

VITAL ENERGY INC.

ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON FRIDAY, DECEMBER 6, 2024

NOTICE OF MEETING AND MANAGEMENT PROXY AND INFORMATION CIRCULAR

THIS NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF VITAL ENERGY INC. OF PROXIES TO BE VOTED AT THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS OF VITAL ENERGY INC. TO BE HELD ON FRIDAY, DECEMBER 6, 2024.

TO BE HELD AT:

**The Offices of DLA Piper (Canada) LLP
10th Floor, Livingston Place, West Tower
250 - 2nd Street SW, Calgary, Alberta T2P 0C1**

At 10:00 a.m.

Dated: October 23, 2024

VITAL ENERGY INC.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT AN ANNUAL GENERAL AND SPECIAL MEETING (the “**Meeting**”) of holders of common shares (“**Common Shares**”) of Vital Energy Inc. (the “**Corporation**”) will be held at the offices of DLA Piper (Canada) LLP, 10th Floor, Livingston Place, West Tower, 250 2nd Street S.W., Calgary, AB, on Friday, December 6, 2024 at 10:00 a.m. for the following purposes:

1. to receive and consider the audited financial statements of the Corporation for the financial years ended December 31, 2021, December 31, 2022 and December 31, 2023, and the reports of the auditor thereon, as well as the unaudited interim financial statements for the period ended June 30, 2024;
2. to fix the number of directors of the Corporation to be elected at the Meeting at four (4);
3. to elect the Board of Directors of the Corporation for the ensuing year;
4. to appoint the auditor of the Corporation for the ensuing year and to authorize the Board of Directors to fix the auditor’s remuneration;
5. to consider, and if thought fit, approve the ordinary resolution, as more particularly set forth in the accompanying Management Information Circular prepared for the purpose of the Meeting, relating to the approval of the amended stock option plan of the Corporation; and
6. to transact such other business as may be properly brought before the meeting or any adjournment thereof.

DATED this 23rd day of October, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

signed “Yingchuan Wu”

Yingchuan Wu

President, Chief Executive Officer and Director

NOTE:

It is desirable that as many Common Shares as possible be represented at the Meeting. If you do not expect to attend the Meeting and would like your Common Shares represented, please complete the enclosed instrument of proxy and return it as soon as possible in the envelope provided for that purpose, or vote by mail, by telephone or by internet. All proxies, to be valid, must be received by Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, at least forty-eight (48) hours, excluding Saturdays, Sundays and holidays, before the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chair of the Meeting in his discretion, and the Chair is under no obligation to accept or reject any particular late proxy.

VITAL ENERGY INC.

MANAGEMENT INFORMATION CIRCULAR
SOLICITATION OF PROXIES

THIS MANAGEMENT INFORMATION CIRCULAR (“MANAGEMENT INFORMATION CIRCULAR”) IS PROVIDED IN CONNECTION WITH THE SOLICITATION BY MANAGEMENT OF VITAL ENERGY INC. (THE “CORPORATION”) of proxies from the holders of common shares (the “**Common Shares**”) for the annual general and special meeting of the shareholders of the Corporation (the “**Meeting**”) to be held on Friday, December 6, 2024 at 10:00 a.m. at the offices of DLA Piper (Canada) LLP, 10th Floor, Livingston Place, West Tower, 250 2nd Street S.W., Calgary, AB, or at any adjournment thereof for the purposes set out in the accompanying notice of meeting (“**Notice of Meeting**”).

As the Meeting will be held more than 15 months since the last shareholders meeting, pursuant to the *Business Corporations Act* (Alberta), the Corporation was required to obtain a court order to extend the deadline to hold the Meeting, which court order was obtained on September 27, 2024.

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other proxy solicitation services. In accordance with National Instrument 54-101, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Corporation.

NOTICE AND ACCESS

The Corporation has elected to use the notice-and-access provisions (“**Notice-and-Access Provisions**”) provided for under NI 54-101 for the Meeting in respect of mailings to beneficial holders of Common Shares (i.e., a shareholder who holds their Common Shares in the name of a broker or an agent) and in respect of mailings to registered holders of Common Shares (i.e., a shareholder whose name appears on our records as a holder of Common Shares). The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials that are mailed to shareholders by allowing a reporting issuer to post an information circular in respect of a meeting of its shareholders and related materials online.

The Corporation will not use procedures known as ‘stratification’ in relation to the use of the Notice-and-Access Provisions. Stratification occurs when a reporting issuer using Notice-and-Access Provisions provides a paper copy of the relevant information circular to some, but not all, shareholders with the notice package in relation to the relevant meeting. In relation to the Meeting, all shareholders will receive notice containing information prescribed by the Notice-and-Access Provisions and a form of proxy or voting instruction form, as applicable.

The Corporation will be delivering proxy-related materials to non-objecting beneficial owners of Common Shares directly with the assistance of Broadridge Financial Solutions, Inc. (“**Broadridge**”). The Corporation does not intend to pay for intermediaries to deliver proxy-related materials to objecting beneficial owners of Common Shares and therefore objecting beneficial owners will not receive the Management Information Circular, a form of proxy and the financial information in respect of our most recently completed financial year (the “**Meeting Materials**”) unless their intermediary assumes the costs of delivery.

The Meeting Materials will be available electronically at <https://www.vitalenergyoil.com/investor/publicfilings.html> as of October 30, 2024, and will remain on the website for one (1) full year thereafter. The Meeting Materials will also be available on SEDAR+ website at www.sedarplus.ca.

Shareholders who wish to receive paper copies of the Meeting Materials may request copies from the Corporation by calling toll-free at 1-877-382-8218 or by sending an email to zhenjiang@vitalenergyoil.com. Meeting Materials will be sent to such shareholders and to shareholders requesting paper copies of the Meeting Materials by any other means at no cost to them, within three (3) business days of the Corporation receiving their request, if such requests are made before the date of the Meeting, including any adjournment thereof, and within 10 calendar days of the Corporation receiving their request, if such requests are made on or after the date of the Meeting and within one (1) calendar year of the Meeting Materials being filed online.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named (the “Management Designees”) in the enclosed instrument of proxy (“Instrument of Proxy”) have been selected by the directors of the Corporation and have indicated their willingness to represent as proxy the shareholder who appoints them. A shareholder has the right to designate a person (whom need not be a shareholder) other than the Management Designees to represent him or her at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the Instrument of Proxy the name of the person to be designated and by deleting therefrom the names of the Management Designees, or by completing another proper form of proxy and delivering the same to the transfer agent of the Corporation. Such shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as proxy and should provide instructions on how the shareholder's shares are to be voted. The nominee should bring personal identification with him to the Meeting. In any case, the form of proxy should be dated and executed by the shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the proxy form). In addition, a proxy may be revoked by a shareholder personally attending at the Meeting and voting his shares.

A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is completed and delivered to the Corporation's transfer agent, Computershare Trust Company of Canada, 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, at least forty-eight (48) hours, excluding Saturdays, Sundays and holidays, before the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

A shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy. In addition to revocation in any other manner permitted by law, a proxy may be revoked by depositing an instrument in writing executed by the shareholder or by his authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized, either at the registered office of the Corporation or with Computershare Trust Company of Canada, 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof at which the proxy is to be used, or by depositing the instrument in writing with the Chairman of such Meeting on the day of the Meeting, or at any adjournment thereof. In addition, a proxy may be revoked by the shareholder personally attending the Meeting and voting his shares.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold Common Shares in their own name. Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Common Shares in their own name (referred to in this Management Information Circular as “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders who appear on the records maintained by the Corporation's registrar and transfer agent as registered holders of Common Shares will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those

Common Shares will, in all likelihood, not be registered in the shareholder's name. Such Common Shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to registered shareholders by the Corporation. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge in Canada. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his or her broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered shareholder, should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

All references to shareholders in this Management Information Circular and the accompanying Instrument of Proxy and Notice of Meeting are to registered shareholders unless specifically stated otherwise.

This Management Information Circular and the accompanying Instrument of Proxy and Notice of Meeting may have been sent directly by the Corporation (through the services of Computershare), rather than through an intermediary, to non-objecting beneficial owners under National Instrument 54-101. These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the Corporation or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

VOTING OF PROXIES

Each shareholder may instruct his proxy how to vote his Common Shares by completing the blanks on the Instrument of Proxy. All Common Shares represented at the Meeting by properly executed proxies will be voted or withheld from voting (including the voting on any ballot), and where a choice with respect to any matter to be acted upon has been specified in the Instrument of Proxy, the Common Shares represented by the proxy will be voted in accordance with such specification. **In the absence of any such specification as to voting on the Instrument of Proxy, the Management Designees, if named as proxy, will vote in favour of the matters set out therein. In the absence of any specification as to voting on any other form of proxy, the Common Shares represented by such form of proxy will be voted in favour of the matters set out therein.**

The enclosed Instrument of Proxy confers discretionary authority upon the Management Designees, or other persons named as proxy, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting. As of the date hereof, the Corporation is not aware of any amendments to, variations of or other matters which may come before the Meeting. In the event that other matters come before the Meeting, then the Management Designees intend to vote in accordance with the judgment of management of the Corporation.

QUORUM

The by-laws of the Corporation provide that a quorum of shareholders is present at a meeting of shareholders of the Corporation if at least two holders of not less than five (5%) percent of the outstanding shares of the Corporation entitled to vote at the Meeting are present in person or by proxy.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares, issuable in series. As at the effective date of this Information Circular (the “**Effective Date**”), which is October 23, 2024, 82,699,971 Common Shares are issued and outstanding as fully paid and non-assessable. No other shares of any other class are issued or outstanding. The Common Shares are the only shares entitled to be voted at the Meeting and holders of Common Shares are entitled to one vote for each Common Share held.

Holders of Common Shares of record at the close of business on October 23, 2024 (the “**Record Date**”) are entitled to vote such Common Shares at the Meeting on the basis of one vote for each Common Share held except to the extent that, (a) the holder has transferred the ownership of any of his or her Common Shares after the Record Date, and (b) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he or she owns the Common Shares, and demands not later than ten (10) days before the day of the Meeting that his or her name be included in the list of persons entitled to vote at the Meeting, in which case the transferee will be entitled to vote his or her Common Shares at the Meeting.

To the knowledge of the directors and the executive officers of the Corporation, as at the Effective Date, no person or company beneficially owns, directly or indirectly, or controls or directs, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation, other than:

Name	Type of Ownership	Number of Common Shares Owned or Controlled at the Effective Date	Percent of Outstanding Common Shares at the Effective Date
Weiyi Investment Ltd. ⁽¹⁾	Registered and Beneficial	52,358,879	63.31%

Note:

1. Weiyi Investment Ltd. is a company controlled by Mr. Hai Zhou, a director of the Corporation.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The compensation program of the Corporation is designed to attract, motivate, reward and retain knowledgeable and skilled executives required to achieve the Corporation's corporate objectives and increase shareholder value. The main objective of the compensation program is to recognize the contribution of the executive officers to the overall success and strategic growth of the Corporation. The compensation program is designed to reward management performance by aligning a component of the compensation with the Corporation's business performance and share value. The philosophy of the Corporation is to pay the management a total compensation amount that is competitive with other Canadian junior oil and gas exploration and development companies and is consistent with the experience and responsibility level of the management. The purpose of executive compensation is to reward the executives for their contributions to the achievements of the Corporation on both an annual and long term basis.

The compensation program provides incentives to its management and directors to achieve long term objectives through grants of stock options under the Corporation's stock option plan. Increasing the value of the Corporation's Common Shares increases the value of the stock options. This incentive closely links the interests of the Named Executive Officers and directors to shareholders of the Corporation.

The Board of Directors is satisfied that there were not any identified risks arising from the Corporation's compensation plans or policies that would have had any negative or material impact on the Corporation. The Corporation does not have any policy in place to permit an executive officer or director to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the executive officer or director.

Option-based Awards

The Board of Directors determined that it was not necessary to grant any stock options to management during the financial years ended December 31, 2021, December 31, 2022 and December 31, 2023. The Corporation took into account the number of outstanding options in determining not to grant further options in the financial years ended December 31, 2021, December 31, 2022 and December 31, 2023.

When granted, the allocation of the number of options granted among the directors and officers of the Corporation is determined by the entire Board of Directors. See "*Incentive Plan Awards*" below and "*DIRECTOR COMPENSATION - Incentive Plan Awards*" below.

Compensation Governance

The Board of Directors has not appointed a Compensation Committee. The Board of Directors is responsible for matters related to human resources and compensation, including equity compensation, and the establishment of a plan of continuity and development for senior management of the Corporation. The Board reviews and approves all new executive employment, consulting, retirement and severance agreements and arrangements proposed for the Corporation's executives, and evaluates existing agreements with the Corporation's executives.

Summary Compensation Table

The following table sets forth all annual and long term compensation for the three most recently completed financial years for services in all capacities to the Corporation and its subsidiaries, if any, in respect of individual(s) who were acting as, or were acting in a capacity similar to, a chief executive officer or chief financial officer and the three most highly compensated executive officers whose total compensation exceeded \$150,000 per annum (the “**Named Executive Officers**”).

SUMMARY COMPENSATION TABLE									
Name and Principal Position	Year Ended Dec 31	Consulting Fees/Salary (\$)	Share-Based Awards (\$) ⁽¹⁾	Option-Based Awards (\$) ⁽²⁾	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$) ⁽⁵⁾
					Annual Incentive Plans	Long-Term Incentive Plans			
Yingchuan Wu President and Chief Executive Officer	2021	\$245,760	Nil	Nil	Nil	Nil	Nil	Nil	\$245,760
	2022	\$201,000	Nil	Nil	Nil	Nil	Nil	Nil	\$201,000
	2023	\$210,000	Nil	Nil	Nil	Nil	Nil	Nil	\$210,000
Robert Gillies Former Chief Financial Officer ⁽³⁾	2021	\$31,500	Nil	Nil	Nil	Nil	Nil	Nil	\$31,500
	2022	\$43,500	Nil	Nil	Nil	Nil	Nil	Nil	\$43,500
	2023	\$48,270	Nil	Nil	Nil	Nil	Nil	Nil	\$48,270

Notes:

- (1) “**Share-Based Award**” means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units and stock.
- (2) “**Option-Based Award**” means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights and similar instruments that have option-like features. The “grant date fair value” has been determined by using the Black-Scholes option pricing model. See discussion below.
- (3) On May 31, 2024, Mr. Gilles retired, and Mr. Zhen Jiang was appointed as the Chief Financial Officer of the Corporation.

Narrative Discussion

Calculating the value of stock options using the Black-Scholes option pricing model is very different from a simple “in-the-money” value calculation. In fact, stock options that are well out-of-the-money can still have a significant “grant date fair value” based on a Black-Scholes option pricing model, especially where, as in the case of the Corporation, the price of the share underlying the option is highly volatile. Accordingly, caution must be exercised in comparing grant date fair value amounts with cash compensation or an in-the-money option value calculation.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth details of all awards outstanding for each Named Executive Officer of the Corporation as of the most recent financial year end, including awards granted before the most recently completed financial year.

Name and Title	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised in-the-money Option ⁽¹⁾⁽²⁾ (\$)	Number of Shares or Units of Shares that have not vested (#)	Market or Payout Value of Share-Based Awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Yingchuan Wu President and Chief Executive Officer	Nil	N/A	N/A	N/A	N/A	N/A	N/A
Robert Gillies Former Chief Financial Officer ⁽³⁾	300,000	\$0.25	June 18, 2024	Nil	N/A	N/A	N/A

Notes:

- (1) Unexercised “in-the-money” options refer to the options in respect of which the market value of the underlying securities as at the financial year end exceeds the exercise or base price of the option.
- (2) The aggregate of the difference between the market value of the Common Shares as at December 29, 2023, being \$0.22 per Common Share, and the exercise price of the options.
- (3) All of the stock options held by Mr. Gilles expired on June 18, 2024, unexercised.

None of the awards disclosed in the table above have been transferred at other than fair market value.

Incentive Plan Awards - Value Vested or Earned During the Year

The following table sets forth the value of option-based awards and share-based awards which vested or were earned during the most recently completed financial year for each Named Executive Officer.

Name and Title	Option-Based Awards - Value vested during the year ⁽¹⁾ (\$)	Share-Based Awards - Value vested during the year (\$)	Non-Equity Incentive Plan Compensation - Value earned during the year (\$)
Yingchuan Wu President and Chief Executive Officer	N/A	N/A	N/A
Robert Gillies Former Chief Financial Officer	N/A	N/A	N/A

Note:

- (1) All option-based awards have been granted as fully vested. See “*Outstanding Share-Based Awards and Option-Based Awards*” for the value of unexercised in-the-money options. Based on the difference between the market price of the Common Shares at the vesting date and the exercise price.

Narrative Discussion

The Corporation has a stock option plan (the “**Plan**”) previously approved by the shareholders of the Corporation on October 5, 2021. The significant terms of the Plan are disclosed in this Management Information Circular under “*PARTICULARS OF MATTERS TO BE ACTED UPON - Approval of Amended Stock Option Plan*”.

Pension Plan Benefits

The Corporation does not have in place any deferred compensation plan or pension plan that provides for payments or benefits at, following or in connection with retirement.

Termination and Change of Control Benefits

The Corporation is not a party to any contract, agreement, plan or arrangement that provides for payments to a Named Executive Officer at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Corporation, its subsidiaries or affiliates or a change in a Named Executive Officer’s responsibilities other than as set forth herein.

DIRECTOR COMPENSATION

During the financial year ended December 31, 2021, the Corporation had three (3) directors, one (1) of which was also a Named Executive Officer. During the financial year ended December 31, 2022, the Corporation had three (3) directors, one (1) of which was also a Named Executive Officer. During the financial year ended December 31, 2023, the Corporation had four (4) directors, one (1) of which was also a Named Executive Officer. For a description of the compensation paid to the Named Executive Officers of the Corporation who also act as directors of the Corporation, see “*EXECUTIVE COMPENSATION*”.

Director Compensation Table

The following table sets forth all compensation provided to directors who are not also Named Executive Officers (“**Outside Directors**”) of the Corporation for the financial years ended December 31, 2021, December 31, 2022 and December 31, 2023.

Name	Year Ended Dec 31	Fees Earned (\$)	Share-Based Awards (\$) ⁽¹⁾	Option-Based Awards (\$) ⁽²⁾	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Hai Zhou	2021	Nil	Nil	Nil	Nil	Nil	\$171,429 ⁽⁴⁾	\$171,429
	2022	Nil	Nil	Nil	Nil	Nil	\$171,429 ⁽⁴⁾	\$171,429
	2023	Nil	Nil	Nil	Nil	Nil	\$171,429 ⁽⁴⁾	\$171,429
Fang Chen	2021	Nil	Nil	Nil	Nil	Nil	\$5,000 ⁽⁵⁾	\$5,000
	2022	Nil	Nil	Nil	Nil	Nil	\$5,000 ⁽⁵⁾	\$5,000
	2023	Nil	Nil	Nil	Nil	Nil	\$5,000 ⁽⁵⁾	\$5,000
Ngai Ho	2021	Nil	Nil	Nil	Nil	Nil	\$5,000 ⁽⁵⁾	\$5,000
	2022	Nil	Nil	Nil	Nil	Nil	\$5,000 ⁽⁵⁾	\$5,000
	2023	Nil	Nil	Nil	Nil	Nil	\$5,000 ⁽⁵⁾	\$5,000
Jeffrey Standen ⁽³⁾	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	\$88,000 ⁽⁵⁾	\$88,000

Notes:

- (1) “**Share-Based Award**” means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units and stock.

- (2) “**Option-Based Award**” means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights and similar instruments that have option-like features. The “grant date fair value” has been determined by using the Black-Scholes option pricing model.
- (3) Mr. Standen served as a director of the Corporation from February 1, 2023 to April 24, 2024.
- (4) Paid pursuant to the terms of a consulting agreement between the Corporation and Weiyi Investment Ltd., a company controlled by Mr. Zhou.
- (5) Paid for consulting services.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth details of all awards outstanding for each Outside Director of the Corporation as of the most recent financial year end, including awards granted before the most recently completed financial year.

Name	Number of Securities Underlying Unexercised Options (#)	Option-Based Awards			Share-Based Awards		
		Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised in-the-money Option ⁽¹⁾⁽²⁾ (\$)	Number of Shares or Units of Shares that have not vested (#)	Market or Payout Value of Share-Based Awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Hai Zhou	450,000	\$0.25	June 18, 2024	Nil	N/A	N/A	N/A
Fang Chen	Nil	N/A	N/A	Nil	N/A	N/A	N/A
Ngai Ho	Nil	N/A	N/A	N/A	N/A	N/A	N/A
Jeffrey Standen	Nil	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) Unexercised “in-the-money” options refer to the options in respect of which the market value of the underlying securities as at the financial year end exceeds the exercise or base price of the option.
- (2) The aggregate of the difference between the market value of the Common Shares as at December 29, 2023, being \$0.22 per Common Share, and the exercise price of the options.
- (3) The stock options held by Mr. Zhou expired on June 18, 2024, unexercised.

None of the awards disclosed in the table above have been transferred at other than fair market value.

Incentive Plan Awards - Value Vested or Earned During the Year

The following table sets forth the value of option-based awards and share-based awards which vested or were earned during the most recently completed financial year for Outside Directors of the Corporation.

Name	Option-Based Awards - Value vested during the year ⁽¹⁾ (\$)	Share-Based Awards - Value vested during the year (\$)	Non-Equity Incentive Plan Compensation - Value earned during the year (\$)
Hai Zhou	N/A	N/A	N/A
Fang Chen	N/A	N/A	N/A
Ngai Ho	N/A	N/A	N/A
Jeffrey Standen	N/A	N/A	N/A

Note:

- (1) All option-based awards have been granted as fully vested. See “Outstanding Share-Based Awards and Option-Based Awards” for the value of unexercised in-the-money options. Based on the difference between the market price of the Common Shares at the vesting date and the exercise price.

Narrative Discussion

The significant terms of the Plan are disclosed in this Management Information Circular under “*PARTICULARS OF MATTERS TO BE ACTED UPON - Approval of Amended Stock Option Plan*”.

Other Compensation

Other than as set forth herein, the Corporation did not pay any other compensation to executive officers or directors (including personal benefits and securities or properties paid or distributed which compensation was not offered on the same terms to all full time employees) during the last completed financial year other than benefits and perquisites which did not amount to \$10,000 or greater per individual.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth securities of the Corporation that are authorized for issuance under equity compensation plans as at the end of the Corporation’s most recently completed financial year.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding outstanding securities reflected in Column 1)⁽¹⁾
Equity compensation plans approved by securityholders	750,000	\$0.25 per Common Share	7,519,997 Common Shares
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	750,000	\$0.25 per Common Share	7,519,997 Common Shares

Note:

- (1) The aggregate number of Common Shares that may be reserved for issuance under the Plan shall not exceed 10% of the Corporation’s issued and outstanding shares.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer, employee or former director, executive officer or employee of the Corporation nor any of their associates or affiliates, is, or has been at any time since the beginning of the last completed financial year, indebted to the Corporation nor has any such person been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding, provided by the Corporation.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth herein, or as previously disclosed, the Corporation is not aware of any material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer, proposed nominee for election as a director or any shareholder holding more than 10% of the voting rights attached to the Common Shares or any associate or affiliate of any of the foregoing in

any transaction in the preceding financial year or any proposed or ongoing transaction of the Corporation which has or will materially affect the Corporation.

MANAGEMENT CONTRACTS

Other than as set forth herein, during the most recently completed financial year, no management functions of the Corporation were to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Corporation.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise set out herein, no director or executive officer of the Corporation or any proposed nominee of management of the Corporation for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting.

AUDIT COMMITTEE

Audit Committee Terms of Reference

The text of the Corporation's Audit Committee charter is set out under the heading "*Audit Committee Terms of Reference*" in the Corporation's Management Information Circular dated May 9, 2016 and filed on SEDAR+ at www.sedarplus.ca on May 17, 2016, which is incorporated by reference herein.

Audit Committee Composition

The following are the members of the Audit Committee, as at the date hereof:

Yingchuan Wu	Not Independent ⁽¹⁾	Financially literate ⁽¹⁾
Fang Chen	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Ngai Ho	Independent ⁽¹⁾	Financially literate ⁽¹⁾

Note:

- (1) As defined by National Instrument 52-110 ("**NI 52-110**").

Relevant Education and Experience

All of the members of the Audit Committee have been either directly or indirectly involved in the preparation of the financial statements, filing of quarterly and annual financial statements, dealing with auditors, or as a member of the Audit Committee. All members of the Audit Committee have the ability to read, analyze and understand the complexities surrounding the issuance of financial statements.

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (securities regulatory authority exemption).

Pre-Approval Policies and Procedures

The Audit Committee had adopted specific policies and procedures for the engagement of non-audit services as described above under the heading “*Audit Committee Terms of Reference - External Auditors*”.

External Auditor Service Fees

The aggregate fees billed by the Corporation’s external auditors in each of the last three fiscal years for audit and other fees are as follows:

Financial Year Ending December 31	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
2021	\$59,160	Nil	Nil	Nil
2022	\$70,000	Nil	Nil	Nil
2023	\$85,050	Nil	Nil	Nil

Exemption

The Corporation is relying upon the exemption in section 6.1 of NI 52-110, the exemption for Venture issuers in relation to the requirement that every audit committee member be independent.

CORPORATE GOVERNANCE

Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with the day to day management of the Corporation. The Board of Directors is committed to sound corporate governance practices which are both in the interest of its shareholders and contribute to effective and efficient decision making. To achieve this goal, the Corporation has implemented an Audit Committee Terms of Reference, a Whistle Blower Policy, an Insider Trading and Reporting Policy, and a Disclosure and Confidentiality Policy.

Pursuant to National Instrument 58-101 Disclosure of Corporate Governance Practices (“**NI 58-101**”), the Corporation is required to disclose its corporate governance practices as summarized below.

Board of Directors

The Board of Directors is currently comprised of four (4) members. All of these individuals are nominated for re-election at the Meeting. Mr. Zhou, Ms. Chen and Mr. Ho are the current independent directors of the Corporation.

Mr. Wu, the President and Chief Executive Officer of the Corporation, is a member of management and Mr. Zhou, due to the consulting fees paid to a corporation controlled by Mr. Zhou and his shareholdings, as a result, are not independent directors.

NI 58-101 suggests that the board of directors of a public company should be constituted with a majority of individuals who qualify as “independent” directors. An “independent” director is a director who has no direct or indirect material relationship with the Corporation. A material relationship is a relationship which could, in the view of the board of directors, reasonably interfere with the exercise of a director’s independent judgement. As disclosed above, the Board of Directors is comprised of a majority of independent directors. The independent judgement of the Board of Directors in carrying out its responsibilities is the responsibility of all directors. The Board of Directors of the Corporation facilitates

independent supervision of management through meetings of the Board of Directors and through frequent informal discussions among independent members of the Board of Directors and management. In addition, the Board of Directors have free access to the Corporation's external auditors, legal counsel and to any of the Corporation's officers.

Directorships

None of the directors of the Corporation is a director of any other reporting issuer.

Orientation and Continuing Education

Each new director is given an outline of the nature of the Corporation's business, its corporate strategy and current issues with the Corporation. New directors are also expected to meet with management of the Corporation to discuss and better understand the Corporation's business and are advised by counsel to the Corporation of their legal obligations as directors of the Corporation. New directors are also given copies of the Corporation's policies.

The introduction and education process will be reviewed on an annual basis by the Board of Directors and will be revised as necessary.

Ethical Business Conduct

The Board of Directors has considered adopting a written code of business conduct and ethics and has decided that it is not necessary to adopt such a code at the present time.

The Board of Directors has established a Whistle Blower Policy, which establishes the complaint procedure for concerns about any aspect of the Corporation's activities and operations. The Corporation has also adopted an Insider Trading and Reporting Policy which establishes procedures for when insiders may trade securities of the Corporation. The Corporation has also adopted a Disclosure and Confidentiality Policy which establishes procedures for ensuring adequate disclosure and compliance with disclosure requirements as well as procedures for maintaining confidentiality.

The Board of Directors has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board of Directors in which the director has an interest have been sufficient to ensure that the Board of Directors operates independently of management and in the best interests of the Corporation.

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In addition, as the directors of the Corporation also serve as directors and officers of other companies engaged in similar business activities, directors must comply with the conflict of interest provisions of the *Business Corporations Act* (Alberta), as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke such a conflict.

Nomination of Directors

The Board of Directors has not appointed a nominating committee. The Board of Directors determine new nominees to the Board of Directors although no formal process has been adopted. The nominees are generally the result of recruitment efforts by the Board of Directors members including both formal and informal discussions among the Board of Directors members and officers.

Compensation

The Board of Directors has not appointed a Compensation Committee. See “*EXECUTIVE COMPENSATION - Compensation Governance*” above.

Other Board of Directors Committees

The Corporation has no standing Committees at this time other than the Audit Committee, as discussed above and the Reserves Committee.

The members of the Reserves Committee are listed under “*PARTICULARS OF MATTERS TO BE ACTED UPON - Election of Directors*”. The responsibilities of the Reserves Committee includes reviewing the procedures relating to the disclosure of information with respect to oil and gas activities, reviewing the appointment of the independent evaluator and reviewing the annual filings required by National Instrument 51-101.

Assessments

The Board of Directors has not implemented a formal process for assessing its effectiveness or the effectiveness of its individual members or its committees. As a result of the Corporation's size, its stage of development and the limited number of individuals on the Board of Directors, the Board of Directors consider a formal assessment process to be unnecessary at this time. The Board of Directors plans to continue evaluating its own effectiveness on an ad hoc basis.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Board of Directors of the Corporation, the only matters to be brought before the meeting are those matters set forth in the accompanying Notice of Meeting.

1. Report and Financial Statements

The Board of Directors of the Corporation has approved all of the information in the audited financial statements of the Corporation for the financial years ended December 31, 2021, December 31, 2022 and December 31, 2023, and the reports of the auditor thereon, as well as the unaudited interim financial statements for the period ended June 30, 2024, copies of which are available on SEDAR+.

2. Fix Number of Directors to be Elected at the Meeting

Shareholders of the Corporation will be asked to consider and, if thought appropriate, to approve and adopt an ordinary resolution fixing the number of directors to be elected at the Meeting. In order to be effective, an ordinary resolution requires the approval of a majority of the votes cast by shareholders who vote in respect of the resolution.

At the Meeting, it will be proposed that four (4) directors be elected to hold office until the next annual general meeting or until their successors are elected or appointed. **Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote in favour of the ordinary resolution fixing the number of directors to be elected at the Meeting at four (4).**

3. Election of Directors

The Corporation currently has four (4) directors and all of these directors are being nominated for re-election. The following table sets forth the name of each of the persons proposed to be nominated for election as a director, all positions and offices in the Corporation presently held by such nominee, the nominee's municipality of residence, principal occupation at the present and during the preceding five years, the period during which the nominee has served as a director, and the number and percentage of

Common Shares of the Corporation that the nominee has advised are beneficially owned by the nominee, directly or indirectly, or over which control or direction is exercised, as of the Effective Date.

Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote for the election of the persons named in the following table to the Board of Directors. Management does not contemplate that any of such nominees will be unable to serve as directors; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, **proxies held by Management Designees will be voted for another nominee in their discretion unless the shareholder has specified in his form of proxy that his Common Shares are to be withheld from voting in the election of directors.** Each director elected will hold office until the next annual general meeting of shareholders or until his successor is duly elected, unless his office is earlier vacated in accordance with the by-laws of the Corporation or the provisions of the Business Corporations Act to which the Corporation is subject.

Name and Municipality of Residence	Present Office and Date First Appointed a Director	Principal Occupation and Positions Held During the Past Five Years	Number and % of Common Shares Beneficially Owned or Controlled as at the Effective Date⁽¹⁾
Yingchuan Wu ⁽²⁾⁽³⁾ Calgary, Alberta	President, Chief Executive Officer and Director July 23, 2018	Mr. Wu holds a PhD in reservoir development engineering from Southwest Petroleum University, China with 36 years of industry related experience, both domestically and internationally. Mr. Wu has been President and CEO of Vital Energy Inc. since July 2018.	Nil
Hai Zhou Shanghai, China	Director and Chairman of the Board of Directors June 18, 2014	Mr. Hai Zhou holds a diploma from the Party College of Gansu Province in Gansu, China. In the previous 15 years Mr. Zhou has been employed as President of Inner Mongolia Qiyuan Pharmaceutical Limited Co. and of Dukou Hailan District Wuhai City Inner Mongolia Opencast Coal Mine.	52,358,879 (63.31%)
Fang Chen ⁽²⁾⁽³⁾ Vancouver, British Columbia	Director June 18, 2014	Ms. Chen is a registered lawyer and certified economist in China. Ms. Chen has a Bachelor of Economics from Zhongshan University and a Master of Financial Management from Zhonnan Finance and Economics University. Ms. Chen has been involved with a number of public companies, including being the Chief Financial Officer of SGAS and China Hydroelectric Corporation, a company listed on the New York Exchange. Ms. Chen has been a director of the corporation since 2007 and is currently the managing director of Greenstone Investment Ltd.	450,000 (0.54%)
Ngai Ho ⁽²⁾⁽³⁾ Vancouver, British Columbia	Director July 4, 2016	Mr. Ho is a financial consultant with over 15 years of financial and banking experience. Mr. Ho is a graduate of the University of British Columbia, with a B.Comm.(Finance). Mr. Ho is currently a director of Amber Financial Services Corporation and prior thereto was with BMO's Commercial Banking Group, and Wholesale Banking Group at CITIC Bank International in Hong Kong.	997,600 (1.21%)

Notes:

- (1) The information as to shares beneficially owned, not being within the knowledge of the Corporation, has been furnished by the respective directors or is based on information available to the Corporation.
- (2) Member of the Audit Committee.
- (3) Member of the Reserves Committee.

Cease Trade Orders

No proposed director, within 10 years before the date of this Management Information Circular, has been a director, chief executive officer or chief financial officer of any company that:

(a) was subject to: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (collectively, an "Order") that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies

No proposed director, within 10 years before the date of this Management Information Circular, has been a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of the proposed director 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.

Personal Bankruptcies

No proposed director has, within 10 years before the date of this Management Information Circular, 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 such proposed director.

Penalties and Sanctions

No proposed director has been subject to:

(a) 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

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director,

other than a settlement agreement entered into before December 31, 2000 that would likely not be important to a reasonable securityholder in deciding whether to vote for a proposed director.

4. Appointment of Auditor

The shareholders of the Corporation will be asked to vote for the appointment of MNP LLP as auditor of the Corporation. **Unless directed otherwise by a proxy holder, or such authority is withheld, the Management Designees, if named as proxy, intend to vote the Common Shares represented by any such proxy in favour of a resolution appointing MNP LLP, as auditor of the Corporation, to hold office until the close of the next annual general meeting of shareholders or until MNP LLP is removed from office or resigns as provided by the Corporation's by-laws, and the Management Designees also**

intend to vote the Common Shares represented by any such proxy in favour of a resolution authorizing the Board of Directors to fix the compensation of the auditor.

Crowe MacKay LLP, the former auditor, tendered their resignation upon their own initiative, as auditors of the Company and effective October 7, 2024 the directors of the Corporation have appointed MNP LLP, Chartered Accountants, as successor auditors in their place on October 7, 2024.

In accordance with Part 4.11 of National Instrument 51-102, the “Reporting Package”, which includes the notice of change of auditor, letter from the former auditor, and the letter from the successor auditor, was filed on October 8, 2024 with the necessary securities commissions and on SEDAR+, and copies of these documents are attached hereto and made a part hereof as Exhibit II.

5. Approval of Amended Stock Option Plan

The Corporation is proposing to replace the current stock option plan (“**Plan**”) with an amended stock option plan (the “**Amended Plan**”) in substantially the form attached as Exhibit I. The Amended Plan is substantially the same as the Plan, however, the Amended Plan allows for the exercise of stock options on a cashless and net exercise basis and contains other minor amendments to ensure compliance with TSX Venture Exchange (the “**Exchange**”) Policy 4.4 – *Security Based Compensation* (“**Policy 4.4**”) which was implemented by the Exchange on November 24, 2021.

The Board of Directors of the Corporation approved the adoption of the Amended Plan by a directors’ resolution dated effective October 23, 2024, subject to the approval of the Exchange and the approval of the shareholders of the Corporation. As a result, and assuming such approvals are obtained, the Plan will be of no further force and effect and all options and stock option agreements issued under the Plan will be deemed to be issued under the Amended Plan and henceforth governed under the Amended Plan.

Policy 4.4 allows for the option and ability to exercise stock options on both a cashless exercise and net exercise basis. Pursuant to the Amended Plan, under a cashless exercise, a brokerage firm will loan money to a participant under the Amended Plan to purchase common shares underlying the options and will sell a sufficient number of common shares to cover the exercise price of such options in order to repay the loan made to the participant and the participant retains the balance of the common shares. In connection with a net exercise, a participant under the Amended Plan would receive common shares equal in value to the difference between the exercise price and the fair market value of the common shares on the date of exercise, computed in accordance with the Amended Plan.

In addition, in accordance with Policy 4.4, pursuant to the Amended Plan, amendments to any of the following provisions of the Amended Plan are subject to shareholder approval:

- (a) persons eligible to be granted or issued options under the Amended Plan;
- (b) the maximum number or percentage, as the case may be, of listed shares that may be issuable under the Amended Plan;
- (c) the limits under the Amended Plan on the amount of options that may be granted or issued to any one person or any category of persons (such as, for example, Insiders);
- (d) the method for determining the exercise price of the options;
- (e) the maximum term of the options;
- (f) the expiry and termination provisions applicable to the options, including the addition of a blackout period;
- (g) the addition of a Cashless Exercise or Net Exercise (as those terms are defined in the policies of the Exchange) provision; and
- (h) any method or formula for calculating prices, values or amounts under the Plan that may result in a benefit to a Participant, including but not limited to the formula for calculating the appreciation of a Stock Appreciation Right (as defined in the policies of the Exchange).

The other significant terms of the Amended Plan are summarized as follows. The Amended Plan shall be administered by the Board of Directors of the Corporation, or if appointed, by a special committee of directors appointed from time to time by the Board of Directors. The aggregate number of Common Shares which may be reserved for issuance under the Amended Plan shall not exceed 10% of the Corporation's issued and outstanding Common Shares. The number of Common Shares subject to an option to a participant shall be determined by the Board of Directors, but no participant shall be granted an option which exceeds the maximum number of shares permitted by any stock exchange on which the Common Shares are then listed, or other regulatory body having jurisdiction. The exercise price of the Common Shares covered by each option shall be determined by the Board of Directors, provided however, that the exercise price shall not be less than the price permitted by any stock exchange on which the Common Shares are then listed, or other regulatory body having jurisdiction. The maximum length any option shall be ten (10) years from the date the option is granted, provided that participant's options expire ninety (90) days after a participant ceases to act for the Corporation, subject to extension at the discretion of the Board of Directors, except upon the death of a participant, in which case the participant's estate shall have twelve (12) months in which to exercise the outstanding options. The Amended Plan includes a provision that should an option expiration date fall within a blackout period, the expiration date will automatically be extended for ten (10) business days following the end of the blackout period.

The Amended Plan is subject to the following limitations on grants and issuances:

- (a) the number of Common Shares reserved for issuance to insiders (as a group) pursuant to all security based compensation granted to a participant at any point in time and during any 12 month period shall not exceed 10% of the issued and outstanding Common Shares;
- (b) the number of Common Shares reserved for issuance to any one participant pursuant to all security based compensation granted to a participant during any 12 month period shall not exceed 5% of the issued and outstanding Common Shares;
- (c) the number of Common Shares reserved for issuance to any one participant, who is a consultant, during any 12 month period shall not exceed 2% of the issued and outstanding Common Shares; and
- (d) the number of Common Shares reserved for issuance to all participants who are engaged or employed in investor relations activities during any 12 month period shall not exceed in the aggregate 2% of the issued and outstanding Common Shares.

The shareholders will be asked to consider and if thought fit, approve an ordinary resolution approving and adopting the Amended Plan as the Corporation's stock option plan. In order for the resolution approving and adopting the Amended Plan to be effective, it must be approved by the affirmative vote of a majority of the votes cast in respect thereof by shareholders present in person or by proxy at the Meeting. **In the absence of contrary direction, the Management Designees intend to vote proxies in the accompanying form in favour of this ordinary resolution.**

The text of the ordinary resolution which will be placed before the Meeting for the approval of the Amended Plan is as follows:

“BE IT RESOLVED as an ordinary resolution that:

- 1. the stock option plan of the Corporation in substantially the form attached as Exhibit I to the Management Information Circular dated October 23, 2024, (the “Amended Plan”) be and is hereby ratified, approved and adopted as the stock option plan of the Corporation;**
- 2. the form of the Amended Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Corporation;**
- 3. the termination of the current stock option plan (the “Plan”) of the Corporation is hereby approved;**

4. all issued and outstanding stock options previously granted under the Plan are hereby continued under and governed by the Amended Plan;
5. the shareholders of the Corporation hereby expressly authorize the Board of Directors to revoke this resolution before it is acted upon without requiring further approval of the shareholders in that regard; and
6. any one (or more) director or officer of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to this ordinary resolution.”

Unless otherwise directed, it is the intention of the Management Designees to vote proxies in favour of the resolution approving the Amended Plan. In order to be effective, an ordinary resolution requires the approval of a majority of the votes cast by shareholders who vote in respect to the resolution.

OTHER BUSINESS

While there is no other business other than that business mentioned in the Notice of Meeting to be presented for action by the shareholders at the Meeting, **it is intended that the proxies hereby solicited will be exercised upon any other matters and proposals that may properly come before the Meeting or any adjournment or adjournments thereof, in accordance with the discretion of the persons authorized to act thereunder.**

GENERAL

Unless otherwise directed, it is management’s intention to vote proxies in favour of the resolutions set forth herein. All special resolutions to be brought before the Meeting require, for the passing of the same, a two-thirds majority of the votes cast at the Meeting by the holders of Common Shares. All ordinary resolutions require, for the passing of the same, a simple majority of the votes cast at the Meeting by the holders of Common Shares. All approvals by disinterested shareholders require the approval of the shareholders not affected by, or interested in, the matter to be approved.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR+ at www.sedarplus.ca. Financial information of the Corporation’s most recently completed financial year is provided, or will be provided, in the Corporation’s comparative financial statements and management discussion and analysis available on SEDAR+. A shareholder may contact the Corporation at:

Vital Energy Inc.
Suite 620, 634 – 6th Ave. SW
Calgary, AB T2P 0S4
Attention: President

to obtain a copy of the Corporation’s most recent financial statements and management discussion and analysis.

BOARD APPROVAL

The contents and the sending of this Management Information Circular have been approved by the Board of Directors of the Corporation.

EXHIBIT I

VITAL ENERGY INC.

Stock Option Plan

1. Purpose

The purpose of the Plan is to provide an incentive to the directors, officers, employees and consultants of Vital Energy Inc. (the "**Corporation**") or any of its subsidiaries to achieve the longer-term objectives of the Corporation; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation; and to attract and retain in the employ of the Corporation or any of its subsidiaries, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Corporation.

2. Definitions And Interpretation

When used in this Plan, unless there is something in the subject matter or context inconsistent therewith, the following words and terms shall have the respective meanings ascribed to them as follows:

- (a) "**Board of Directors**" means the Board of Directors of the Corporation;
- (b) "**Common Shares**" means common shares in the capital of the Corporation and any shares or securities of the Corporation into which such common shares are changed, converted, subdivided, consolidated or reclassified;
- (c) "**Corporation**" means Vital Energy Inc. and any successor corporation and any reference herein to action by the Corporation means action by or under the authority of its Board of Directors or a duly empowered committee appointed by the Board of Directors;
- (d) "**Exchange**" means the TSX Venture Exchange Inc. or any other stock exchange on which the Common Shares are listed;
- (e) "**Exchange Policies**" means, collectively, Policy 4.4 of the Exchange entitled "Security Based Compensation", Policy 1.1 of the Exchange entitled "Interpretation" and any other policies set forth in the Corporate Finance Manual of the Exchange applicable to incentive stock options;
- (f) "**Option**" means an option granted by the Corporation to an Optionee entitling such Optionee to acquire a designated number of Common Shares from treasury at a price determined by the Board of Directors;
- (g) "**Option Period**" means the period determined by the Board of Directors during which an Optionee may exercise an Option not to exceed the maximum period permitted by the Exchange, which maximum period is ten (10) years from the date the Option is granted;
- (h) "**Optionee**" means a person who is a director, officer, employee or consultant of the Corporation or a subsidiary of the Corporation; a corporation wholly-owned by such persons; or any other individual or body corporate who may be granted an option pursuant to the requirements of the Exchange, who is granted an Option pursuant to this Plan; and
- (i) "**Plan**" shall mean the Corporation's incentive stock option plan as embodied herein and as from time to time amended.

Capitalized terms in the Plan that are not otherwise defined herein shall have the meaning set out in the Exchange Policies, including without limitation "Consultant", "Discounted Market Price", "Employee",

"Insider", "Investor Relations Activities", "Management Company Employee", "Security Based Compensation", "Tier 1 Issuer" and "Tier 2 Issuer".

Wherever the singular or masculine is used in this Plan, the same shall be construed as meaning the plural or feminine or body corporate and vice versa, where the context or the parties so require.

3. Administration

The Plan shall be administered by the Board of Directors. The Board of Directors shall have full and final discretion to interpret the provisions of the Plan and to prescribe, amend, rescind and waive rules and regulations to govern the administration and operation of the Plan. All decisions and interpretations made by the Board of Directors shall be binding and conclusive upon the Corporation and on all persons eligible to participate in the Plan, subject to the approval of the Exchange (including shareholder approval if required by the Exchange). Notwithstanding the foregoing or any other provision contained herein, the Board of Directors shall have the right to delegate the administration and operation of the Plan to a special committee of directors appointed from time to time by the Board of Directors, in which case all references herein to the Board of Directors shall be deemed to refer to such committee.

4. Eligibility

The Board of Directors may at any time and from time to time designate those Optionees who are to be granted an Option pursuant to the Plan and grant an Option to such Optionee. Subject to Exchange Policies and the limitations contained herein, the Board of Directors is authorized to provide for the grant and exercise of Options on such terms (which may vary as between Options) as it shall determine. No Option shall be granted to any person unless the Option is allocated to an Optionee which shall be evidenced by the approval of the Board of Directors. A person who has been granted an Option may, if he is otherwise eligible and if permitted by Exchange Policies, be granted an additional Option or Options if the Board of Directors shall so determine. Pursuant to Exchange Policies, the Corporation and Optionee shall represent that the Optionee is a bona fide Employee, Consultant or Management Company Employee in respect of Options granted to such Optionee.

5. Participation

Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Optionee's relationship or employment with the Corporation.

Notwithstanding any express or implied term of this Plan or any Option to the contrary, the granting of an Option pursuant to the Plan shall in no way be construed as conferring on any Optionee any right with respect to continuance as a director, officer, employee or consultant of the Corporation or any subsidiary of the Corporation.

Options shall not be affected by any change of employment of the Optionee or by the Optionee ceasing to be a director or officer of or a consultant to the Corporation or any of its subsidiaries, where the Optionee at the same time becomes or continues to be a director, officer or employee of or a consultant to the Corporation or any of its subsidiaries.

No Optionee shall have any of the rights of a shareholder of the Corporation in respect of Common Shares issuable on exercise of an Option until such Common Shares shall have been paid for in full and issued by the Corporation on exercise of the Option, pursuant to this Plan.

6. Common Shares Subject to Options

The number of authorized but unissued Common Shares that may be issued upon the exercise of Options granted under the Plan at any time plus the number of Common Shares reserved for issuance under outstanding incentive stock options otherwise granted by the Corporation shall not exceed ten percent

(10%) of the issued and outstanding Common Shares on a non-diluted basis as at the date of grant or issuance of Options under this Plan subject to the following limitations:

- (a) the aggregate number of Common Shares issuable pursuant to all Options granted to any one Optionee (and companies wholly owned by that Optionee) in a twelve (12) month period must not exceed 5% of the issued and outstanding Common Shares, calculated on the date the Options are granted or issued to the Optionee (unless the Corporation has obtained the requisite disinterested shareholder approval);
- (b) the maximum number of Common Shares reserved for issuance pursuant to all Options granted to Insiders (as a group) must not exceed 10% of the issued and outstanding Common Shares at any point in time (unless the Corporation has obtained the requisite disinterested shareholder approval);
- (c) the grant to Insiders (as a group), within a twelve (12) month period, of an aggregate number of Options must not exceed 10% of the issued and outstanding Common Shares, calculated as at the date the Options are granted or issued to any Insider (unless the Corporation has obtained the requisite disinterested shareholder approval);
- (d) the aggregate number of Options granted to any one Consultant, within a twelve (12) month period, must not exceed 2% of the issued and outstanding Common Shares, calculated as at the date the Options are granted or issued to the Consultant;
- (e) the aggregate number of Options granted to all persons employed to provide investor relation activities shall not exceed 2% of the issued and outstanding Common Shares of the Corporation in any twelve (12) month period, calculated as at the date an Option is granted or issued to any such person. Options granted to persons retained to perform investor relations activities will contain vesting provisions such that vesting occurs over at least 12 months with no more than 1/4 of the Options vesting in any 3 month period; and
- (f) Consultants performing investor relations activities may not receive any Security Based Compensation other than Options.

Appropriate adjustments shall be made as set forth in Section 17 hereof in both the number of Common Shares covered by individual grants and the total number of Common Shares authorized to be issued hereunder, to give effect to any relevant changes in the capitalization of the Corporation.

If any Option granted hereunder has been settled in cash, cancelled, terminated, surrendered, forfeited or expired without being exercised, and pursuant to which no securities have been issued, such Common Shares subject thereto shall again be available for the purpose of the Plan.

7. Option Agreement

A written agreement will be entered into between the Corporation and each Optionee to whom an Option is granted hereunder, which agreement will set out the number of Common Shares subject to option, the exercise price and any other terms and conditions approved by the Board of Directors, all in accordance with the provisions of this Plan (herein referred to as the "**Stock Option Agreement**"). The Stock Option Agreement will be in such form as the Board of Directors may from time to time approve, and may contain such terms as may be considered necessary in order that the Option will comply with any provisions respecting options in the income tax or other laws in force in any country or jurisdiction of which the Optionee may from time to time be a resident or citizen or the rules of the Exchange or any other regulatory body having jurisdiction over the Corporation.

8. Option Period and Exercise Price

Each Option and all rights thereunder shall be expressed to expire on the date set out in the respective Stock Option Agreement, which date shall be no later than the expiry of the Option Period (the "**Expiry Date**"), subject to (a) earlier termination as provided in Sections 13, 14 and 19 hereof and (b) extension where the Expiry Date falls within a Black Out Period, as defined below. There shall be no acceleration of the vesting provisions to Options issued to persons employed to provide investor relation activities without prior Exchange acceptance.

Should the Expiry Date fall within a Black Out Period, such Expiry Date shall be automatically extended without any further act or formality to that date which is the tenth (10th) business day after the expiry of the Black Out Period, such tenth (10th) business day to be considered the Expiry Date for such Option for all purposes under the Plan. The ten (10) business day period referred to in this paragraph may not be extended by the Board of Directors.

"**Black Out Period**" means the period during which the relevant Optionee is prohibited from exercising an Option due to trading restrictions imposed by the Corporation pursuant to any internal trading policy of the Corporation as a result of the bona fide existence of undisclosed material information. The internal trading policy of the Corporation is in respect of a restriction on trading that is in effect at that time or a notice in writing to a Optionee by a senior officer or director of the Corporation. The Black Out Period shall expire following the general disclosure of the undisclosed material information.

Subject to Exchange Policies and any limitations imposed by any other regulatory authority having jurisdiction over the Corporation, the exercise price of an Option granted under the Plan (the "**Exercise Price**") shall be as determined by the Board of Directors when such Option is granted and shall be an amount at least equal to the Discounted Market Price of the Common Shares.

9. Hold Period

All Options are subject to Exchange hold periods where applicable. A 4-month hold period (commencing on the date the Options are granted) is required for Options granted to:

- (a) directors, officers and promoters of the Corporation;
- (b) Consultants of the Corporation;
- (c) Persons holding securities carrying more than 10% of the voting rights attached to the Corporation's securities both immediately before and after the transaction in which securities are issued, and who have elected or appointed or have the right to elect or appoint one or more directors or senior officers of the Corporation;
- (d) Options granted by the Corporation to an Optionee with an Exercise Price that is less than the applicable market price; or
- (e) securities issued at a price or deemed price that is less than \$0.05.

10. Exercise of Options

An Optionee shall be entitled to exercise an Option granted to him at any time prior to the Expiry Date, subject to Sections 13, 14 and 19 hereof and to vesting limitations which may be imposed by the Board of Directors at the time such Option is granted as set out in the Stock Option Agreement. Subject to Exchange Policies, the Board of Directors may, in its sole discretion, determine the time during which an Option shall vest and the method of vesting, or that no vesting restriction shall exist.

The exercise of any Option will be conditional upon receipt by the corporation at its head office of a written notice of exercise, specifying the number of Common Shares in respect of which the Option is being

exercised, accompanied by cash payment, certified cheque or bank draft for the Exercise Price (the “**Option Exercise Notice**”).

11. Cashless Exercise

Without limiting the foregoing Section 9, unless otherwise determined by the Board of Directors or not compliant with any applicable laws or Exchange Policies, an Optionee may elect cashless exercise in its Option Exercise Notice. In such case, the Optionee will not be required to deliver to the Corporation a cheque or other form of payment for the aggregate Exercise Price referred to above. Instead the following provisions will apply:

- (a) The Optionee will instruct a broker to sell through the stock exchange or market on which the Common Shares are listed or quoted, sufficient number of Common Shares issuable on the exercise of Options to cover the Exercise Price, as soon as possible upon the issue of such Common Shares to the Optionee at the then applicable bid price of the Common Shares.
- (b) Before the relevant trade date, the Optionee will deliver the Option Exercise Notice including details of the trades to the Corporation electing the cashless exercise and the Corporation will direct its registrar and transfer agent to issue a certificate for such Optionee’s Common Shares in the name of the broker (or as the broker may otherwise direct) for the number of Common Shares issued on the exercise of the Options, against payment by the broker to the Corporation of (i) the Exercise Price for such Common Shares; and (ii) the amount the Corporation determines, in its discretion, is required to satisfy the Corporation withholding tax and source deduction remittance obligations in respect of the exercise of the Options and issuance of Common Shares.

12. Net Exercise

Subject to prior approval by the Board of Directors, an Optionee may elect to surrender for cancellation to the Corporation any vested Options being exercised and the Corporation will issue to the Optionee, as consideration for the surrender of such Options, that number of Common Shares (rounded down to the nearest whole Common Share) on a net issuance basis in accordance with the following formula below:

$$X = \frac{Y(A - B)}{A}$$

where:

- X = The number of Common Shares to be issued to the Optionee in consideration for the net exercise of the Options under this Section 12;
- Y = The number of vested Options with respect to the vested portion of the Option to be surrendered for cancellation;
- A = The volume weighted average trading price of the Common Shares on the Exchange calculated by dividing the total value by the total volume of such securities trade for the five trading days immediately preceding the exercise of the subject Option; and
- B = The Exercise Price for such Options.

Persons employed to provide investor relation activities shall not use the Net Exercise provisions as defined in this Section 12 to exercise Options.

13. Ceasing to be a Director, Officer, Employee or Consultant

If an Optionee ceases to be a director, officer, employee or consultant of the Corporation or its subsidiaries for any reason other than death, any Options granted to such Optionee must expire within a reasonable period following the Optionee's ceasing to be a director, officer, employee or consultant, as the case may be, and in all cases must expire no later than the 12 months following the Optionee's ceasing to be a director, officer, employee or consultant, as the case may be; however, such Options may be exercised by an Optionee who has ceased to be a director, officer, employee or consultant only if the Optionee was entitled to exercise the Options at the date of such cessation pursuant to the terms of the Optionee's Stock Option Agreement.

14. Death of Optionee

In the event of the death of an Optionee, the Option previously granted to him shall be exercisable within one (1) year following the date of the death of the Optionee or prior to the Expiry Date, whichever is earlier, and then only:

- (a) by the person or persons to whom the Optionee's rights under the Option shall pass by the Optionee's will or the laws of descent and distribution, or by the Optionee's legal personal representative; and
- (b) to the extent that the Optionee was entitled to exercise the Option at the date of the Optionee's death pursuant to the terms of the Optionee's Stock Option Agreement.

15. Optionee's Rights Not Transferable

No right or interest of any Optionee in or under the Plan is assignable or transferable, in whole or in part, either directly or by operation of law or otherwise in any manner except pursuant to Section 14 hereof, subject to the requirements of the Exchange, or as otherwise allowed by the Exchange.

16. Takeover or Change of Control

The Corporation shall have the power, in the event of:

- (a) any disposition of all or substantially all of the assets of the Corporation, or the dissolution, merger, amalgamation or consolidation of the Corporation with or into any other corporation or of such corporation into the Corporation, or
- (b) any change in control of the Corporation,

to make such arrangements as it shall deem appropriate for the exercise of outstanding Options or continuance of outstanding Options, including without limitation, to amend any Stock Option Agreement to permit the exercise of any or all of the remaining Options prior to the completion of any such transaction. If the Corporation shall exercise such power, the Option shall be deemed to have been amended to permit the exercise thereof in whole or in part by the Optionee at any time or from time to time as determined by the Corporation prior to the completion of such transaction.

17. Anti-Dilution of the Option

In the event of:

- (a) any subdivision, redivision or change of the Common Shares at any time during the term of the Option into a greater number of Common Shares, the Corporation shall deliver, at the time of any exercise thereafter of the Option, such number of Common Shares as would

have resulted from such subdivision, redivision or change if the exercise of the Option had been made prior to the date of such subdivision, redivision or change:

- (b) any consolidation or change of the Common Shares at any time during the term of the Option into a lesser number of Common Shares, the number of Common Shares deliverable by the Corporation on any exercise thereafter of the Option shall be reduced to such number of Common Shares as would have resulted from such consolidation or change if the exercise of the Option had been made prior to the date of such consolidation or change;
- (c) any reclassification of the Common Shares at any time outstanding or change of the Common Shares into other shares, or in case of the consolidation, amalgamation or merger of the Corporation with or into any other corporation (other than a consolidation, amalgamation or merger which does not result in a reclassification of the outstanding Common Shares or a change of the Common Shares into other shares), or in case of any transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation, at any time during the term of the Option, the Optionee shall be entitled to receive, and shall accept, in lieu of the number of Common Shares to which he was theretofore entitled upon exercise of the Option, the kind and amount of shares and other securities or property which such holder would have been entitled to receive as a result of such reclassification, change, consolidation, amalgamation, merger or transfer if, on the effective date thereon he had been the holder of the number of Common Shares to which he was entitled upon exercise of the Option.

Adjustments shall be made successively whenever any event referred to in this section shall occur. For greater certainty, the Optionee shall pay for the number of shares, other securities or property as aforesaid, the amount the Optionee would have paid if the Optionee had exercised the Option prior to the effective date of such subdivision, redivision, consolidation or change of the Common Shares or such reclassification, consolidation, amalgamation, merger or transfer, as the case may be. Notwithstanding the foregoing, any adjustment, other than in connection with a security consolidation or security split, to Options granted or issued under this Plan must be subject to the prior acceptance of the Exchange, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

18. Costs

The Corporation shall pay all costs of administering the Plan.

19. Termination and Amendment

The Board of Directors may terminate or discontinue the Plan at any time without the consent of the Optionees provided that such termination or discontinuance shall not alter or impair any Option previously granted under the Plan.

The Board of Directors may not amend this Plan or issuances of Options without prior Exchange acceptance and shareholder approval where applicable. For greater certainty, without limitation, amendments to any of the following provisions of the Plan will be subject to shareholder approval:

- (a) persons eligible to be granted or issued Options under the Plan;
- (b) the maximum number or percentage, as the case may be, of listed shares that may be issuable under the Plan;
- (c) the limits under the Plan on the amount of Options that may be granted or issued to any one person or any category of persons (such as, for example, Insiders);
- (d) the method for determining the exercise price of the Options;

- (e) the maximum term of the Options;
- (f) the expiry and termination provisions applicable to the Options; and
- (g) any method or formula for calculating prices, values or amounts under the Plan that may result in a benefit to a Optionee.

Notwithstanding the foregoing, the following types of amendments to the Plan are not subject to shareholder approval:

- (a) amendments to fix typographical errors; or
- (b) amendments to clarify existing provisions of the Plan which does not have the effect of altering the scope, nature and intent of such provisions.

Where shareholder approval is sought for amendments to reduce the Exercise Price of an outstanding Option, including a cancellation of an Option and re-grant of an Option in conjunction therewith, constituting a reduction of the Exercise Price of the Option, the votes attached to Common Shares held directly or indirectly by Insiders benefiting from the amendments will be excluded.

Disinterested shareholder approval must be obtained for any reduction in the exercise price of an Option, or the extension of the term of an Option, if the Optionee is an Insider of the Corporation at the time of the proposed amendment.

20. Applicable Law

This Plan shall be governed by, administered and construed in accordance with the laws of Canada applicable therein.

21. Prior Plans

On the effective date (as defined in Section 22 hereof), subject to Exchange approval and, if required, shareholder approval:

- (a) the Plan shall entirely replace and supersede prior stock option plans, if any, enacted by the Corporation; and
- (b) all outstanding options shall be deemed to be granted pursuant to the Plan.

22. Effective Date

This Plan shall become effective as of and from, and the effective date of the Plan shall be, the date of shareholder approval for the Plan, if such approval is required by the Exchange, subject to final Exchange approval for the Plan, or the date of final Exchange approval for the Plan if the Exchange does not require shareholder approval for the Plan.

23. Withholding Taxes

The Corporation shall have the authority to take steps for the deduction and withholding, or for the advance payment or reimbursement by the Optionee to the Corporation, of any taxes or other required source deductions which the Corporation is required by law or regulation of any governmental authority whatsoever to remit in connection with this Plan, or any issuance of Common Shares upon exercise of Options ("**Optioned Shares**"). Without limiting the generality of the foregoing, the Corporation may, in its sole discretion:

- (a) deduct and withhold additional amounts from other amounts payable to an Optionee;
- (b) require, as a condition of the issuance of Optioned Shares to an Optionee that the Optionee make a cash payment to the Corporation equal to the amount, in the Corporation's opinion, required to be withheld and remitted by the Corporation for the account of the Optionee to the appropriate governmental authority and the Corporation, in its discretion, may withhold the issuance or delivery of Optioned Shares until the Optionee makes such payment; or
- (c) sell, on behalf of the Optionee, all or any portion of Optioned Shares otherwise deliverable to the Optionee until the net proceeds of sale equal or exceed the amount which, in the Corporation's opinion, would satisfy any and all withholding taxes and other source deductions for the account of the Optionee.

EXHIBIT II

VITAL ENERGY INC.
Suite 620, 634 – 6th Avenue, SW
Calgary, Alberta T2P 0S4

NOTICE OF CHANGE OF AUDITOR
Pursuant to NI 51-102 (Part 4.11)

TO: Crowe MacKay LLP

AND TO: MNP LLP

AND TO: Alberta Securities Commission
British Columbia Securities Commission
Ontario Securities Commission

It is proposed that Vital Energy Inc. (the “**Corporation**”) will change its auditor from Crowe MacKay LLP (the “**Former Auditor**”) to MNP LLP (the “**Successor Auditor**”) effective as of October 7, 2024.

The Former Auditor resigned at the request of the Corporation on October 7, 2024. The Audit Committee’s recommendation to the Board of Directors for the change of auditor was made due to the Corporation’s desire to move to a different audit firm.

The Corporation further reports there were no reservations in the Former Auditor’s reports on the Corporation’s financial statements for the period commencing at the beginning of the Corporation’s two most recently completed financial years and ending on the date of resignation of the Former Auditor.

There are no reportable events including disagreements, consultations, or unresolved issues as defined in NI 51-102 (Part 4.11) between the Corporation and the Former Auditor. The change of the auditor and the recommendation to appoint the Successor Auditor was approved by the Audit Committee and the Board of Directors of the Corporation.

DATED this 7th day of October, 2024.

VITAL ENERGY INC.

Per: Signed “Zhen Jiang”
Zhen Jiang
Chief Financial Officer



October 7, 2024

TO: Alberta Securities Commission
British Columbia Securities Commission
Ontario Securities Commission

Dear Sirs/Madams:

Re: Vital Energy Inc. (the "Corporation")

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*, we have reviewed the information contained in the Corporation's Notice of Change of Auditor, dated October 7, 2024 ("the **Notice**") and, based on our knowledge of such information at this time, we agree with the statements made in the Notice pertaining to our firm. We advise that we have no basis to agree or disagree with the comments in the Notice relating to Crowe MacKay LLP.

Yours very truly,

MNP LLP

Chartered Professional Accountants

MNP LLP

Suite 2000, 112 - 4th Avenue SW, Calgary AB, T2P 0H3

1.877.500.0792 T: 403.263.3385 F: 403.269.8450



MNP.ca



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www.crowemackay.ca

October 7, 2024

Alberta Securities Commission
British Columbia Securities Commission
Ontario Securities Commission

Dear Sirs/Mesdames:

Re: Vital Energy Inc. (the "Corporation")

As required by National Instrument 51-102, we have reviewed the information contained in the notice of change of auditor (the "**Notice**") for Vital Energy Inc. dated October 7, 2024 and, based upon our firm's knowledge of the circumstances, we do not disagree with the information contained in the Notice.

Yours truly,

Crowe MacKay LLP

Crowe MacKay LLP
Chartered Professional Accountants

