceable between CRI and Frontera Guyana.

The original Corentyne PA was granted to CRI in 1998. Exploration commenced but was suspended due to the Guyana–Suriname border dispute. In 2007, an international tribunal determined that approximately 93% of the Corentyne block lies within Guyana. The original PA remained in force until June 2013.

On November 27, 2012, the Company was awarded the current Corentyne PA covering 6,212 km² offshore Guyana, renewable for up to an additional six years. Subsequent addenda amended work commitments and acreage, including a 25% relinquishment reducing the license area to 4,709 km² and revised obligations for seismic work and the drilling of two exploration wells across the renewal periods.

On January 23, 2023, the Joint Venture announced that the GoG approved an appraisal plan ("**AAP**") for the northern section of the Corentyne block which commenced with the Wei-1 well. Following completion of Wei-1 drilling operations and upon detailed analysis of the results, the Joint Venture may consider future wells per its appraisal program to evaluate possible development feasibility in the Kawa-1 discovery area and throughout the northern section of the Corentyne block. The appraisal program was approved for a period of 24 months from June 29, 2022 to June 28, 2024.

On June 26, 2024, the Joint Venture announced that they submitted a notice of potential commercial interest for the Wei-1 discovery to the GoG, which preserves their interests in the PPL and the PA for the Corentyne block off-shore Guyana. Due to the absence of a response from the GoG and the remarks made by certain GoG officials, on December 12, 2024, the Joint Venture announced that it had sent the GoG a letter activating a 60-day period for the parties to the PA to make all reasonable efforts to amicably resolve all disputes via negotiation. On February 11, 2025, the Joint Venture announced that it received a communication from the GoG in which the GoG has taken the position that the PPL has terminated or, alternatively, that the communication served as a 30-day notice of the GoG's intention to cancel the PPL. Although the GoG argued that the PPL and PA have been terminated, it invited the Joint Venture to submit any representations it wished to have considered by the GoG prior to its final decision on whether to cancel any existing license. The GoG further stated that any such license would cease to have effect on March 10, 2025, unless any representation made are favorably considered. On February 24, 2025, the Company announced that the Joint Venture had provided a response, advising the GoG that notwithstanding the GoG's contradictory positions, both the PPL and the PA remain valid and in force. The Joint Venture remains firmly of the view that its interest in the PPL and the PA for the Corentyne block remain in place and in good standing. On March 11, 2025, the GoG issued the Notice of Cancellation/Termination asserting the GoG's conclusion that the PA was terminated and the PPL was cancelled while failing to address any of the Joint Venture's substantive arguments.

On March 26, 2025, the Investors, delivered a Notice of Intent to the GoG. In this Notice, the Investors alleged breaches of the United Kingdom–Guyana Bilateral Investment Treaty and the Guyana Investment Act by the GoG. This communication triggered a 90-day consultation and negotiation period intended to resolve the dispute amicably. The parties have been unable to reach a mutual resolution to date.

On July 23, 2025, the GoG, through its legal counsel, responded to the Investors, rejecting their assertions regarding the PPL. The GoG reaffirmed its view that the Joint Venture's interest expired on June 28, 2024, The Joint Venture has continued to exchange certain without prejudice communications with the GoG, and remains open to engaging in good faith discussions with the Government.

The Joint Venture continues to firmly maintain that its interests in, and the license for, the Corentyne block and that the PA for such block has not been terminated. While the GoG reaffirmed its position that the Joint Venture's interest expired on June 28, 2024, the Joint Venture disputes this position and continues to assert its contractual and legal rights under applicable treaties and agreements.

As previously disclosed, the Company evaluated the recoverability of the Corentyne E&E asset in light of the GoG's conduct and unwillingness to recognize the Joint Venture's rights during the consultation period. Consequently, the Company recognized a full impairment of $56.4 million in its loss statement in 2025, and the Corentyne E&E asset's carrying value as of December 31, 2025 is $Nil (December 31, 2024: $56.2 million). (See *Note 2.3 Use of management estimates, judgments, and measurement uncertainty* of the Consolidated Financial Statements).

Joint Operation Agreement

CRI and Frontera Guyana jointly hold a 100% working interest in the Corentyne block. CRI and Frontera Guyana have agreed that their respective participating interests are 72.52% and 27.48%, respectively, which includes a 4.52% interest which CRI agreed to assign to Frontera Guyana in 2023. The assignment of this 4.52% participating interest remains subject to the approval of the GoG, but is believed to be enforceable between CRI and Frontera Guyana.

6. LIQUIDITY AND CAPITAL RESOURCES

Overview

The Company's liquidity position is dependent on cash on hand, debt financing arrangements and access to external capital. The Company does not currently generate petroleum production revenue and continues to rely on financing activities to fund corporate expenditures, dispute-related costs, license obligations and infrastructure operations.

Recent Financing

On October 31, 2025, CRI, a wholly owned subsidiary of the Company, entered into a senior secured term loan facility with Frontera Guyana for proceeds of up to $2.5 million to fund working capital and corporate expenditures. The facility matures one year from execution, is secured by substantially all borrower assets, and is guaranteed by the Company and GCIE Holding.

As at December 31, 2025, $1.9 million had been drawn (2024: nil). The facility provides short-term liquidity to support corporate and operational activities.

Repayment is expected to be addressed through future financing initiatives, asset monetization, or other strategic transactions.

Liquidity

As at December 31, 2025, the Company had available liquidity of approximately $1.6 million, comprised of cash on hand and undrawn availability under its existing loan facility. Management has prepared cash flow forecasts covering at least twelve months from the reporting date, which incorporate certain assumptions regarding additional financing and cost reduction initiatives. Based on these forecasts, the Company does not have sufficient resources to meet its operating requirements for the twelve-month period following the statement of financial position date without securing additional financing or implementing alternative liquidity measures.

Capital Resources and Asset Base

The Company has recognized a full impairment of the Corentyne E&E asset, reflecting the uncertainty associated with license status and future recoverability. While the Company continues to assert its contractual and legal rights, the impairment reduces the carrying value of petroleum assets on the statement of financial position.

In addition, the Company recorded a non-cash impairment charge related to its BRP assets following an updated assessment of projected utilization levels, development timing, and funding capacity. The impairment reflects revised cash flow assumptions under current market and liquidity conditions and reduces the carrying value of property, plant and equipment associated with the BRP operations. (See Notes 2.3., 8 and 9 to the Consolidated Financial Statements for further details).

Total assets decreased from $79.3 million at December 31, 2024 to $4.1 million at December 31, 2025. The combined effect of these impairments has materially reduced the Company's asset base. The reduction in carrying value may limit certain financing alternatives historically supported by exploration or infrastructure asset valuations, including farm-out arrangements, reserve-based lending structures, or asset-level financings.

The Company is currently focused on stabilizing and increasing operations at the BRP, pursuing commercial agreements to enhance throughput.

Going Concern Uncertainty and Management's Plans

The Consolidated Financial Statements have been prepared on a going concern basis, which assumes that the Company will continue operations and meet its obligations as they become due for at least the next twelve months.

The Company has incurred operating losses since inception and, as at December 31, 2025, had an accumulated deficit of $402.6 million (December 31, 2024: $326.3 million), a working capital deficiency of $18.3 million, and a shareholders' deficit of $15.4 million (December 31, 2024: positive equity of $60.9 million). The transition to a deficit equity position was primarily driven by non-cash impairment charges totaling $73.7 million recorded during the year.

The Company does not currently generate sufficient operating cash flow to fund its operating and capital requirements for the twelve-month period following the reporting date.

The Company's ability to continue as a going concern is dependent upon securing additional financing, which may include equity issuances, debt instruments, asset sales, joint venture arrangements, infrastructure monetization, or other strategic transactions.

Recent developments relating to the PPL, including licence uncertainty and the full impairment of the related exploration and evaluation asset, together with the impairment of port infrastructure assets, have materially reduced the Company's asset base and may constrain certain financing alternatives historically supported by asset valuations. While no further capital investment is currently planned for the PPL, the Company continues to pursue resolution of the dispute and preservation of its rights.

Management is implementing cost reduction initiatives, deferral of discretionary expenditures, and evaluation of alternative funding sources. However, there can be no assurance that such measures will be sufficient or that additional financing will be available on acceptable terms, or at all.

These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Should the Company be unable to obtain adequate financing, it may be required to curtail or discontinue planned operations, dispose of assets, or pursue restructuring alternatives.

7. COMPANY'S PERFORMANCE

The Company currently has some revenues, but they are not sufficient to sustain operations. Its ability to continue functioning depends on securing necessary financing to complete the exploration and development of oil and gas concessions, as well as the completion of its BRP project.

Year Ended December 31, 2025

The Company recorded a net loss of $76.3 million or $(0.23) a share for the year ended December 31, 2025 compared with a net loss of $2.6 million or $(0.01) a share for the same period in 2024. The variances in the period are as follows:

Total impairment expenses recognized during 2025 amounted to $73.7 million (2024: nil), comprising $56.4 million related to the Corentyne E&E asset, $17.1 million related to the BRP and $(201,210) related to farm-in receivable. (For a detailed discussion, refer to Note 2.3 *Use of management estimates, judgments, and measurement uncertainty* of the Consolidated Financial Statements, Note 8. Property, Plant and Equipment and Note 10. Related Party Transactions and Compensation of Key Management).

Revenues associated to the BRP increased by $510,097 in the year ended December 31, 2025, (2024: $53,145). The increase was due to the commencement of operations in mid-December 2024.

Management and consulting costs decreased by $482,772 to $1,046,824 in the year ended December 31, 2025 from $1,529,596 for the same period in 2024. The decrease was mainly due to reduction of headcount and director fees.

Severance costs amounted to $365,394 for year ended December 31, 2025, (2024: $Nil). The amount relates to severance expenses arising from the termination of employment contracts of certain Company executives, undertaken as part of management's efforts to streamline and simplify the Company's organizational structure, offset by outstanding payables related to previously recorded incentive remuneration of $266,000 ($133,000 recorded as long-term), and by the portion recoverable from the partner.

General and administrative costs decreased by $200,078 to $332,608 in the year ended December 31, 2025, from $532,686 in the same period of 2024. The decrease was primarily due to the reduction of leased office space in Guyana and Houston, as well as lower security service costs in Guyana.

Depreciation increased by $618,685 to $632,617 in the year ended December 31, 2025 compared to $3,599 for the same period in 2024. The increase is primarily due to the BRP commencing operations.

Professional fees increased by $235,347 to $371,244 in the year ended December 31, 2025 compared to $135,897 for the same period. The increase was mainly due to higher legal fees incurred.

Interest expense decreased by $88,742 to $480,154 in the year ended December 31, 2025 compared to $568,896 for the same period in 2024. The interest expense relates to the accrual associated with the legal dispute with Prospector (See *Section 8. Contractual Obligations And Contingencies* of this MD&A).

Share-based compensation expense was $Nil for the year ended December 31, 2025 (2024: $61,400). The expense is recognized based on the fair value of stock options estimated using the Black-Scholes option pricing model, which varies depending on the number of options granted or vested during the period and the assumptions applied.

CGX incurred a foreign exchange loss of $49,280 for the year ended December 31, 2025, compared to a gain of $62,123 for the same period in 2024.

In respect of the Joint Venture, the Company earned indirect charges from its Joint Venture partner during the year ended December 31, 2025 of $145,000, compared to $145,000 for the same period in 2024. As operator of the Corentyne block, the Company receives a fee from the Joint Venture to recover its indirect costs representing the cost of general assistance and support services provided by the Company. The charges are based on total expenditures under the joint operation agreement with Frontera Guyana in respect to the Corentyne block, with a minimum annual of $200,000 (net to CGX of $145,000).

Selected Consolidated Annual Financial Information

The information below should be read in conjunction with the financial statements for the years ended December 31, 2025, 2024 and 2023 and related notes and other financial information.

Year ended December 31,		2025		2024		2023
Revenue	$	563,242	$	53,145	$	—
Net Loss	$	(76,288,599)	$	(2,582,139)	$	(3,193,577)
Basic and Diluted Loss Per Share	$	(0.23)	$	(0.01)	$	(0.01)
Total Assets	$	4,148,069	$	79,303,621	$	84,881,480
Liabilities	$	19,529,683	$	18,263,636	$	21,177,756

2025 Quarterly Reports		Q4		Q3		Q2		Q1
Revenue	$	67,957	$	165,707	$	193,920	$	135,658
Net Loss	$	(17,924,503)	$	(996,512)	$	(56,776,588)	$	(590,996)
Basic and Diluted Loss Per Share		$(0.05)		$(0.00)		$(0.17)		$(0.00)

2024 Quarterly Reports		Q4		Q3		Q2		Q1
Revenue	$	53,145	$	—	$	—	$	—
Net Loss	$	(433,112)	$	(670,853)	$	(832,831)	$	(645,343)
Basic and Diluted Loss Per Share		$(0.00)		$(0.00)		$(0.00)		$(0.00)

8. CONTRACTUAL OBLIGATIONS AND CONTINGENCIES

Commitments

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

As of December 31, 2025, the Company has no contractual commitments.

Contingencies

Demerara Seismic agreement - Prospector

The Company is party to an ongoing legal matter with Prospector PTE. Ltd. ("**Prospector**") relating to a 2014 seismic acquisition contract for the Demerara block. Following the completion of a 3D seismic survey, a dispute arose regarding unpaid balances and the quality of the seismic processing.

Prospector initiated arbitration in 2018 before the International Chamber of Commerce ("**ICC**"), seeking recovery of unpaid amounts, interest, and legal costs. The Company filed a counterclaim for damages related to the seismic data quality. In 2022, the ICC issued a Partial Final Award and a Final Award in favour of Prospector, including principal, pre- and post-award interest, and legal costs. The Company's counterclaim was denied.

Following unsuccessful challenges to the awards in the UK High Court and enforcement proceedings in Ontario and Alberta, Prospector initiated enforcement actions in Canada. During the twelve months ended December 31, 2025, approximately $18,000 was garnished from the Company's Canadian bank account, representing refunds received from the Canada Revenue Agency for HST.

As at December 31, 2025, the Company has recognized a provision of approximately $17.0 million (December 31, 2024: $16.4 million) within trade and other payables for the amounts awarded to Prospector, including accrued interest and legal costs.

Other Contingencies

In 2023, the Company received an invoice for approximately $1.9 million, to which the Company believes all obligations were settled in full as per the terms of the agreements (the "**Claim**"). The Company has rejected this Claim and has assessed that it is lower than probable that any material negative outcome will be realized as a result of the Claim. Therefore, as at December 31, 2025 no provision has been recorded in the Consolidated Financial Statements relating to this Claim (December 31, 2024: $Nil).

9. DISCLOSURE OF OUTSTANDING SHARE DATA

The following table sets forth information concerning the outstanding securities of the Company as at March 17, 2026:

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

See Note 13 *Capital Stock* of the Consolidated Financial Statements for more detailed disclosure of outstanding share data.

10. RELATED PARTY TRANSACTIONS

Under IFRS, parties are considered to be related if one party has the ability to "control" (financially or by share capital) the other party or have significant influence (management) on the other party in making financial, commercial and operational decisions.

Frontera

As at March 17, 2026, Frontera, through a wholly-owned subsidiary, held approximately 76.05% of the issued and outstanding Common Shares of CGX on an undiluted basis and has the voting power to influence the outcome of all corporate transactions. Frontera consolidates CGX's financial statements and is listed and publicly traded on the Toronto Stock Exchange under the trading symbol "FEC".

Farm-in partner cash call balances

Under the JOA, the Company is the operator of the Corentyne Block. As operator, the Company makes cash calls to its partner to pay for license expenditures. As at December 31, 2025, the Company has a balance of $— (December 31, 2024: $105,397 receivable) from Frontera Guyana related to capital expenditures on the PPL.

The Company has allocated certain payroll costs in 2024 and 2025 in accordance with the JOA and prior practice. Frontera has disputed a portion of these charges and has requested that they be excluded from the block cost allocation. Given the uncertainty regarding collectability, the Company has recorded an impairment of $201,210 related to this receivable in the consolidated statement of loss.

In addition, as operator of the PPL, the Company receives a fee from its partner to reimburse indirect costs associated with operating the license. This fee is calculated based on total expenditures under the JOA. During the year ended December 31, 2025, the Company recognized fees from its partner in the amount of $145,000 (2024: $145,000).

As of December 31, 2025, the Company has accounts receivable from Frontera of $5,600 related to its portion of the University program funding, and other operational costs (December 31, 2024: $5,800).

Senior Secured Loan Facility

On October 31, 2025, the Company, through its subsidiary CRI., and Frontera, through one of its subsidiaries, entered into a senior secured loan facility (the "**Loan**") for $2.5 million to fund CGX's share of corporate working capital and other agreed-upon expenditures. The facility is non-revolving and available for drawdown in tranches of up to $1.9 million over a six-month period following satisfaction of the initial conditions precedent. The Loan, together with accrued interest, is repayable one year after execution (or at a later date at Frontera's discretion) and bears interest at 19.32% per annum, compounding on a monthly basis and payable on the maturity date.

On November 5, 2025, the Company drew down and received $1.9 million under the Loan. As of December 31, 2025, the Company accrued interest related to the Loan of $56,319, recorded within trade and other payables in the Consolidated Financial Statements.

Key Management Personnel

Key management includes the Company's directors, officers and any employees with authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly. Compensation awarded to key management included:

Year Ended December 31		**2025**		2024
Short-term employee benefits (1)	$	1,491,000	$	1,490,400
Share based expense		–		61,400
Termination payments (2)		789,700		–
Total compensation paid to key management	**$**	**2,280,700**	$	1,551,800

(1) Includes $504,000 of outstanding director fees for one of the directors, which had been accrued since appointment in 2020 and were subsequently paid in 2025 following the director's resignation.

(2) Termination payments include a gross amount of $789,700 (before taxes) paid to the former Executive Chairman and Executive Director (Guyana) as severance, as well as outstanding salaries, vacation, and per diem, and are recorded as severance and termination benefits in the income statement. Severance and termination benefits have been partially offset by outstanding payables related to previously recorded incentive remuneration of $266,000 ($133,000 recorded as long-term), and by the portion recoverable from the partner. The remaining balance of severance and termination benefits represents estimated gross amounts payable under other executive employment contracts terminated during the year.

During the year ended December 31, 2025, key management personnel exercised Nil (year ended December 31, 2024: Nil) stock options.

As of December 31, 2025, key management outstanding compensation included in trade and other payables is $Nil (December 31, 2024: $660,000).

Key Management Agreements

As at December 31, 2025, the Company had no written management agreements with current senior officers (December 31, 2024: three). During 2025, the employment of certain senior officers, including the former Chief Executive Officer and two former Vice Presidents, was terminated.

These agreements contained provisions for severance payments upon the occurrence of specified events, including termination and change in control.

During the year ended December 31, 2025, the Company reached a negotiated settlement with the former Executive Chairman and Executive Director (Guyana) for an amount lower than his contractual entitlement. The settlement was paid in full and no further obligation of the Company remains.

With respect to the two former Vice Presidents, no severance payments had been made as at December 31, 2025. The Company is engaged in ongoing negotiations regarding settlement of these obligations.

As at December 31, 2025, the Company recorded an accrual representing its best estimate of the remaining obligations based on amounts offered and negotiations in progress. Given the ongoing negotiations, the ultimate obligation and timing of settlement may differ materially from the amount accrued.

Other related party transactions

On November 26, 2024, the Company sold surplus inventory from the Kawa and Wei exploration wells to Gaico Construction and General Services Inc. ("**Gaico**"). Gaico was controlled by a family member of the former Executive Chairman and Executive Director of the Company. The sale was conducted through a bidding process, in which various companies were invited to participate. CGX's designated pipe broker, facilitated the process and received five bids, with Gaico submitting the highest offer. The transaction generated proceeds of approximately $14,000. The transaction was approved in accordance with the Company's related party transaction policy.

11. ADDITIONAL DISCLOSURES FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Assets information as at December 31,		2025		2024
Exploration and evaluation assets	$	—	$	56,204,110
Berbice River port facility and logistic yard	$	2,854,196	$	20,421,073
Total Assets	$	4,148,069	$	79,303,621

Addition for the years ended December 31,		2025		2024
Land and lease cost	$	—	$	53,312
Exploration: Intangible and drilling		—		—
Geophysical and administrative		176,457		122,928
Exploration and evaluation expenditures net additions of the year	**$**	**176,457**	**$**	**176,240**

Statement of Loss for the years ended December 31,		2025		2024
Port revenue	$	563,242	$	53,145
General and administrative		(332,608)		(532,686)
Management and consulting		(1,046,824)		(1,529,596)
Depreciation		(632,617)		(13,932)
Severance and Termination Benefits		(365,394)		—
Interest expense		(480,154)		(568,896)
Professional fees		(371,244)		(135,897)
Foreign exchange loss		(49,280)		62,123
Share based payments		—		(61,400)
	$	**(2,714,879)**	**$**	**(2,727,139)**
Impairment of exploration and evaluation assets		(56,380,567)		—
Impairment of property, plant and equipment		(17,136,943)		—
Impairment of farm-in partner receivable		(201,210)		—
Recovery from joint operation partner		145,000		145,000
	$	**(76,288,599)**	**$**	**(2,582,139)**

12. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the Company's financial statements requires management to exercise judgment and to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. These estimates are based on historical experience, current conditions and assumptions considered reasonable in the circumstances; however, actual results may differ materially from those estimates.

Given the Company's financial position, the ongoing dispute regarding the Corentyne block, and the early-stage commercialization of port operations, key areas requiring significant judgment include impairment assessments of E&E assets and BRP infrastructure, determination of recoverable amounts and CGUs, assessment of going concern, valuation of financial instruments, provisions and contingencies, and revenue recognition. Impairment assessments, in particular, require assumptions regarding future cash flows, utilization levels, discount rates, legal outcomes and access to financing, all of which involve a high degree of uncertainty.

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

13. RISK AND UNCERTAINTIES

This section discusses risks and uncertainties applicable to the Company.

Overview

The Company's activities include offshore oil and gas exploration in Guyana and the development and operation of the BRP. These activities involve a high degree of risk and are subject to operational, financial, regulatory, political and market uncertainties, many of which are beyond the Company's control. The Company is in the exploration and appraisal stage and does not currently generate petroleum production revenue.

The risks described below are those considered most relevant to the Company's current circumstances; however, additional risks and uncertainties not presently known, or currently considered immaterial, may also adversely affect the Company's business, financial condition, results of operations and prospects.

Principal Risks and Uncertainties Summary

Principal Risk	Description	Potential Impact
Liquidity, Going Concern and Financing	The Company's capital requirements exceed current cash resources and it is dependent on securing additional financing.	Funding constraints may result in curtailment of operations, asset monetization, or restructuring measures.
Dependence on Significant Shareholder and Funding Counterparty	The Company relies in part on financial and strategic support from a significant shareholder and Joint Venture partner.	Withdrawal or reduction of support could adversely affect liquidity and strategic flexibility.
Corentyne License Dispute	The status of the Corentyne PPL is subject to dispute and legal proceedings. The related E&E asset has been fully impaired.	The Company may be unable to recover its historical investment or realize future economic benefit. Adverse outcomes could impact financing access and development prospects.
Political, Regulatory and Legal Risks (Guyana)	Operations are concentrated in Guyana and subject to foreign political, fiscal and regulatory regimes.	Changes in laws, license security or fiscal terms could affect operations and asset value.
Exploration and Offshore Operational Risk	Offshore exploration involves technical, geological and operational uncertainties.	Unsuccessful drilling or operational incidents may result in loss of capital investment.
Resource Estimation and Commercialization	Resource estimates are inherently uncertain and may not convert into commercially viable reserves.	Failure to establish commercial reserves may limit production and future cash flows.

Principal Risk	Description	Potential Impact
Port Development and Commercialization	Port utilization depends on throughput, customers and infrastructure performance.	Lower utilization may limit expected operating cash flow contributions.
Environmental, Health, Safety and Climate	Operations are subject to environmental regulation and climate-related risks.	Compliance costs or environmental liabilities could be material.
Foreign Exchange Exposure	Multi-currency operations expose the Company to foreign exchange volatility.	Exchange movements may impact costs and funding requirements.
Share Price Volatility, Dilution and Control	Equity financings and ownership concentration may affect market performance.	Shareholder dilution and control concentration may impact valuation and liquidity.

Liquidity, Going Concern and Financing Risk

The Company's future capital requirements exceed existing cash resources and the Company may not have sufficient financial resources to meet its operating requirements for at least the next twelve months.

The Company's ability to continue as a going concern is dependent upon its ability to obtain additional financing, including through equity issuances, debt arrangements, asset monetization, joint venture arrangements or other strategic transactions. There can be no assurance that such financing will be available on acceptable terms, or at all.

In addition, the Company has recognized a full impairment of the Corentyne E&E asset, reflecting the uncertainty associated with license status and future recoverability. The impairment reduces the Company's petroleum asset base and may limit its ability to secure financing supported by exploration assets, farm-out arrangements or reserve-based structures.

The inability to secure additional funding could result in delays or curtailment of planned activities, reductions in discretionary expenditures, asset dispositions or other restructuring measures.

The audited consolidated financial statements of the Company for the year ended December 31, 2025 have been prepared on a going concern basis in accordance with IFRS Accounting Standards as issued by the IASB, which contemplates the realization of assets and settlement of liabilities in the normal course of business.

These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Should the Company be unable to obtain adequate financing or otherwise realize its assets and discharge its liabilities in the normal course of business, adjustments to the carrying values of assets and liabilities, reported expenses, and statement of financial position classifications may be required, and such adjustments could be material.

Dependence on Significant Shareholder and Funding Counterparty

The Company has obtained financing and strategic support from a significant shareholder and Joint Venture partner. Continued access to funding may depend, in part, on the ongoing financial support and strategic alignment of such parties.

Any reduction, withdrawal or change in the terms of such support could adversely affect the Company's liquidity, capital resources and strategic alternatives. Concentration of share ownership may also influence corporate decisions and limit the Company's flexibility in pursuing certain transactions.

Corentyne License

The Company holds an interest in the Corentyne block offshore Guyana through its joint venture arrangements.

In light of the uncertainty regarding license status and future recoverability, the Company recognized a full impairment of the Corentyne E&E asset in its Consolidated Financial Statements. While this accounting treatment reflects current uncertainty, the Company continues to assert its contractual and legal rights.

There can be no assurance that the Joint Venture's interests will be preserved, that the license will be reinstated, that compensation will be obtained, or that the Company will realize any future economic benefit from its historical investment in the block. The outcome of the dispute may materially affect the Company's future development prospects, financial position, and ability to secure financing or strategic partners. In addition, the dispute may require ongoing management attention and legal expenditures.

Please see Section 5 *Exploration Guyana* of this MD&A for further information.

Political, Regulatory and Legal Risks in Foreign Jurisdictions

The Company's principal assets and operations are located in Guyana and are subject to political, economic, contractual and regulatory risks associated with foreign operations. These risks include:

- Changes to petroleum, fiscal or investment regimes
- License or contract renegotiation
- Taxation changes
- Exchange controls
- Local content requirements
- Regulatory approvals
- Sovereign immunity limitations on enforcement

The Company may also face challenges enforcing contractual or legal rights in foreign jurisdictions due to differences in legal systems, judicial processes and enforcement mechanisms.

Exploration, Drilling and Offshore Operational Risk

Oil and gas exploration and offshore drilling involve significant operational risks, including dry wells, non-commercial discoveries, mechanical failures, environmental incidents, and operational hazards.

Offshore activities involve additional complexity due to remote locations, logistics, weather exposure and specialized equipment requirements. Such risks could result in cost overruns, project delays, environmental liabilities or loss of investment.

Insurance coverage is maintained where considered appropriate; however, not all risks are fully insurable and liabilities may exceed coverage limits.

Resource Estimation and Commercialization Risk

Resource estimates are based on geological and geophysical interpretation, including seismic data, and involve significant uncertainty. Prospective resources may not be discovered or may not be commercially recoverable.

Even where hydrocarbons are identified, development may not proceed due to economic, technical, regulatory or financing constraints. The Company currently has no producing reserves.

Port Development and Commercialization Risk

The Company has invested in the BRP infrastructure, and its commercial performance is dependent on throughput volumes, customer utilization, infrastructure reliability, regulatory approvals and broader regional economic conditions. There can be no assurance that the BRP will achieve anticipated utilization levels or generate sufficient operating cash flow to support its development objectives.

In 2025, the Company recorded an impairment of the BRP assets, reflecting revised assumptions regarding projected utilization, development timing and funding capacity. Continued lower-than-expected throughput, delays in securing development financing, or adverse market conditions could result in additional impairment charges or further reductions in projected cash flow.

Environmental, Health, Safety and Climate Risk

The Company's operations are subject to environmental and safety regulations in Guyana and other jurisdictions. Compliance may require significant expenditures and operational controls.

Environmental incidents could result in remediation liabilities, penalties or operational restrictions. Climate-related regulation and physical risks, including extreme weather and sea level changes, may also impact operations and infrastructure.

Legal Proceedings and Contingencies

The Company may be involved in legal, regulatory or arbitration proceedings arising in the normal course of business. Outcomes are uncertain and may result in financial or operational impacts. Legal proceedings may also require management time and financial resources.

Foreign Exchange Risk

The Company operates in multiple currencies, including U.S. dollars and Guyanese dollars. Exchange rate fluctuations may affect costs, funding requirements and financial results.

Share Price Volatility, Dilution and Control Concentration

The market price of the Company's common shares may be volatile due to commodity prices, exploration results, financing activities and general market conditions.

Future equity financings may result in shareholder dilution. Concentrated share ownership may influence corporate decisions and limit third-party acquisition interest.

Competition and Industry Conditions

The petroleum industry is highly competitive and capital intensive. The Company competes with larger, better-capitalized firms. Marketability of hydrocarbons depends on infrastructure access, commodity prices and transportation availability.

Personnel and Operational Dependence

The Company relies on key management and technical personnel. Loss of such personnel or inability to attract qualified resources could adversely affect operations.

Cybersecurity and Confidentiality

The Company relies on information systems and may be exposed to cybersecurity breaches or data loss. While safeguards are in place, system disruptions could adversely affect operations or reputation.

Forward-Looking Information

Forward-looking information involves assumptions, risks and uncertainties that may cause actual results to differ materially from expectations. Readers are cautioned not to place undue reliance on such information.

14. OIL AND GAS INFORMATION ADVISORIES

Disclosure in this MD&A relating to the Company's oil and gas activities is presented in accordance with National Instrument 51-101 — Standards of Disclosure for Oil and Gas Activities.

This MD&A does not include disclosure of reserves, contingent resources, prospective resources or associated economic evaluations. References to exploration activities, discoveries, or petroleum potential are qualitative in nature and should not be interpreted as estimates of recoverable hydrocarbons or future production.

Oil and gas exploration involves significant uncertainty, and there can be no assurance that discovered hydrocarbons, if any, will be commercially recoverable.

15. ABBREVIATIONS AND DEFINITIONS

The following abbreviations are frequently used in the Company's MD&A.

C$	Canadian dollars	**$**	U.S. dollars
Q	Quarter	**USD**	United States dollars

March 17, 2026

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